

**THE RECRUITMENT OF
OLDER AUSTRALIAN
WORKERS: A SURVEY
OF EMPLOYERS IN A
HIGH GROWTH
INDUSTRY**

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**The Recruitment of Older Australian Workers:
A Survey of Employers in a High Growth Industry**

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A component of the Research Project on Work Force Circumstances and
Retirement Attitudes of Older Australians

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Executive Summary

To better grasp the likely policy implications of the ageing population, it is important to understand both supply-side and demand-side phenomena associated with the labour market for mature-age workers. This research sheds new light on employers' views of and practices towards older workers. The special qualities of this study can be summarised under three headings – methodological innovations, original findings, and implications for social policy.

Methodological innovations

- This survey samples employment decision-makers in Business Services, the industry with Australia's fastest growing employment. This industry has a reputation for providing employment opportunities for mature-age workers
- As a study of employers' attitudes it has the largest sample (over 1000 businesses compared with the Urbis Keys Young sample of 400) and the smallest sampling errors of any study undertaken in Australia
- The study focuses on the actual recruiting practices of employers, rather than duplicating the emphasis of earlier studies on attitudes alone
- It is the first study to explore the link between attitudes and recent recruitment decisions, using statistically sophisticated multivariate analysis

Original findings

- Small businesses are the greatest source of employment for mature-age workers - only 5 per cent of businesses employed 200 or more
- In contrast to other surveys, the SPRC study found that employers actually often prefer qualities assumed to be part of the negative stereotype of older workers. Despite their reputation for favouring younger, risk-taking innovators, the study revealed a preference for a diverse workforce of intelligent, reliable, team workers with industry rather than computing experience
- The age of the typical customer and the perceived age of best contribution to the business were key factors in selecting an older worker
- Employers do not hold negative views toward older workers who have been retrenched. They view people made redundant as experienced, but unlucky workers who deserve a second chance
- Employers regard mere eligibility for the age pension or superannuation packages as a poor reason to retire

Policy implications

- The study suggests policy initiatives should target small business employers
- Incentives, including wage subsidies, for the employment of mature-age people have the potential to influence recruitment decisions
- Employers currently recruit workers through personal networks and advertisements. They rarely make use of the services of employment agencies, although where agencies are well regarded their recommendations can be influential
- A program designed to maintain industry experience and skills, particularly computer skills, may increase mature-age people's employment opportunities
- Early intervention is crucial to maximising the job-readiness of the mature-age unemployed. Training in job search and interview skills may be effective policies for promoting the economic participation of older Australians.

1 Introduction

The format of this report generally follows the sequence of modules in the SPRC Survey of Employers:

1.1 The Bigger Picture

With project funding from the Australian Research Council, the Social Policy Research Centre (SPRC) has assembled a sequence of time use surveys covering practically the last quarter of a century. This offers an unparalleled set of insights into social change over the last decades of the 20th century, a period of social change with far-reaching significance that has touched the lives of most Australians. On the basis of this information it is possible to calculate a rather unusual but particularly appropriate statistic: per capita weekly hours of paid work.¹ What this figure captures is the average hours of work done by Australians in this age range. It shows, net of population growth, how many hours working-age Australians supply to the labour market. This is a far more precise indicator than any of the conventional labour force statistics, combining in a single measure information about labour force participation and hours of work. Analysis of per capita hours of work between 1974 and 1997 is shown in Table 1.

Table 1: Metropolitan Australians (aged 20-69 years) Per Capita Weekly Hours of (Paid) Work²

	1974		1987		1992		1997	
	Mean	Std Err	Mean	Std Err	Mean	Std Err	Mean	Std Err
Men	40.39	1.46	35.20	0.85	32.15	0.55	32.66	0.55
Women	12.16	1.05	15.33	0.65	16.76	0.42	17.20	0.42
Persons	24.97	1.03	24.87	0.56	24.09	0.35	24.54	0.35

The final row in Table 1 shows that, on aggregate, Australian's average hours of work have not changed over the last quarter of century. On average each Australian is estimated to have worked between 24 to 25 hours per week and the variation in the estimates is smaller than the likely error associated with this estimate. In other words, the difference in per capita hours worked any point, from the beginning to the end of this 23-year period are statistically insignificant. Using this measure, Australians are supplying no fewer (and no more) hours to the labour market than they were at the end of the 'golden age of full employment'.

