Productive Ageing: Leveraging the Value of an Age-Diverse Workforce for SMEs

Strategic Roundtable • Sydney, 6 June 2019

Global Access Partners
GAP Standing Committee on Productive Ageing
NSW Family & Community Services

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Cover Photo: GAP Roundtable participants at NSW Family and Community Services in Ashfield

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GAP Strategic Roundtable
Thursday, 6 June 2019, 12:00pm–3:30pm
NSW Family and Community Services, Ashfield

On 6 June 2019, the independent not-for-profit institute for active policy Global Access Partners (GAP), in association with the NSW Department of Family and Community Services and the GAP Standing Committee on Productive Ageing, convened a strategic roundtable for small and medium-size enterprises (SMEs). Discussion focused on practical barriers and enablers for mature-age workforce participation, as well as existing resources available to Australian businesses and individuals to support employment of people 50 years of age and over.

Twenty-two participants from government, the business sector and academia met for a three-hour working session facilitated under the Chatham House rule of non-attribution. Presenters and speakers included **Karen Ballantyne,** Senior Manager, Contracts and Programs, Trade, International Education and Small Business Operations, NSW Industry, **Catherine Fritz-Kalish**, Co-Founder and Managing Director of GAP, **Carmel O'Regan**, Acting Branch Manager, Labour Market Policy Branch, Australian Government Department of Employment, Skills, Small and Family Business, and **Clark Powers**, Human Resources NSW, ACT, Bunnings Group.

The Roundtable was facilitated by **Stephen Hayes MBE**, the National Defence Industry Workforce and Skills Facilitator and Executive Director of Gravity Consulting, and **Peter Fritz AM**, Chairman of GAP and Group Managing Director of TCG. The aim was to gain insight from business practitioners on common factors which facilitate or hinder mature-age employment, explore best-practice approaches, pull together ideas to tackle challenges, and initiate projects to take forward.

Disclaimer

The following report summaries proceedings of the Roundtable held under the Chatham House rule of non-attribution[1] and in accordance with the principles of the *'Second Track'* process[2]. The document represents a diverse range of views and interests of the individuals and organisations involved in the event They are personal opinions that do not necessarily reflect those of the organisers and sponsors of the Roundtable. Given the different perspectives of participating individuals, it should not be assumed that every participant would agree with every argument or recommendation in full.

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Executive Summary

The GAP Roundtable on *'Productive Ageing: Leveraging the Value of an Age-Diverse Workforce for SMEs'* sought the business sector's views on key barriers and drivers of mature-age workforce participation. It also explored ways in which current government subsidies and support for SMEs could be better targeted to encourage the recruitment and retention of workers over 50.

Research suggests that hiring and retaining mature-age workers can reduce absenteeism, improve productivity, fill skill and knowledge gaps, and contribute to innovation and improvements in business processes. A company which welcomes mature-aged workers is seen as a more attractive employer to a growing proportion of the Australian workforce.[3]

Participants acknowledged the best-practice of companies such as Bunnings regarding older employees, and the value of support initiatives such as the Australian Government's *'More Choices for a Longer Life'* package[4] and NSW's *Business Connect*[5]. However, they also highlighted significant challenges to mature-age participation, reinforcing the points made at the GAP conference on productive ageing in 2013[6]. Participants agreed that employer attitudes are the largest barrier to mature-age recruitment, rather than the need for reskilling. The social consensus around the value of productive ageing has not been reflected in business practises, and so fresh approaches are required.

Participants agreed to continue the discussion out of session and convene a follow-up Roundtable with a broader range of stakeholders to plan a strategy for progress.

Key issues discussed at the Roundtable

Longer life expectancy will force more Australians to work for longer, and while mature-age workers have a high rate of employment, data suggests that they can struggle to find new posts as employers prefer younger recruits. Participants discussed strategies for government and private business to increase mature-age recruitment, including increasing companies' awareness of the advantages of employing older workers and boosting the uptake of existing subsidies and support schemes.

Barriers to mature-age recruitment by SMEs include age discrimination, misleading stereotypes, a perceived mismatch of older workers' skills with new industry demands, a lack of flexible working arrangements, age-based rules in government regulations and concerns about older workers' health.

Challenges of mature-age employment include employers' lack of experience of working with older people and poor understanding of their value. Complex and overlapping regulations regarding discrimination, employment, superannuation, insurance and workers compensation can also make it difficult for SMEs to comprehend and comply with their legal obligations.[7]

SMEs could boost productivity by utilising the soft skills and experience of older workers, and appropriate retraining opportunities should be offered to older workers in physical industries. Flexible workplace conditions, including job-sharing, part-time work and working from home, can benefit both employers and employees, and firms should adopt an age-inclusive approach to job design and improve intergenerational communication.

Participants agreed that cultural change is required to encourage and empower more people to stay at work for longer. Calls for greater coordination of existing schemes and stronger messaging were balanced by doubts over their effectiveness, but participants agreed to continue to work on these issues in the future. Government and industry must collaborate to reduce age discrimination in workplace and recruitment practices to benefit the nation, the economy and individuals.

Recommendations

For Government
- Pursue an integrated, whole-of-government approach to coordinate mature-age support programmes to increase their impact
- Partner with the private sector to forge age-positive cultural change in the workplace
- Target mature-age employment support programmes at medium-sized businesses, given their importance as employers
- Champion the creation of workforce conditions which both allow and encourage people to stay in the workforce
- Promote current schemes and subsidies through existing business networks and local chambers of commerce to increase their uptake

- Adopt stronger public messaging and amend the terms used to describe older people to break stereotypes and shift social and personal attitudes
- Learn from other successful public campaigns encouraging behavioural change
- Tap into existing campaigns such as *EveryAGE Counts* to maximise their impact
- Promote the ever-growing senior talent pool to employers and increase awareness about the benefits of mature-age employment, based on evidence, best-practice case studies and success stories such as Bunnings
- Create a business case for companies to encourage senior employment (*"Diversity in all its forms is good for business"*)
- Lead by example and encourage public service HR managers to hire older workers
- Support the different needs of employers and mature-age job seekers in rural and regional towns, such as transitioning from physical to non-physical jobs
- Adopt an inclusive design approach to employment to develop jobs 'for the fringes' as well as the mainstream
- Consider the introduction of quotas, social credits or other incentives to employers hiring mature-age staff

