

## **Myths and realities: A critical exposé of older workers and industrial relations reforms in Australia**

Chris Kossen

*Faculty of Arts, University of Southern Queensland Australia.*

Email: [kossen@usq.edu.au](mailto:kossen@usq.edu.au)

Cec Pedersen

*Department of Management & Organisational Behaviour, University of Southern Queensland,*

Email: [cec@usq.edu.au](mailto:cec@usq.edu.au)

**Refereed paper presented at**



**Australian and New Zealand Academy of Management**

**2006 Conference - Rydges Capricorn Resort, via Rockhampton, Queensland, Australia**

*In the Critical Management Stream*

# Myths and realities: A critical exposé of older workers and industrial relations reforms in Australia

## ABSTRACT

A decisive 2004 fourth term win for the Howard Government and control over the Senate provided the Australian government with a strong mandate to further deregulate the labour market in the name of 'flexibility'. This conceptual paper uses a critical perspective to challenge the wisdom of neo-liberal market economics as the driving force behind the rapid expansion of non-traditional 'flexible' forms of work and argues that this kind of divestment strategy can produce negative long term consequences including under utilisation of labour and skill shortages stemming from a lack of investment in human capital. In the context of an ageing workforce and predictions that labour shortages are set to intensify long into the future, the Howard Government have adopted modest measures designed to counter age based discrimination and encourage workforce participation by older workers. However, it is also argued that the Government's labour market deregulation policies are reducing the availability of jobs that provide sufficient working conditions and remuneration to make workforce participation attractive to many of those not working. The erosion of employment conditions associated with a reformed 'flexible' workforce leads to underemployment and other employment outcomes that often fail to meet the needs of disadvantaged groups in the labour market. Recent research has shown that workforce participation rates among mature age workers in Australia have remained one of the lowest among OECD countries. However, the Government has recently begun embarking on reforms that appear to provide genuine incentives aimed specifically at attracting workforce participation among older workers.

*Keywords:* Older workers, ageism/ageist stereotypes, labour market deregulation, industrial relations reform, workforce flexibility, human capital investment.

## INTRODUCTION

This paper focuses on older workers as a group at risk of being marginalised in the labour market because they have been the traditional targets in organisational downsizing and restructures and after leaving the workforce they experience far greater difficulty obtaining work, particularly comparable and adequate employment. It will argue that the Australian Government's pursuit of continued labour market deregulation, including its WorkChoices 2005 legislation<sup>1</sup>, when combined with persistent ageist stereotypes that inform contemporary human resource practices, not only adversely affect the employment needs of many already marginalised older workers, but also the longer term productivity and labour supply needs of organisations and the future health of the Australian economy. It will do this by considering significant labour market trends, then particular myths and realities relating to

---

<sup>1</sup> Workplace Relations Amendment (Work Choices) Act 2005. This Bill amends the *Workplace Relations Act 1966* in relation to: creation of a national workplace relations system, including the establishment of the Australian Fair Pay Commission (AFPC) which will set and adjust minimum and award classification wages, minimum conditions of employment; direct bargaining between employers and employees; the role of the Australian Industrial Relations Commission, particularly in relation to regulation of industrial action; a simplified system of awards; transmission of business rules; protection of key award conditions in bargaining processes; dispute settlement procedures; and extension of the compliance regime. (<http://www.aph.gov.au/library/intguide/law/workchoicesbill.htm>)

older workers and industrial relations reforms. These will include the stigmatising of older workers through a medical model that regards age as a deficit; segmented labour market theory, employability and scarring; discussion of older worker productivity, performance and learning capacity; and views about older workers so far as human capital investment and returns from training are concerned. The paper will then consider recent WorkChoices 2005 industrial relations reforms and the cost of a 'flexible' workforce before concluding with some recent signs of genuine emerging interest in the employment of older workers.

## **SIGNIFICANT LABOUR MARKET TRENDS**

Australia's economic downturns and industrial restructuring, particularly in the 1970s and 1980s, was the leading force behind the mass retrenchment of mature age (or older) workers<sup>2</sup>, as they were the main target of early redundancy policies aimed at shedding workers (Trindler, Hulme & McCarthy 1992). Many workers in the mature age cohort also worked in industries experiencing the largest declines in demand for labour, including manufacturing and construction (Bureau of Labour Market Research [BLMR] 1983; VandenHeuvel 1999). At that time, large numbers of mature age males with relatively high standards of education were also retrenched from middle management and professional jobs. These displaced 'white collar' workers have experienced similar difficulties to their 'blue collar' counterparts in regaining secure full-time employment (Access Economics 2001; Bennington 2001; Borland 2004). Australian Bureau of Statistics (ABS) data (cited in Encel 2003) shows that from the mid 1990s to the present, one in three workers over 45 years are not in the workforce. While participation rates for mature age females have continued to increase markedly since the 1970s, participation rates for both females and males decrease dramatically as they become older mature age workers, that is, 55 years and over (ABS 2002a).