For Employers
- Realise the commercial benefits of employing older workers, including the need for soft skills in the current job market
- Challenge staff and consumer perceptions and tackle ageism and age discrimination in workplace and recruitment practices
- Provide upskilling and retraining opportunities for mature-age workers in physical industries
- Inform mature-age job seekers about opportunities available in the workplace
- Encourage flexible workplace conditions such as job-sharing, part-time work and work from home
- Use clearer statements about practical job requirements (including actual physical and psychological requirements) when advertising for vacancies, to help older people choose jobs more suitable for them
- Introduce a rule that at least one older person should be interviewed for every vacancy
- Embrace reverse mentoring and encourage young people to act as advocates for seniors
- Adopt an inclusive design approach to employment to develop jobs 'for the fringes' as well as the mainstream

- Address health issues that mature-age workers face through workplace modification and job redesign
- Improve intergenerational communication between staff members by adopting value-based relationships in the workforce
- Share best-practice approaches to mature-age recruitment and reskilling with other employers and business networks

For Researchers

- Investigate the different motivations of mature-age workers and job seekers to stay in the workforce
- Analyse mature-age workforce participation trends in Australia, including federal and state data on employment, unemployment and underemployment rates and HILDA[8] surveys

Introduction

Respect was paid to the traditional owners of the land, and the NSW Department of Family and Community Services was thanked for hosting the Roundtable and partnering with Global Access Partners on its Productive Ageing initiative.

Participants were urged to consider mature-age employment issues from a national, institutional and personal point of view. GAP's *'Second Track'* process[9] encourages open, multidisciplinary discussion, and it was hoped that the Roundtable could launch ongoing engagement and produce practical outcomes.

Session One – "What & Why: Support Measures and Encouraging Uptake"

Government initiatives available to SMEs and older workers to encourage mature-age workforce participation

Carmel O'Regan, Acting Branch Manager, Labour Market Policy Branch, Department of Employment, Skills, Small and Family Business, Australian Government

Australia's ageing population and growing life expectancy create opportunities and challenges for government, employers and citizens. The ratio of people of traditional working age (15–64) to over-65s is declining, but workforce participation can be extended as people now live longer and healthier lives. The pension age will be increased to 67 in 2023[10], and the Australian Government offers a range of support measures to encourage the recruitment of mature-age workers.

Mature-age workers bring experience, skills and loyalty to the workplace. Evidence suggests that older workers take fewer sick days, and Australian Bureau of Statistics (ABS) data[11] shows that workers over 55 are five times more likely to remain with an employer than younger employees, reducing employer hiring and retention expenses.

Although older workers boost productivity and client satisfaction, SMEs tend to be reluctant to hire them due to age discrimination and stereotyping by hiring managers, a perceived mismatch between older workers' skills and current industry demands, and limited access to skills training. SMEs may also be reluctant to offer flexible working arrangements to cater for caring arrangements or health issues, or deal with age-related regulations, superannuation and workers compensation.

The 2016 *Willing to Work* inquiry[12] by the Australian Human Rights Commission found that many employers lack experience of working with older people and as such do not appreciate their value. Complex and overlapping regulations regarding discrimination, employment, superannuation, insurance and workers compensation can also make it difficult for SMEs to comprehend and comply with their legal obligations.

Federal and state governments therefore offer a range of support measures to hire, retrain and retain mature-age workers. The Commonwealth Employment Service (CES) was outsourced 20 years ago and now, as *jobactive*[13], has private providers in 1,700 locations, screening and connecting job seekers and employers. Over 200,000 workers aged over 50 have found jobs through *jobactive* since 2015.

A *Restart* wage subsidy[14] gives businesses and organisations that hire mature-age long-term unemployed people through *jobactive* up to $10,000 over six months for wages and training. More than 14,000 people over 50 triggered the subsidy last year. The *Skills Checkpoint for Older Workers*[15] offers workers aged 45–70 advice to stay in work or look for new opportunities, while the *Skills and Training Incentive*[16] offers firms up to $2,200 to co-fund skills training. The *National Work Experience Programme*[17] also gives employers $300 to give up to 100 hours work experience to older job seekers.

Up to ten departmental partnerships with companies will help job seekers over 45.[18] These three-year schemes began in July 2018 and allow employers to work with training providers to tailor pre-employment programmes and with employment agencies to find the best candidates. Six projects are already underway, and four more employers are sought for the future. Each pilot guarantees around ten jobs for people who complete the training.

Mature-age workers are more likely to be 'retrenched' in declining industries such as the automotive industry, but government support can help them find new jobs. From July 2019, retrenched workers and their partners have immediate access to *jobactive* regardless of their income support status. This will help reduce processing delays that drain redundancy pay-outs.

The *Career Transition Assistance* programme[19] which offers mature job seekers a six-to-eight-week training course on local opportunities and helpful skills, including self-confidence and digital literacy, will roll out nationally in July 2019.

The *Fair Work Act*[20] protects Australians from age discrimination in the workplace and application process. National employment standards allow workers over 55 to request flexible working arrangements, although the *Willing to Work* inquiry[21] found their granting was subject to employer discretion.

The Australian Government has announced a digital transformation of employment services in July 2022 to give employers online access to applicants. Trials for this service begin in July 2019.

The Department of Employment, Skills, Small and Family Business recently established a partnership on mature-age employment[22] between government and industry leaders to create and support age-diverse workplaces. Roundtable participants were invited to join.

The government accepts that more can be done to allow mature-age employees to stay in the workforce, but it cannot drive cultural change on its own.

Self-employment and support for "seniorpreneurs"

Karen Ballantyne
Senior Manager, Contracts & Programs, Trade, International Education &
Small Business Operations, NSW Department of Industry

The NSW Government has around 150 programmes and initiatives for SMEs, and its *Business Connect* service[23] helps SMEs understand the choices on offer. Businesses are often unaware of government support schemes and rely on 'word of mouth' and internet searches to discover them. *Business Connect* has a travelling 'business bus' to raise awareness.

Ninety-eight percent of NSW businesses have less than 20 full-time employees. While 40% of these firms are self-traders, they employ 44% of the workforce *(see Exhibit below)*. Thirty-four percent of NSW's small businesses are owned by women, and 40% are owned by people over 50.
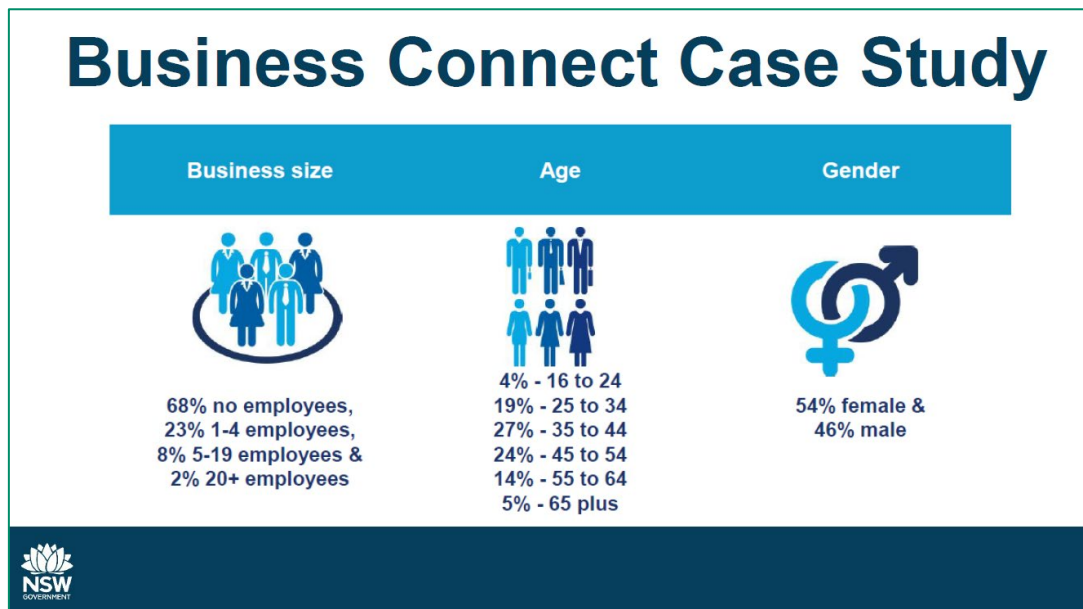
The 85 advisors in *Business Connect* have all run their own firms, and so can speak from experience. *Business Connect* helps small businesses – and prospective 'seniorpreneurs' – assess the viability of their business plans, improve their digital and financial literacy, and navigate the National Disability Insurance Scheme (NDIS) and access loans. Advisors hold face-to-face consultations in a range of languages and run 700 events and workshops across the state each year, 70% of them in the regions. Seventy percent of clients are sole traders, and an increasing percentage are over 65.

Small businesses are the engine room for the thriving NSW economy

In total there are now over **765,000** small businesses in NSW, comprising almost **98%** all NSW businesses.

They employ **1.59 million** people (**44%** of NSW workforce)

They generate **$51.42 billion** in annual wages & salaries

There has been an increase of **30,000** small businesses in 2017-18

Australian Bureau of Statistics, 2018

Business Connect has helped 20,000 small firms to date. On average, firms grow by a quarter after a consultation, and 10,000 new jobs have been created since the launch of the programme.

Many older people want to start their own firm to control their own destiny, pursue personal interests or have flexible working hours as well as to generate income. A third of *Business Connect*'s clients over 50 are contemplating creating a business, and 60% of these will attempt it. *Business Connect* helps explore the viability of their plans as it is better for uneconomic ideas to be abandoned than fail after great financial loss to the families concerned.

Eighty-five percent of these new firms are sole traders, while 10 percent aim for 1–4 employees. Twenty percent of older clients contemplate opening a retail business, while arts and recreation services are another popular choice. Clients of all ages seek help with business creation, planning, marketing and finance, and report improved skills, processes, digital literacy and confidence after their consultations.

Business Connect Case Study

Business size	Age	Gender
68% no employees, 23% 1-4 employees, 8% 5-19 employees & 2% 20+ employees	4% - 16 to 24 19% - 25 to 34 27% - 35 to 44 24% - 45 to 54 14% - 55 to 64 5% - 65 plus	54% female & 46% male

NSW GOVERNMENT

Discussion

- **Government support measures**

It was noted that there is little formal coordination between state and federal business support and mature-age employment programmes, although informal discussions occur. More coordination might increase the impact of these programmes, while a greater focus on Australia's 15,000 major mid-sized firms[24] could have more effect on employment. A lack of coordination is not unusual: each state has its own defence industry strategy, for example, and there was not enough consultation with the federal government about national needs before the creation of a defence skills coordinator. In another example, there are around 400 STEM[25] programmes across Australia, with not enough overarching coordination.

On the positive side, most states now have a small business commissioner, and these officials meet four times a year to discuss policy. Other examples of successful federal and state government collaboration include exports and industry development strategies such as advanced manufacture.

It was noted that SME owners come from a wide range of cultural backgrounds, with differing attitudes to age. Over a third of NSW's small business owners were born overseas, and so *Business Connect* offers a range of cultural as well as language services.

The plethora of government programmes can be confusing, while the increasing casualisation of the workforce makes metrics of full-time employment increasingly obsolete. Underemployment is a major hidden problem, as many people have part-time jobs but would prefer full-time employment.

The impact of the sharing economy should also be considered. Uber is the largest transportation network on the planet but does not own a car, just as Airbnb does not own a room. Employment services are funded to move people into jobs with an employer, and so services like Uber and Airbnb are not discussed as viable options.

It was noted that government departments cannot create jobs and can only support the creation of private companies and employment. However, the effectiveness of this support is vital, as a shrinking working population cannot support an increasing retired population indefinitely. Adverse trends in population, participation and productivity mean that people will have to work for longer, whether they want to or not.

- **Incentives to hire mature-age workers**

Employers need reasons to employ older people when younger people are available. The greater reliability, loyalty and experience of older people should be emphasised, to balance their perceived lack of digital literacy. Identifying the reasons why employers will not employ older people in this way will help address them. Employers tend to reject first-time job seekers for the same reasons they shun older people, including doubts about their professionalism and experience, and so policies which promote diversity of all kinds could be favoured.