---

<sup>2</sup> Broadly speaking these terms (mature age and older) have been used interchangeably in the literature to define workers 45 years of age and over, however, the term mature age worker has become more popular in recent years. We have also made a further distinction using the term *older mature age workers* to refer to a subcategory of mature age workers aged 55 years and over. It should be noted that the term *worker* is also being used to refer to those who are unemployed and those forced into what may be considered early retirement - provided they available and willing to work (as per Australian Bureau of Statistics (ABS) definition).

Research has also shown that once unemployed, mature age workers experience considerably reduced success in regaining employment than those in younger age groups. As a result, mature age workers tend to be over represented in statistics on long-term unemployment (that is, people who have been unemployed for 12 months or more). Additionally, the duration of unemployment for mature age males more than doubled in the two decades between 1979 and 1999 from 25 to 59 weeks (ABS 1999a; 2002a; 2002b). During the same period the average duration of unemployment for females rose from 27 to 44 weeks (Landt & Pech 2001). Many of those in the mature age cohort have also had less access to education and training in comparison to younger cohorts and this further undermines the employment prospects of some mature aged workers<sup>3</sup>. Recent research has shown that workforce participation rates among older workers in Australia remain one of the lowest among OECD countries (OECD 2005).

The past decade has seen substantial growth in jobs, the bulk of which have not been in standard fulltime jobs, but instead in casual, short-term contracts, temporary labour hire and part-time forms of work (Hartmann 1998; Watson et. al. 2003). The high net growth of non-standard forms of employment and the continued trend in increased female participation has offset statistical data on unemployment levels for mature age workers. This, combined with the ABS's wide range categorisation of mature age workers as a group between 45-64 years, conceals the extent of unemployment, long term unemployment and underemployment among older mature age workers (underemployment categorised as a form of 'hidden unemployment').

---

<sup>3</sup> It is important to acknowledge that a substantial proportion of mature workers age workers are far from disadvantaged, indeed many are very well positioned, with high-ranking jobs that have high levels of job security and remuneration. But in spite of this, ageing, for many mature age workers is a major risk factor leading to marginalisation from the labour force (specifically from secure full-time employment). While highly educated professionals are the group least likely to be marginalised this profile does not make individuals immune from retrenchment and marginalisation, as is evidenced by the existence of support groups for marginalised ex-executives such as *Ex-Calibre*.

Research relating to employers' perceptions about employing mature age workers shows many continue to have serious concerns about a perceived lack of flexibility, ability to adapt to change and ability to learn and acquire new skills. These concerns are a major disincentive to employing older workers despite a wealth of empirical evidence to the contrary (Bennington & Wein 2000; Encel 2003; Encel & Studencki 2004; Pickersgill et al 1996; Ranzijn, Carson & Wineberg 2002; Salthouse & Maurer 1996; Sternberg et al 1996).

While Australian governments have adopted modest measures to help counter age discrimination and disadvantage in employment for older workers, they have to-date failed to give age discrimination and the marginalisation of older workers a significant level of attention. Although the Howard government gives the impression that age based marginalisation of older workers is fast becoming a key political priority, they appear to be more concerned with their WorkChoices 2005 agenda aimed at further deregulating the labour market - and this is likely to increase disadvantage among marginalised groups, including many vulnerable older workers. These legislative reforms represent a further progression towards the spreading of a 'contingent' model of precarious employment which drives down wages, conditions and job security, under the guise of 'flexibility' (Peetz 2005a). Burgess and de Ruyter (2000) and Crouch (1998) agree that this kind of flexibility is that it tends to erode labour standards and generate high rates of growth in non-standard employment and reduced numbers of secure fulltime jobs.

*The aim of the deregulation strategy is to produce more employment at the low end of the skill and income chain, simultaneously engineering a general shift in the character of security away from public policy and towards employer discretion as well as a major increase in social inequality.*  
(Crouch 1998:159)

In arguing his case for changes to industrial relations laws Prime Minister Howard has argued that employment conditions in Australia are damaging businesses because they are too inflexible. He has argued the changes provide employers with more flexibility and as a result higher rates of productivity needed to keep the economy strong, create more jobs and provide higher wages (Howard 2005). However, Peetz (2005a) contends that the higher workplace productivity argument is flawed and that in reality the reforms are aimed at driving down wages costs at the lower end of the income chain such as those working in the services sectors of the economy. He uses the following restaurant scenario to demonstrate this point:

*This is often dressed up productivity - for example... corporations may claim that not having to pay penalty rates for night or weekend work increases labour productivity in the hospitality industry. But it does not. There is no gain in the number of meals served per restaurant employee by abolishing their penalty rates. All that happens in this situation is that the wage cost per meal has gone down, and the profits go up (and restaurant workers' incomes go down), even though productivity is unchanged (Peetz 2005a:49).*

## **MYTHS AND REALITIES**

### ***Age as deficit accumulation - a medical model that stigmatises older workers***

Harris (1990) argues that the prevalence of unduly negative myths about ageing today have been heavily informed by the many studies on ageing conducted in the 1940s and 1950s. These studies focused on elderly who were ill and living in institutions, whilst elderly people in good health were largely neglected. While the medical model premised on disease and deterioration has promoted and reinforced negative stereotypes of ageing, research has shown that the declines human beings experience occur over a lifetime and for the majority of people these are very gradual with negligible mental decline for healthy people before their mid to late seventies and for many, into and beyond their eighties (Hendricks & Hendricks 1977; Hooyman & Asuman-Kiyak 1993).

Estes and Binney (1991) argue that ageing has been constructed as a process revolving around biological problems and deficit accumulation which works to conceal a reality that many of the problems associated with ageing are socially constructed. Estes (1991) also claims that these kinds of social pressures can function subtly to socialise older people into becoming less confident and independent. For example, age stereotypes often appear in everyday 'commonsense' expressions such as "You can't teach an old dog new tricks" which in itself promotes the view that older workers are not suitable candidates for education and training.

Older worker and employment literature shows that stereotypes of ageing, common among employers and the wider community, can start to disadvantage workers in their 40s and intensify in later decades (Encel 2003; Encel & Studencki 2004; Pickersgill et al 1996; Ranzijn, Carson & Wineberg 2002; Sternberg et al 1996). While negative views of ageing persist there are nonetheless some emergent signs that these are being challenged and re-evaluated, in light of people living longer and healthier lives. Anecdotely, for

example, it is now common to hear people talking about how the '40s are now the new 30s, 50s are the new 40s, and 60s are the new 50s.' With so many people now living healthier and long lives the prevailing 'deficit view' perceptions of ageing, older people and older workers are losing their fit with today's realities in terms of their capacity and potential for productivity in the workplace. However, social pressures including negative discrimination can result in reduced opportunities for personal development and workforce participation can greatly limit people's potential.

### ***Segmented labour market theory, employability and scarring***

Segmented labour market theory seeks to explain the existence of persistent discrimination against certain groups within the labour pool and in doing so poses a challenge to neo-liberal labour market theory which conceptualises non-rational discrimination as imperfect information - that is, temporary and self-correcting (Bauder 2001; Hiebert 2004). In simple terms, the segmented labour market model asserts that employers have a propensity to discriminate in the allocation of labour according to core work and peripheral work (Black 1995). Core sector jobs are seen as 'good' jobs on the basis they are well paid and secure (tend to be regular or fulltime and permanent/ongoing) with good conditions (paid sick and holiday leave) while also providing opportunities for skill development, training and career progression though to higher ranks and pay rates.

In contrast, peripheral sector jobs tend to require fewer skills, and provide low rates of pay, have little job security, tend to provide far fewer benefits (eg. no paid sick or holiday leave) and have fewer (and fluctuating) hours of paid work (eg. casual and part-time). Secondary work jobs tend to provide very little opportunity for career development and in many cases do not provide a pathway to primary sector jobs. Workers in the secondary labour force tend to be much more expendable and these workers are therefore more likely to experience periods of unemployment and they also are more vulnerable to exploitative and discriminatory practices (Peetz 2005a).

In an ABS report into trends in unemployment and job quality, Le and Miller (1999) use the term 'scarring' to explain the negative effects of unemployment in addition to peripheral employment on a person's employability profile (in the eyes of prospective employers). For example, unemployed

workers tend to have a scarred profile and this intensifies as the duration of unemployment increases. Scarring is conceptualized around the notion of stigmatization and accumulation of disadvantage which contribute to the marginalisation of workers from core jobs. Older workers experience far greater difficulty in rejoining the core workforce after leaving and it appears they already carry a substantial level of disadvantage which makes them particularly susceptible to this scarring phenomenon.

A key issue of concern in this paper is that the Government's new WorkChoices 2005 industrial relations reforms is in part designed to increase peripheral sector employment which would force more workers into marginal employment, including many older workers and jobseekers, while it has done very little in the way of encouraging positive employment outcomes for older workers. This is at odds with Government rhetoric that older workers must be encouraged to continue workforce participation in order to address skill shortages and an unsustainable dependency ratio in the future. Issues regarding the move towards a more contingent 'flexible' employment model are discussed later in this paper. Attention is now turned to issues relating to the productivity, performance and learning capability of the older worker demographic.

### ***Older workers: productivity, performance and learning ability***

Productivity data show that as a group, older workers have lower rates of absenteeism, have fewer accidents, make fewer mistakes (eg. high rates of accuracy), remain in the same job longer (that is, lower staff turnover), have good rates of work output, and are able to learn effectively and contribute beneficial experiential knowledge to workplaces (Encel 2003; Pickersgill et. al. 1996; Salthouse & Maurer 1996). Joe and Yoong (2004) note that many mature age workers possess a high level of knowledge and skill that has been developed over time. Fellowes (2001) argues that many mature age workers have been members of the workforce for a lengthy period and have learned to become resilient as a result of often painful lessons over time through the stresses of a harsh corporate environment including decades of downsizing and the accompanying intensification of work.