Understanding the true size of the problem would help shape an appropriate response. GAP will research federal and state data to illustrate relative employment and unemployment rates, although these are clouded by early retirements. Data from the Household Income and Labour Dynamics in Australia (HILDA) surveys shows that the proportion of older people in mid-sized companies has risen, while their ratio in smaller firms remains unchanged. This is in line with expectations in an ageing population and workforce, as are regional variations. Overall, mature-age workers are more likely to be employed; however, once they lose their jobs, they take twice as long as younger workers to find another one.

A company should reflect the society it serves, and a firm of exclusively younger workers would benefit from older team members. However, given the reluctance of such firms to do so, older business owners could be targeted to employ more senior staff. While older people may have better personal contacts to find work or support an application, access to training could be a greater barrier for them, particularly in rural NSW.

Older people looking for work are better suited to less physical roles requiring more soft skills, and so finding suitable opportunities is the key to securing employment. The pace of technological change may actually create a greater need for soft skills in the workplace, as technical roles will be automated by artificial intelligence. Older people tend to have better 'people skills' for customer interaction, and while young people in telephone support are often tongue-tied without a script, older people can sustain a more engaging conversation.

- **Barriers to mature-age employment**

Language helps frame attitudes, hence the call to replace the pejorative term 'old' with 'senior' to emphasise experience. Strong public health messages helped shift social and personal attitudes against smoking overtime, and a similarly robust approach may be required to overcome age discrimination.

Many hiring managers are young and view older applicants as inflexible, and do not realise that older workers have more experience of adapting to change and greater 'practice wisdom'. Better ways to present the empirical evidence that older workers have higher productivity in the right job would help convince employers to hire them and overcome hiring managers' misperceptions. People who remain static in their careers are vulnerable to change, but this need not correlate to age, and a more affirmative message to promote mature-age workers skilled in modern tasks could appeal to businesses.

Younger entrepreneurs and hiring managers tend to identify with people from their own age group, as they feel older workers would not fit their work culture. They base their decisions on stereotypes or experience with older family members, rather than the individual attributes of the applicant on paper, and so encouraging face-to-face interviews could overcome these misapprehensions. Many new small businesses fail, jeopardising family assets in the process, but older family members often mentor younger relations to help their firms grow, and this experience could be usefully shared with other young entrepreneurs.

The different circumstances and needs of employers and older job seekers in rural and regional towns should be considered alongside those of metropolitan areas. Older workers in agricultural areas may have had physical jobs all their life and need new skills and knowledge to take alternative avenues. Older people have life skills that younger

people lack, and giving older people the additional education, opportunities and skills that businesses are looking for will help them compete for jobs in the labour market.

Participants agreed that employer attitudes are the single largest barrier to mature-age recruitment, dwarfing the need for reskilling. When employers are reluctant to see the value of mature workers, their long-held opinions are hard to reconfigure. Firms may keep vacancies open for weeks, rather than employ a suitably qualified but older applicant, and no amount of education or persuasion may change their attitude. There is no shortage of mature-age accountants looking for work, for instance, but younger people will be preferred to them every time. Job adverts will request a 'dynamic' candidate as a euphemism for 'young', and hiring managers will reject applicants on the basis of age, regardless of experience and qualifications. Older, more experienced candidates can offer other kinds of value, but hiring managers need better education and more empirical data to overcome their prejudice against them.

Federal and state government can play a role in this education, although public sector hiring managers can be as prone to age preferences as those in the private sector. A rule that at least one older person should be interviewed for every vacancy might help break these stereotypes, or the perception that 'overqualified' people would not fit a particular role.

It was observed that catchphrases such as 'skills for the future' may appear to exclude older people. Apple is now actively recruiting older retail staff, because an increasing percentage of devices will be bought by people over 50. Encouraging mature-age employment will help increase prosperity and tax revenue without inflating wages, allowing investment in the education system to encourage more mature-age students. Older people can also use their empathy and experience to become 'social entrepreneurs' who generate community benefit rather than shareholder value.

Businesses whose employees reflect the demographic mix of the community around them should have an advantage when operating within it. However, small and medium-sized firms feel vulnerable to risk and so are unwilling to take a chance on hiring older staff. 'Presenteeism' makes them reluctant to employ women coming back to work after having children, for example, and they need to be persuaded of the benefits of job-sharing and flexible work arrangements when alternative potential workers exist.

Some sectors may be forced to employ more older workers due to looming labour shortages. A federal programme to boost the local care workforce is underway, for example, as aged care reforms and the NDIS will create a shortage of care workers. This scheme is recruiting older people to meet demand, rather than attempting to offload excess supply. Defence offers another example of labour shortages; indeed, the biggest risk to Australia's defence plans is a lack of workforce skills. Shipbuilders will dip into

their SME supply chain to hire suitable workers, creating opportunities for older as well as younger workers to fill the gaps.

Some people regret retiring in their 50s, as they may have another 40 years of life, while others may work later in life to meet financial need rather than personal fulfilment. Understanding the different motivations of older workers will help find roles suitable for them. Better workplace conditions will encourage people to work later in life and should include flexible work arrangements and a more welcoming psycho-social culture.

Bunnings, for example, explicitly diversifies its staff to reflect the communities around its retail outlets. Customers tend to seek older staff for advice, and former tradespeople are ideal for the role. Younger people from 15 to 25 may work at Bunnings "until they get their real job", and so mature-age people form the backbone of the workforce, with people over 56 forming the second highest age group. However, there can be problems of communication and shared values in age-diverse teams, despite efforts to improve cohesion. Companies that trade in several countries need to write policies which encompass their varied legislative frameworks, which can lead to 'lowest common denominator' approaches.