Breadth and depth of experience have been identified as factors that enhance the productive capacities of mature age workers to deal with new, unusual, difficult and unexpected situations, well developed problem solving skills, and an ability to learn and acquire new skills (Encel 1998). Based on their study and a review of the literature Ranzijn, Carson and Winefield (2002:9) agree that many workers in the mature age range possess qualities that are to their advantage:

*Older workers have many advantages which should be attractive to employers. A large body of literature demonstrates that they are loyal, reliable, and conscientious, have low turnover, are productive and hard-working, have fewer accidents, and are trustworthy, mature, enthusiastic, experienced and dedicated.*

There is a large and growing body of research that shows older workers as a group demonstrate superior abilities compared with their younger counterparts in areas related to flexibility, showing initiative, task prioritization, creative thinking and problem solving (Moody 1998; Salthouse & Maurer 1996; Schulz, Bobowski & Crown 1991). However, many employers continue to stereotypically perceive older workers as being less alert, less adaptable to change, less healthy, less creative and less hardworking (Encel 2001; Encel & Studencki 2004; Patrickson 2003; Peetz 2005a; Ranzijn, Carson & Winefield 2004).

It has also been argued that the skills possessed by many mature age workers are highly relevant in the growing knowledge and service sectors of the economy, where broader life experience and work experience are advantageous (Patrickson 1998). For example, employment opportunities in expanding service-based industries tend to be client focused with an emphasis on paying attention to client needs and desires, and so require well developed interpersonal skills. In addition, as the population continues to age demographically so does the composition of people who require and purchase goods and services. It is reasonable to argue that older workers may be particularly well equipped to deal a customer base in which the number of older people is high.

### ***Human capital investment and returns***

In terms of entrenched views that older workers cannot be effectively retrained, the literature shows that when training has been made available to workers in older age groups they tend to progress well

when compared to younger age groups (Cau-Bareille & Marquie 1998; Charness & Bosman 1992; Hale 1990; Plett 1990). While research shows that older workers can take longer to train in comparison to younger workers, in terms of learning outcomes they go on to produce higher standards of work after completion (Sheen 2000). Unfortunately, lower levels of involvement in training by older workers disadvantages many (Wooden, VandenHeuvel & Cully 2001).

According to Simpson, Greller and Stroh (2002), research and understanding of the human capital of older workers has been influenced by a neoclassical conception of human capital that significantly underestimates the skills, knowledge and capacity they possess. Within this view, training older workers can be seen as irrational because they are often perceived to have less capacity for learning, productivity and especially when concerns exist about short tenure for returns on human capital investment. Research not only shows that these judgments about capacity are erroneous, but that older workers are more likely to be longer term employees in comparison to their younger counterparts (Encel 2003; Hendricks & Hendricks 1986; Taylor & Walker 1994).

In the context of intensified future labour shortages, prudent employers and managers should be working on training, recruitment and retention policies for older workers. In contrast recent research indicates a lack of awareness of the future impact of population ageing on labour shortages among Australian employers and managers (Ranzijn, Carson & Winefield 2002).

## **INDUSTRIAL RELATIONS REFORM: THE COST OF A FLEXIBLE WORKFORCE**

A substantial proportion of mature age workers displaced from the labour market can only get access to the secondary labour market. That is, non-standard employment such as short term contracts, casual and part-time employment (Wooden, VandenHeuvel & Cully 2001). Concerns about the ‘scarring’ effects of secondary sector work on their employability profile (in the eyes of employers) may well be warranted as research indicates a large proportion of these jobs do not provide pathways into primary sector work but rather entrap workers into a pattern of secondary sector jobs while also rendering them vulnerable to intermittent periods of unemployment (Eardley 2000; Mitchell & Muysken 2003;

Wooden & Warren 2003). In discussing the tenuous nature of casual and contingent forms of work, Barker (1998) notes that while these kinds of jobs provide workers with experience, the nature of this kind of work simultaneously weakens their perceived value in the workplace. Hence many of these workers continue to accumulate deficits.

*To the degree that workers are negatively valued or stigmatized due to their contingent status, a deficit model of work is created. One implication is that employers will not evaluate contingent work experience fairly or positively when a worker competes for subsequent employment (Barker 1998:196)*

Burgess and de Ruyter (2000) note that flows into permanent employment are more often accounted for by jobseekers that are already in permanent positions and those graduating from educational institutions while Bauder (2001) contends that employer groups have campaigned hard for segmentation of the labour force in this way in an effort to create a mass of secondary workers for easy exploitation.

However, it is also important to note that flexibility in hiring and firing can have negative consequences for labour market capability that in turn have serious impacts for industry and the nation generally, over the long-term. For example, Rubery and Grimshaw (2003) point out that while weakened employment protection can facilitate progressive downsizing and layoffs during periods of economic restructuring and downturn, it can then lead to the loss of skills that cannot be readily replaced in periods of economic growth and increased labour demand. This is consistent with Toner's (2000) research which concluded that persistent 'skill shortages' in trade-based occupations in Australia dating back to the 1990s are the manifestation of practices of privatization, downsizing and outsourcing which have led to large declines in the availability of apprenticeships. Senior Australian economist Matthew Hassan stated:

*The logic for business through much of the 1990s and early 2000s was to hold-off on investment, cut back costs and use existing resources more intensively, with improvements ... flowing directly through to profits. But now the rules have changed. The cycle is at a stage where there is less scope to improve productivity through simple cost cutting. Productivity has stalled as businesses have run into capacity constraints in terms of both labour and capital resources (Hassan 26 June 2006, Media Release, BIS Shrapnel).*

Hassan also argued that enterprise bargaining would provide a more effective means for boosting productivity than individual contracts because individual contracts can lead to competitive behaviours

that are destructive. He said that ‘... individual contracts could undermine trust and hurt a company’s productivity’ and that ‘workplaces that have a high level of trust tend to be the ones that are most productive’ (cited in Wright & Coopes, *The Courier Mail*, 26 June 2006:2). In reviewing literature on industrial relations reform, including data from case studies of New Zealand and Western Australia, Peetz (2005b) and Wooden (2005) also conclude that individual bargaining is problematic for many workers in that they can foster non-cooperative relationships and that they have not been as effective as collective enterprise bargaining in producing productivity.

The first major opinion survey research of the WorkChoices 2005 reforms found that almost 50% of the 416 business owners, chief executives and senior executive respondents felt the new legislation will drive wages downwards, while 66% of those surveyed, including lower level employees, believed the reforms will have a negative effect on job security (Australian Institute of Management 2006). The survey also found 70% indicated that they will be more selective about future employers with a preference for large employers (over 100 staff) because of increased protection against unfair dismissal. The consequences for small to medium size business may well be considerable, especially given the current labour shortages which are predicted to intensify. While Prime Minister Howard (2005) argues these reforms are necessary for continued jobs growth and higher wages overall, Wooden (2005) in contrast argues that there is no substantial evidence supporting the proposition that unfair dismissal legislation (introduced in the early 1990s) has been a barrier to growth.

## **SOME SIGNS OF AN EMERGING INTEREST IN OLDER WORKERS**

It has been argued that the emergence and continued growth of labour shortages (especially skilled labour) being experienced in Australia (along with many comparable countries) is attributable to a long running trend of reduced investment in education and training (Smith & Billett 2005; Nohria, Joyce & Roberson 2003; Toner 2000), an ageing ‘baby boomer’ population in which there are fewer (younger) workforce entrants, and the long running trend towards early workforce exits by many mature age workers (Patrickson 1998; Productivity Commission 2002, 2005).

Skill shortages have led to some rethinking of the productive capacity of mature age workers, along with a growing emphasis by governments and other groups on the merits of employing workers in older age groups (Allen Consulting Group 2006; Bishop 1999; House of Representatives 2000; Productivity Commission 2002, 2005; Sheen 2001). Indeed in recent years governments and business groups have promoted the importance of training, retaining and recruiting mature age workers as a key means by which to insulate organisations from skill shortages which are predicted to worsen considerably as baby boomers reach retirement (Encel 2003; Productivity Commission 2002, 2005).

The introduction of the new apprenticeship scheme by the federal government in 2001 saw the removal of traditional age restrictions that had applied to apprenticeship training (Encel 2003) and in recent years the government has been promoting the availability and benefits of mature age apprenticeships. The Minister for Vocational and Technical Education reported that there were about 3,500 mature age apprentices in training (in 2006) compared to about 400 a decade ago, however, the *7.30 Report* reported they still remain a fraction of the estimated 148,000 apprentices in training (*7.30 Report* 18 May 2006). Reporter, Scott Bevan suggested the low uptake of mature age apprenticeships may be due to an attitude by some employers that only young people make suitable apprentices.

May 2006 saw the announcement of plans to lift retirement ages in the Australian military (for non combat positions) in an effort to address labour shortfalls (Blenkin, 12 May 2006, *The Courier-Mail*, 22). In contrast to an apparent lack of interest in older workers thus far by employers, this recent development in itself may indicate that labour shortages are starting to force some employers to re-evaluate some of their long held perceptions of mature age workers.

In May 2006, the Australian Treasurer, Peter Costello also announced that he was developing superannuation and taxation reforms designed to encourage workers to remain in the workforce after 60. The proposed changes are due to come into effect 1 July 2007, after which superannuation benefits for those 60 and over would no longer be assessable income. The Treasurer explained that the Government is trying to stem the trend towards early retirement and new a concept of retirement

which includes the option of part-time retirement combined with part-time work (Costello 2006, Treasury 9 May).

## **CONCLUSION**

Despite a substantial body of research showing productivity and productive capacity among mature age workers, publicity promoting the benefits of this group and more publicity on an ageing workforce and future intensification of labour shortages, research continues to show that many employers have remained reluctant to employ older workers. Labour market programs (eg. provision of employer incentives to hire mature age workers) and policies developed by Australian governments to increase mature age workforce participation have had quite limited success to date. Indeed recent research has shown that workforce participation rates among mature age workers in Australia have remained one of the lowest among OECD countries.