Younger staff can be dismissive of older colleagues, despite the skills and experience they bring to their jobs. Younger customers may also shun a firm with older staff, if they believe it is falling behind current trends. Managing staff and customer perceptions is therefore another barrier, alongside the attitudes of employers and hiring managers. Well-presented case studies that illustrate the existence of a new talent pool of older people could help change employer attitudes. 'Soft skills' can be hard to acquire and master, and older workers with more experience of customer and professional interactions can add to a workplace culture. Framing older people at work as adding to an existing work culture, rather than attempting to redefine workplace culture entirely, may be more attractive to employers. Promoting a positive twist on existing stereotypes could help change hiring managers' attitudes, for example, in a non-judgemental way. Pictures and stories of grey-haired computer experts are more positive and so more likely to succeed than demonising Millennials for negative attitudes towards older people.

Many people find jobs through their network of friends and associates, but the networks of older people may also be retired and not able to help them find employment. They may need to make more effort to network with younger people as a result. This should be feasible, as Council on the Ageing (COTA) research shows that older people do not 'feel old'. Given better physical health, age is largely a state of mind in the modern world, and people no longer need present themselves as 'old' because of the calendar.

- **Inclusive employment design**

The health industry recognises the need to tackle misconceptions and generalisations about older workers. Older people are not a homogeneous group but vary greatly in their skills and abilities. Although they can offer attributes that younger people lack, there may also be issues around their health and skills that must be acknowledged and addressed through workplace modification and job redesign.

Nursing and other health sector jobs can be physically demanding, for example, and older health workers may have to amend their activities to continue working into their sixties. This process may range from small modifications in their long-held role to alternative job responsibilities. Different industries will have different requirements in this regard and can be approached on a case-by-case basis.

An inclusive design approach to the issue of employment should be undertaken, as 'designing from the fringes' is more effective than designing for the average person and then retrofitting attributes for people with other needs. A stadium should be designed to accommodate disabled people from the outset, for example, rather than with the assumption that everyone can walk and then retrofitting wide aisles, ramps and lifts as an expensive and disruptive afterthought. Mature-age people should therefore be included in all aspects of employment and training planning, rather than excluded from the mainstream and dealt with by a smorgasbord of additional and uncoordinated activities.

Roundtable participants agreed that all stakeholders have a role to play in designing a common approach to encouraging mature-age employment. The diversity of participants' experience created a rich conversation that they could all learn from. Participants were encouraged to email GAP three ways in which they could make a personal difference as well as more general suggestions. All stakeholders, including government, business and researchers, need to agree a strategy for progress, and the common themes emerging from the Roundtable could form the basis of this approach.

Session Two – "How & Who: Solutions and Next Steps"

Most conferences, workshops and roundtables devote themselves to the 'what' and 'why' of policy discussion, and so GAP differentiates itself by targeting the 'how' and 'who' of practical implementation.

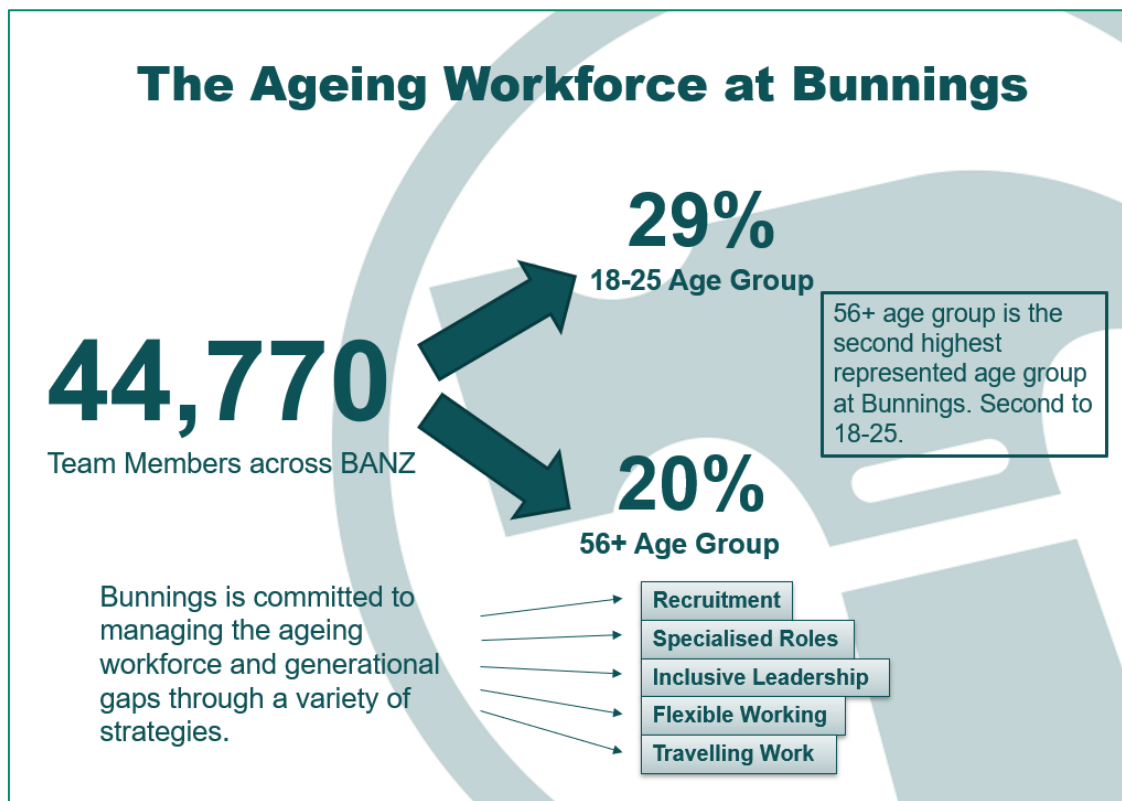## Best Practice Case Study: Bunnings

Clark Powers
Human Resources NSW, ACT,
Bunnings Group Limited

Bunnings was founded as a timber mill in Western Australia in 1887 by two brothers from England. Its retail presence expanded into NSW in recent decades, and the company now has over 100 sites in the state. Its acquisition of several competitors has also increased its breadth of experience, as well as geographical reach.

Bunnings employs nearly 45,000 people, and staffing in its retail stores aims to reflect the surrounding community, within the constraints of workplace health and safety. Twenty-nine percent of employees are 18 to 25, and most see their jobs as short-term employment rather than a long-term career; indeed, 30% of all Bunnings staff are employed on a casual basis. However, 20% of the workforce is over 56, many of whom have much younger team managers. Fifty-one percent of the workforce is female, and women form a larger majority of the older age groups employed.

Bunnings offers flexible working arrangements, as it trades seven days a week, including public holidays, and maximises its opening hours. Younger workers may prefer to have weekends off, for example, while older people may be caring for children during the week. A mix of age groups therefore helps it cover its staffing needs without disrupting the lives of its employees. Bunnings' travelling work programme allows part-time staff to work as casual labour at 300 different branches when travelling around Australia and New Zealand. This retains experience within the company by keeping staff that might otherwise be lost, which is particularly useful for branches in Queensland and the Northern Territory.

The Ageing Workforce at Bunnings

44,770
Team Members across BANZ

29%
18-25 Age Group

20%
56+ Age Group

56+ age group is the second highest represented age group at Bunnings. Second to 18-25.

Bunnings is committed to managing the ageing workforce and generational gaps through a variety of strategies.

- Recruitment
- Specialised Roles
- Inclusive Leadership
- Flexible Working
- Travelling Work

Bunnings' hiring policy emphasises 'cultural fit' in terms of the company as well as demographic representation of society to build the best teams. Retail staff must be friendly, helpful and enjoy serving customers, for example, and older workers have proven the best in this role. While customers tend to ask younger staff to explain 'click and collect' and other digital shopping methods, they will seek out older staff members for practical DIY[26] advice.

Bunnings has created specialised teams which allow people of different ages to undertake appropriate activities. Its DIY workshops for customers, for example, are staffed by older former tradespeople with experience as well as expertise in plumbing, electrics, building, horticulture and timber. The company has a physiotherapist programme, which offer three to six free visits for all age groups. Mature-age workers tend to be more physically robust than their younger peers, with fewer sick days, less absenteeism and a lower rate of injury.

Bunnings trains its leaders and mentors and has clear policies around diversity to ensure a positive and inclusive operational culture.

Discussion

- **The future of mature-age employment**

Participants were asked to consider the future of mature-age employment in terms of their personal plans as well as professional responsibilities.

It was suggested that proposals for change should be practical and engage with personal beliefs, community behaviour, public policy and social cohesion to have a realistic chance of success. Social credits could be given to employers, or quotas might be employed, but policy is now shaped by practice in an age of weak government, rather than policy driving practice. The actions of participants after the Roundtable can therefore shape reforms, as well as calling for others to act. Four places on the government-industry employment planning scheme remain open to applicants, for example.

An integrated, coordinated approach is required to make progress, and this should include and address a range of related factors. The balance between full- and part-time work should be considered, for example, as current employment statistics are inflated by a large number of underemployed part-time workers who would prefer full-time work. The experience of older women is very different from that of men, due to social and personal factors including caring responsibilities. Men who are retrenched are often given opportunities to retrain which older unemployed women have no access to.

Better messaging in advertising and building on commercial self-interest are required to drive employer interest, as merely working harder on approaches which have already failed will not make a difference. Government can increase the uptake of current schemes and subsidies, for instance, but creating or using existing networks between businesses would allow them to help each other. The success of some health education campaigns shows that attitudes can be changed. A similar effort could be made to shift social attitudes towards senior workers, which would in turn shape business attitudes.

It was noted that GAP has discussed this issue for years, but many of the same barriers and issues remain unchanged. A 2013 GAP conference on productive ageing[27] offers a range of recommendations which are still relevant and will be circulated to participants. There is a social consensus around the value of productive ageing, but it is still far from becoming a reality, and so a fresh approach is required.

The *'More Choices for a Longer Life'* package[28] in the 2018 federal budget included a 'long live you' element to encourage people in their forties to take stock and think about the challenges and opportunities of mid-life. This included their skills, finances and connections to their family and community, which might also prompt consideration of

other people in later middle age. Employers are more influenced by other employers than messages from government, hence the new partnerships with industry leaders to encourage them to drive change, and the Roundtable participants could partner with them and share their promotional items.

- **Promotion of mature-age employment**

The data proving the benefits of mature-age workers is clear, and so the need is to better publicise it, perhaps through a message that diversity in all its forms is good for business. Flexible employment options encourage diversity, and incentives could have a role to spur change. The government should lead by example and encourage its hiring managers to interview and hire older workers, as well as urging private firms to do so. Demonstrating leadership in this way could be as important as funding subsidies and schemes for private companies.

Highlighting success stories can be more powerful than punitive quotas. After losing several court cases, Virgin Airlines now have older staff serving passengers on planes, and this example offers a case study for change. The LGBQI[29] community has successfully pushed for greater social inclusion, and lessons could be learned from their tactics and approach. Younger people should be used as advocates for older people to gain credibility with their peers, just as reverse mentoring at work can help older people assimilate.

jobactive often fails to fit the right people to a job vacancy, and better targeting on their part would mean the firms they contact are more open to their candidates. Niche employment services offering 'Seek for Seniors' may be effective, just as services exist for mothers returning to work. The 50-plus site offers this specialisation but needs greater promotion in the employment market. Advice for older people seeking a job, such as tips for writing a CV[30], could include ways to pitch the advantages of older workers in a job interview.

- **Business case for mature-age employment**

Businesses will not embrace mature-age workforce participation unless they see a gain for themselves, and so solutions must be framed in terms of self-interest. Videos, case studies and personal testimonies can change hiring managers' minds by translating worthy but abstract ideas into real-world experience. Large businesses employ far more people than small ones, and a thought leadership series from large firms with strong mature-age schemes could inspire others to follow suit, including the advantages of 'blind

CV's to overcome the problem of age discrimination, just as *The Voice* holds blind auditions. Increasing awareness for SMEs could be done through existing points of contact, as well as creating new ones. Emotional storytelling can have more power to change real-world individual behaviour than abstract argument, as everyone has older relations who could benefit from better attitudes to mature-age employment. Trying the appeal to personal and family attitudes as well as commercial goals could be effective in changing individual managers' minds.