The trend to divest a fulltime workforce to minimize costs and maximize profits in the short term is likely to create future skill shortages as secondary sector workers receive very little in the way of employer supported education and training. This is consistent with research showing that investment in training by Australian employers is substantially less than those of many comparable countries. In contrast, research has also shown companies that are highly committed to the training and development of their whole workforce outperform others over the medium and longer term. In the context of intensified future labour shortages, prudent employers and managers need to be working on training, recruitment and retention policies for older workers as opposed to holding on to ageist stereotypes about older workers.

The Government's WorkChoices 2005 industrial relations reforms remain a major concern because they are designed to increase peripheral sector employment rather than fulltime employment and this is likely to force more workers into marginal employment, including many older workers and jobseekers. However, the Government has begun to develop policy measures to encourage workforce participation by older workers including the opening up of military jobs for older workers and the

planned introduction of superannuation and taxation reforms with genuine incentives designed to make continued workforce participation including part-time employment financially attractive to older workers. These reforms may well make peripheral sector employment more attractive for many older workers, however, this may not bode so well for other workers in an environment in which 'flexible' jobs with low standards of employment continue to expand and fulltime jobs continue to disappear. In terms of addressing this concern it has been argued that there is a need for sufficient regulatory protection for labour/employees and that employment benefits and standards should also be made available to all workers, not just those in traditional fulltime positions (Pocock 2003). While high quality flexible work does exist, it appears that it is only open to a limited number of occupational groups, and that workers in these groups already have a strong labour market position (Phillipson & Smith 2005).

## REFERENCES

- 7.30 Report 2006, 18 May, *Older workers sign up for apprenticeships*, ABC Television, 7.30pm.
- Access Economics, 2001, *Population Ageing and the Economy*, Commonwealth of Australia, Canberra
- ABS 1999a, *The Labour Force Australia*, (6203.0), Canberra.
- ABS 1999b, *Older People, Australia: A Social Report*, (4109.0), Canberra.
- ABS 2002a, *Australian Social Trends 2002*, Canberra.
- ABS 2002b, *Labour Force*, October 2002, (6203.0), Canberra.
- The Allen Consulting Group 2005, *World Class Skills for World Class Industries: Employers' perspectives on skilling in Australia: Report to the Australian Industry Group*, The Allen Consulting Group, Melbourne.  
[http://www.aigroup.asn.au/aigroup/pdf/publications/reports/general\\_reports/World\\_Skills\\_Full.pdf](http://www.aigroup.asn.au/aigroup/pdf/publications/reports/general_reports/World_Skills_Full.pdf)
- Australian Institute of Management (AIM) 2006, 'The new workplace relations system June 2006 survey results', *Managing the future survey series: survey 1*, AIM, St Kilda.
- Barker, K. 1998, 'Toiling for piece-rates and accumulating deficits: contingent work in Higher Education', in Barker, K. & Christensen, K., *Contingent work: American employment relations in transition*, Cornell University Press, New York.
- Bauder, H. 2001 'Culture in the labor market: segmentation theory and perspectives of place', *Progress in human geography*, vol.25(1) 37-52.

- Bennington, L. 2001, 'Age discrimination: converging evidence from four Australian studies', *Employee Responsibilities and Rights Journal*, 13(3) 125-134.
- Bennington, L. & Wein R. 2000 'Anti-discrimination legislation in Australia: fair, effective and efficient or irrelevant', *International Journal of Manpower*, 21(1). pp.21-33.
- Bishop, B. 1999, *The National strategy for an ageing Australia: employment for mature age workers issues paper*, Commonwealth of Australia, Canberra.
- Black, D. 1995, 'Discrimination in an equilibrium search model', *Journal of Labor Economics*, vol.13(2), 309-334.
- Blenkin, M. 2006, 'Age-friendly but no Dad's Army', *The Courier-Mail*, 12 May, p.22.
- Borland, J. 2004, *Transitions to retirement: a review: Melbourne Institute working paper 3(05)*, Melbourne Institute of Applied Economic and Social Research, University of Melbourne.
- Bureau of Labour Market Research (BLMR) 1983, *Retired, Unemployed or at Risk: Changes in the Australian Labour Market for Older Workers*, Research Report No.4, Australian Government Printing Service, Canberra.
- Burgess, J. & de Ruyter, A. 2000, 'Declining job quality in Australia: Another hidden cost of unemployment', *Economic and Labour Relations Review*, vol.11(2), pp.246-269.
- Cau-Bareille, D. & Marquie J. 1998, 'Ageing workers, learning and job training' in Cau-Bareille, D., Marquie, J. & Volkoff (eds), *Working with age*, Taylor & Francis, London.
- Charness, N, & Bosman, E 1992 'Human factors and age' in Craik, F. & Salthouse, T. (eds.) *The handbook of aging and cognition*, Lawrence Erlbaum Associates, New Jersey
- Costello, P. 2006, *A plan to simplify and streamline superannuation: Media release 042*, Treasury, Commonwealth of Australia 9 May 2006.
- Crouch C. 1998, "Labor market regulations, social policy and job creation", *Job creation: the role of labor market institutions*, J Gual (ed), E Elgar Publishing Limited, Cheltenham UK.
- Eardley, T. 2000 'Working but poor? Low pay and poverty in Australia', *The economic and labour relations review*, 11(2) 309-337.
- Encel, E. 1998, 'Age discrimination', in Patrickson, M. & Hartman, L. (eds.), *Managing An Ageing Workforce*, Business & Professional Publishing, Warriewood, (Australia).
- Encel, S. 2003, *Age can work: The case for Older Australians staying in the workforce*, A report to the Australian Council of Trade Unions (ACTU) and the Business Council of Australia (BCA), Social Policy Research Centre, University of New South Wales, Sydney.
- Encel, E. & Studencki, H. 2004, 'Older workers: Can they succeed in the job market?', *Australasian Journal on Ageing*, 23(1), 33-37.
- Estes, C. 1991, 'The New Political Economy of Aging', in Minkler, M. & Estes, C. (eds.), *Critical Perspectives on Aging*, Eds., Amityville, New York.
- Estes, C. & Binney, E. 1991, 'The Biomedicalisation of Aging: Dangers and Dilemmas', in Minkler, M. & Estes, C. (eds.), *Critical Perspectives on Aging: The Political and Moral Economy of Growing Old*, Baywood Publishing, New York.



- Fellowes, D. 2001, 'Striking gold in a silver mine: Leveraging senior workers as knowledge champions', *WorldatWork*, Four Quarter 2001, 62-66.
- Guest, R. & Shacklock, S. 2005, 'The impending shift to an older mix of workers: perspectives from the management and economics literatures', *International journal of organisational behaviour* 10(3) 713-728.
- Hale, N. 1990, *The older worker: Effective strategies for management and human resource development*, Jossey-Bass Publishers, San Francisco.
- Harris, D. 1990, *Sociology of Aging*, 2<sup>nd</sup>edn. Harper & Row Publishers, New York.
- Hartmann, L. 1998, The impact of trends in labour-force participation in Australia, in *Managing An Ageing Workforce*, Ed. M. Patrickson & L. Hartman, Business & Professional Publishing, Warriewood, (Australia).
- Hassan, M. 2006, 'Labour shortages usher in new era of constrained growth', Media Release, BIS Shrapnel (Business Research and Forecasting), 26 June 2006.
- Hendricks, J. & Hendricks, D. 1986, *Aging in Mass Society: Myths and Realities*, 3rd edn. Little Brown, Boston.
- Hiebert, D. 2004, 'Local geographies of labor market segmentation: Montreal, Toronoto, and Vancouver, 1991', *Economic Geography*, 75(4) 338-369.
- Hooyman, N. & Asuman-Kiyak, H. 1993, *Social Gerontology: A Multi-Disciplinary Perspective*, Allyn & Bacon, Massachusetts.
- House of Representatives: Standing committee on Employment, Education and Workplace 2000, *Age Counts: an inquiry into issues specific to mature-age workers*, Commonwealth of Australia.
- Howard, J. 2005, (Prime Minister) *Address to parliament – workplace relations reform*, Parliament House, Canberra, 26 May 2005 <http://www.pm.gov.au/news/speeches/speech1446.html>
- Joe, C. & Yoong, P. 2004, 'Harnessing the Knowledge Assets of Older Workers: A Work in Progress Report', Conference Paper, *Decision support in an uncertain and complex world*,: International Federation for Information Processing (IFIP), Tuscany.  
[http://dsslab.sims.monash.edu/DSS2004/proceedings/pdf/38\\_Joe\\_Yoong.pdf](http://dsslab.sims.monash.edu/DSS2004/proceedings/pdf/38_Joe_Yoong.pdf)
- Landt, J. & Pech, J. 2001, *Work and welfare in Australia: the changing role of income support*, Australian Social Policy, Canberra.
- Le, A. & Miller, P. 1999, *Job quality and the churning pool of unemployed*, Australian Bureau of Statistics, Occasional Paper, (6293.0.00.003), Canberra.
- Mitchell, W. & Muysken, J. 2003, *Employment dynamics and fulltime job destruction in Australia Working paper 03-02*, Centre of full employment and equity, University of Newcastle, Newcastle.
- Moody, H. 1998, *Aging: concepts and controversies*, 2edn. Pine Forge Press, California.
- Nohria, N. Joyce, W. & Roberson, B. 2003 'What really works', *Harvard Business Review*, July 2003, 42.

Noon, M. & Ogbonna, E. 2001, *Equality, Diversity and Disadvantage in Employment*, Palgrave, New York.

Organisation for Economic Co-operation & Development (OECD), 2005, *Ageing and employment policies: Australia*, OECD, Paris.