Business.gov.au unites the support services from government, and ensuring mature-age programmes are highlighted on the site could increase their visibility. However, firms that employ older people to reap subsidies may be acting for the wrong reason. Bunnings employs older people because it makes commercial sense to do so, as they are the right people for certain jobs and teams. If older people are employed because of subsidies, other employees will tend to resent them. The integration of older people into teams with younger people is already a major stumbling block, given cultural and linguistic generation gaps. Older workers often want to interact with younger colleagues but incur a hostile response, as younger people see it as 'creepy'. Studies show that young 'Gen Z' workers do not respect older workers or team leaders. Rather than a single gulf between young and old, there are several divides across different generations, driven in part by differing social media use. Getting people of different ages to work together in a team is a harder task for a company like Bunnings than finding roles for older people. Governments should therefore put the business case to companies to encourage senior employment, rather than offering subsidies or appealing to the national interest.

Many businesses seek consulting services to find all the government grants and subsidies they are eligible for. Government might employ people to sell the benefits of older workers on commercial grounds, as well as offering subsidies. Just as Bunnings' staff matches its customer base, companies with a young workforce – such as McDonald's - might sell more product to older people if they employed older workers. Companies may be wary of employing older people with more experience because they want to avoid paying higher wages, and so underlining that more experience need not imply higher pay could encourage more job offers to older people. Business should be told they can "buy a Ferrari for the price of a Toyota", rather than avoid employing 'over-qualified' older people. That said, some consulting firms have a mandatory retirement age of 58 for their partners, after which they are forced to leave, so those companies could set an example by reforming their own business model.

Cultural change takes time, but lessons can be learned from the disability sector where a cooperative and legislative approach has proved effective. A national disability agreement between the government and key stakeholders led to a national disability strategy[31] – which is currently under review – and a disability inclusion act[32]. There is now a legislative

requirement for all public authorities, including local councils, to have disability inclusion action plans, which include employment and workforce provisions. Translating these schemes to practical change is the harder step, and they must be embraced by all levels in an organisation, rather than being left to a dedicated person or department.

The concept of disability is moving from a medical to a social model, helped by these disability action plans, and strategies on age discrimination must be similarly integrated. Ideally, there should be inclusion plans for everyone, and designs which include everyone as a matter of course.

Government schemes already raise awareness to combat age discrimination, but it is difficult for federal government to work with state and local governments on common strategies. A targeted approach on older people must acknowledge the different needs and circumstances of male and female workers and the different issues faced by individuals, rather than see older people as a homogeneous group. GAP groups can offer a forum for federal, state and local government agencies to discuss matters of mutual interest in a safe and neutral environment. Coordination would need a purpose, as a plethora of coordinators merely create additional confusion.

There have been many promotional campaigns on age discrimination, with varying degrees of success, and merely advocating a new campaign may not be effective. Millions of dollars were spent advertising the *Restart* wage subsidy, for example, without greatly increasing take-up. Funding for communications campaigns is both controversial and limited, and existing job fairs already promote these issues. The Benevolent Society's *EveryAGE Counts* campaign has targeted politicians and policy makers to achieve change, as well as the grassroots, and this 'top down' as well as 'bottom up' approach has proved an effective strategy. If the Roundtable contemplates its own publicity drive, it could tap into this existing campaign to maximise its impact.

Participants, speakers, sponsors and GAP staff were thanked, before the Roundtable closed.

Next Steps

- Participants to submit additional comments and suggestions for progress to GAP secretariat, as well as suggesting additional invitees for a follow-up Roundtable

- Participants to suggest three ways in which they could encourage mature-age employment in their own organisations

- Participants from the business sector are invited to apply to join the Department of Employment, Skills, Small and Family Business' partnership schemes and discussion groups

- GAP to work with the Department of Employment, Skills, Small and Family Business to research federal and state data to illustrate relative employment and unemployment rates

- GAP to research and present data on mature-age employment trends

- GAP to circulate a link to the report of the 2013 GAP/ACHR[33] Conference on Productive Ageing *'A Future without Age'[34]*

Speakers

Karen Ballantyne is Senior Manager for Contracts and Programs, Trade, International Education and Small Business Operations, at the **NSW Department of Industry**. She has extensive experience in delivering high-quality customer focused programs and initiatives. In her current role, Karen leads a team that delivers small business programs. Karen takes an evidence-based approach to address key barriers for small business owners. Projects include targeted support for CALD communities, disability sector businesses and businesses impacted by challenges including natural disasters. To date, the NSW Government's *Business Connect* has supported over 20,000 small businesses to start and grow. Karen has had senior management roles in the corporate and not-for-profit sectors and knows first hand the challenges of running a small business.

Peter Fritz AM is Chairman of **Global Access Partners**, and Group Managing Director of **TCG** – a diverse group of companies that over the last forty nine years has produced many breakthrough discoveries in computer and communication technologies. In 1993, some of the 65 companies in the Group were publicly floated on the Australian Stock Exchange as TechComm Group Limited (now called Utility Computer Services UXC), with

great success. Another former TCG company floated on the New York Stock Exchange in November 1997 for US$600m, making it the largest technology company to be established in Australia until that time. Today the TCG companies, and entities with TCG roots, employ well over 6000 people with a turnover in excess of $1.3 billion annually. Peter's innovative management style and corporate structuring has led to the creation of a business model that is being copied by many successful entrepreneurs, and has become part of university undergraduate and masters programs in business management in Australia and around the world. Peter Fritz chairs a number of influential government and private enterprise boards and is active in the international arena, including having represented Australia on the OECD Small and Medium Size Enterprise Committee. He is the holder of six degrees and professional qualifications, is a recipient of the Order of Australia, and has received many other honours.

Catherine Fritz-Kalish is Co-founder and Managing Director of **Global Access Partners**. Over the last 20 years, GAP has grown to be a proactive and influential public policy and implementation institute, with over 700 active members and a 4,000-strong broader network. GAP initiates and facilitates high-level discussions at the

cutting edge of the most pressing commercial, social and global issues of today. Catherine is also a member of the Board of Directors of the **International Centre for Democratic Partnerships (ICDP)** – an independent not-for-profit organisation established by GAP in 2017 to forge stronger relations between Australia and the Pacific. Catherine's broader business experience includes coordination of a number of international initiatives as part of the annual programme for the SME unit of the Organisation of Economic Cooperation and Development (OECD)in Paris; marketing and brand management within all seven divisions of the George Weston Foods Group; and working within the TCG Group on start-up incubator establishment. Catherine chairs the board of social justice charity *Stand Up*; has co-founded *Thread Together* that provides brand new clothing to those in need across Australia; is a member of the Board of the Fritz Family Office; and is part of a significant giving circle that engages whole families in the act of giving to those in need. She holds a Bachelor of Science degree from the University of New South Wales and a Masters of Business in International Marketing from the University of Technology, Sydney.

Stephen Hayes MBE was appointed as the **National Defence Industry Workforce and Skills Facilitator** by the Minster for Defence Industry in May 2018. In this role, he works across federal government portfolios, with the state and territory governments, industry and academia to help resolve any workforce and skills issues that could impact defence industry's ability to effectively deliver the Government's $200 billion investment plan. Stephen is also the Executive Director of the **Gravity Group**, a global innovation company focussed on digital transformation of strategy, execution and visual reporting in support of boards and company executives. Previously, he was the founding Managing Director and Chief Executive of the International Centre for Complex Project Management and the founding Chair of the International Complex Project Management Research Council. Through his extensive work in international communities, government agencies and high-profile organisations throughout Europe, Brazil, China, Russia, North America and Africa, Stephen has become internationally recognised as a leader in the fields of complexity and program management. He has oversighted complex program management advice and support to numerous organisations, including the UK Ministry of Defence, Hitachi Rail, the Canadian Department of National Defence, the Australian Department of Defence, Air Services Australia, Australian Aerospace, Victoria Police, BAE Systems, Lockheed Martin, Thales and Boeing. In 2012, Stephen chaired the International Task Force that developed the internationally acclaimed report *'Complex Project Management – Global Perspectives and the Strategic Agenda to 2025'.*

Carmel O'Regan is Acting Branch Manager of the Labour Market Policy Branch at the federal **Department of Employment, Skills, Small and Family Business**. She leads the development of evidence-based labour market policy to improve employment services, employer engagement, active job search and job readiness. The focus of her work is the development of policies to increase the workforce participation of particular groups of job seekers, including youth, mature-aged, people with disability, Indigenous, Culturally and Linguistically Diverse, and long-term unemployed. This involves leading a team of thinkers, problem solvers and policy designers to work with stakeholders and across Government to understand different perspectives, issues and research to formulate policy advice, inform implementation, and learn from the results. Carmel has extensive experience in public service leadership, including in analytical roles in the Employment portfolio and in research and survey development roles at the Australian Bureau of Statistics.

Clark Powers is Senior Human Resources Advisor at **Bunnings Group.** He has over 20 years' experience in Human Resources, specialising in Employee Relations, Health and Safety, and Learning and Development. Most of Clark's career has been in the retail sector, including roles in Operations, Human Resources, Merchandising, Internal Audit, and Learning and Development. Previous experience in manufacturing, media and telecommunications has also given Clark a broader understanding of the diversity of industries, people and processes. Clark's history of employment includes Woolworths, Vodafone Australia, Brashs, News Ltd, Norman Ross, and Email Ltd. Much of Clark's current focus and passion within Human Resources has been around Diversity, Inclusion and the Ageing Workforce. Clark is particularly driven by the need to further understand and implement innovating ways to create a better way of working and leading due to the impact of a multi- generational and diverse workforce. Clark has been a professional musician for over 40 years and continues the drive and passion for music for leisure and with his three-piece band with two of his best friends.

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Notes and References

[1] When a meeting, or part thereof, is held under the Chatham House Rule**,** participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed; https://www.chathamhouse.org/chatham-house-rule

[2] The *'Second Track'* is an innovative process of group collaboration that focuses on positive thinking, deep long-term engagement, and a strong personal interest in achieving practical results. It has its origins in international diplomacy (Joseph V. Montville, 1981).

[3] https://www.business.gov.au/people/hiring/equal-opportunity-and-diversity/mature-aged-people

[4] Commonwealth Government (2018), More choices for a longer life, https://www.dss.gov.au/publications-articles/corporate-publications/budget-and-additional-estimates-statements/more-choices-for-a-longer-life-finances-for-a-longer-life

[5] Business Connect, https://www.industry.nsw.gov.au/business-and-industry-in-nsw/businessconnect

[6] *'A Future without Age'*: GAP/ACHR Conference on Productive Ageing; https://www.globalaccesspartners.org/2013_GAP_ACHR_Conference_on_Productive_Ageing_FINAL_REPORT.pdf

[7] Australian Human Rights Commission (2016), *Willing to Work* report, https://www.humanrights.gov.au/sites/default/files/document/publication/WTW_2016_Full_Report_AHRC_ac.pdf

[8] Household Income and Labour Dynamics in Australia

[9] Global Access Partners pioneered the application of the *'Second Track'* process in domestic policy development and stakeholder consultation. https://www.globalaccesspartners.org/consulting/stakeholder-engagement

[10] Department of Social Services (2019), Seniors; https://www.dss.gov.au/seniors/benefits-payments/age-pension

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[15] Skills Checkpoint for Older Workers Program, https://www.education.gov.au/skillscheckpointprogram

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[17] National Work Experience Programme, https://www.employment.gov.au/national-work-experience-programme

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[19] Career Transition Assistance Programme, https://www.employment.gov.au/career-transition-assistance

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22   Collaborative Partnership on Mature Age Employment;
      https://www.employment.gov.au/collaborative-partnership-mature-age-employment

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24   'Hidden Giants': GAP Research on Midsize Business Infographic (2017): 15,855 Australian midsize businesses
      with a turnover between $10 million and $250 million account for half of the sector's total workforce and
      three quarters of its cumulative revenue; https://www.globalaccesspartners.org/infographics.pdf

25   Science, technology, engineering and mathematics

26   'Do it yourself'

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      https://www.globalaccesspartners.org/2013_GAP_ACHR_Conference_on_Productive_Ageing_FINA
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      statements/more-choices-for-a-longer-life-finances-for-a-longer-life

29   Lesbian, gay, bisexual, transgender, queer or questioning, intersex and asexual

30   Curriculum vitae

31   National Disability Strategy 2010-2020;
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