Patrickson, M. 1998, 'The trend toward early retirement' in M Patrickson, M & L Hartmann eds. 1998, *Managing an ageing workforce*, Business & Professional Publishing, Warriewood (Australia).

Patrickson, M. 2003, 'Human resource management and the aging workforce' in *Human Resource Management, Challenges and Future Directions*, R. Wiesner & B. Millet eds. Wiley, Milton/Brisbane.

Peetz D 2005a "Hollow shells: the alleged link between individual contracting and productivity growth", *Journal of political economy*, 56, 32-55.

Peetz, D. 2005b, 'Retrenchment and labour market disadvantage: role of age, job tenure and casual employment', *The Journal of industrial relations*, 47(3), 294-309.

Peetz, D. 2005c, 'Coming soon to a workplace near you: the new industrial relations revolution', *Australian Bulletin of Labour*, 31(2), 90-111.

Phillipson, C. & Smith, A. 2005, *Extending working life: A review of the research literature*, Department of Work and Pensions, London.

Pickersgill, R. Briggs, C. Kitay, J. O'Keeffe, S. & Gillezeau, A. 1996, *Productivity of Mature and Older Workers: Employers' Attitudes and Experiences*, Australian Centre for Industrial Relations Research and Teaching (ACIRRT), Monograph 13, Sydney.

Plett, P. 1990, *Training older workers in industrialised countries*, International Labour Office: Training Policies Branch, Geneva.

Pocock, B. 2003, *The work/life collision*, Federation Press, Sydney.

Productivity Commission, 2002, *Intergenerational Report*, Commonwealth Government of Australia, Canberra.

Productivity Commission, 2005, *Economic implications of an ageing Australia*, Commonwealth Government of Australia, Canberra.

Ranzijn, R. 2004, 'Role ambiguity: older workers in the demographic transition', *Ageing International*, 29(3) 281-307.

Ranzijn, R., Carson, E. & Winefield, A. 2004, 'Barriers to mature age re-employment: perceptions about desirable work-related attributes held by job-seekers and employers', *International journal of Organisational Behaviour*, 8(7) 559-570.

Rubery, J. & Grimshaw, D. 2003, *The organization of employment: an international perspective*, Palgrave MacMillian, New York.

Salthouse, T. & Maurer, T. 1996, 'Aging, job performance, and job development', in J. Birren & K. Schaie eds. *Handbook of the psychology of ageing*, 4<sup>th</sup> edn. Academic Press, San Diego.

Schulz, J. Bobowski, A. & Crown, W. 1991, *Economics of population aging: the 'greying' of Australia, Japan and the US*, Auburn House, New York.

- Sennett, R. 1998, *The corrosion of character: The personal consequences of work in the new capitalism*, W. W. Norton & Company, New York.
- Sheen, V. 2001, Investing in the future: Australia's ageing workforce: submission to Federal Budget, *The Council of the Ageing (Australia) (COTA)*, Melbourne.
- Simpson, P., Greller & Stroh, L. 2002, 'Variation in human capital investment activity by age', *Journal of Vocational Behavior*, 61(1), 109-138.
- Smith, A. & Billett, S. 2005, 'Enhancing enterprise expenditure on VET: Policy goals and mechanisms', *Journal of Vocational Education and Training* 57(1) 5-23.
- Steinberg, M., Donald, K., Najman, J. & Skerman, H. 1996, 'Attitudes of Employers and Employees Towards Older Workers in a Climate of Antidiscrimination', *Australian Journal on Ageing*, vol. 15(4), pp.154-158.
- Taylor, P. & Walker, A. 1994, 'The Ageing Workforce - Employers Attitudes Towards Older Workers', in *Work, Employment & Society*, 8(4), 569-591.
- Toner, P. 2000, 'Changes in industrial structure in the Australian construction industry: causes and implications', *The economic and labour relations review*, 11(2) 291-307.
- Trindler, C., Hulme, G. & McCarthy, U. 1992, *Employment: The Role of Work in the Third Age*, The Carnegie Inquiry into the Third Age, London.
- VandenHeuvel, A. 1999 "Mature age workers: are they a disadvantaged group in the labour market", *Australian Bulletin of Labour*, 25(1) 11-22.
- Watson, I. Buchanan, J. Campbell, I. Briggs, C. 2003, *Fragmented futures: New challenges in working life*, Federation Press, Annandale, N.S.W.
- Workplace Relations Amendment (Work Choices) Act 2005, <http://www.aph.gov.au/library/intguide/law/workchoicesbill.htm> (accessed 21/10/2006).
- Wooden, M 2005, 'Australia's industrial relations reform agenda', Conference paper, 34<sup>th</sup> *Conference of Economists*, 26-28 September 2005, University of Melbourne.
- Wooden, M, VandenHeuvel, A. & Cully, M. 2001, *Barriers to training for older workers and possible policy solutions*, National Institute of Labour Studies and Curtain Consulting, Flinders University of South Australia.
- Wright, S. & Coopes, A. 2006, 'Campaign growing', *The Courier Mail*, 26 June 2006, 2.