However, even a cursory inspection of the other rows in Table 1 shows that there are definite and opposed trends in the per capita weekly hours work for each gender. Men's per capita hours have declined steadily from a high of more than 40 hours per

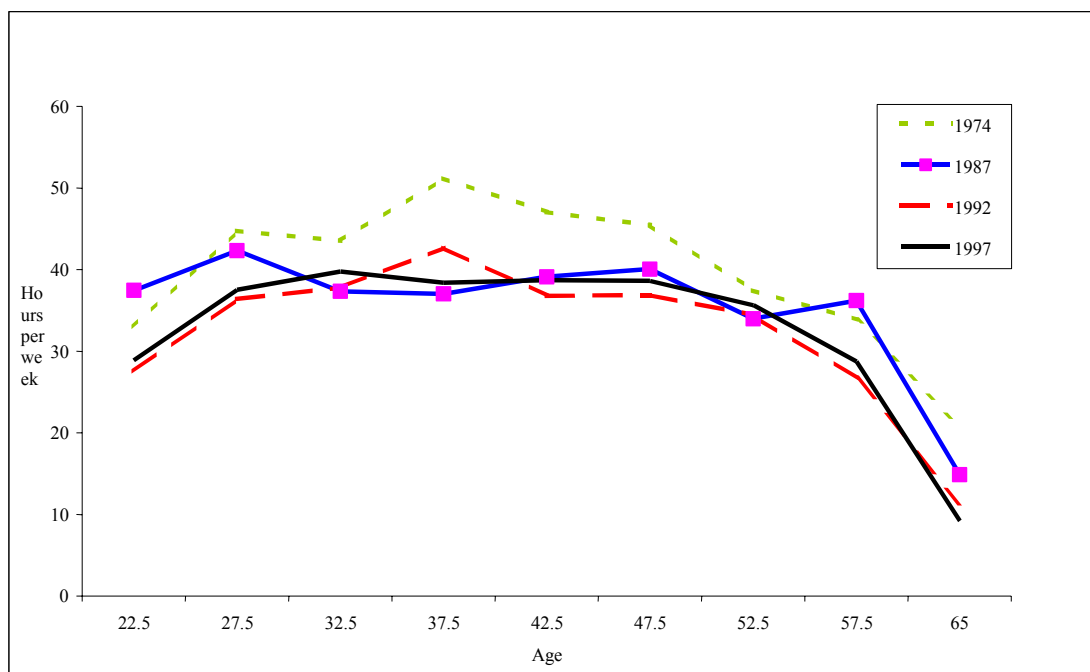
¹ To maximise comparability between years the analysis is restricted to metropolitan Australian aged 20 and 69 years.

² Cities Commission Survey 1974, Australian Bureau of Statistics Pilot Time Use Survey 1987 and Australian Bureau of National Statistics Time Use Surveys 1992 and 1997.

week in 1974 to plateau of around 32 hours per week in the 1990s.³ The pattern of change in women's per capita working hours is almost the reverse of that found among men, increase from a low 12 hours per week in 1974 to around 17 hours per week in the 1990s.⁴ Over the last quarter of a century, demand for, and supply of labour have conspired to redistribute per capita hours of paid work from men to women.

Moreover, the relationship between paid work and the life course of Australian men and women has changed subtly as well. Plotting per capita working hours against age is a good way to illustrate these changes in the timing of key events. Figure 1 and 2 show the plot of per capita working hours for men and women for each year that the survey was conducted.

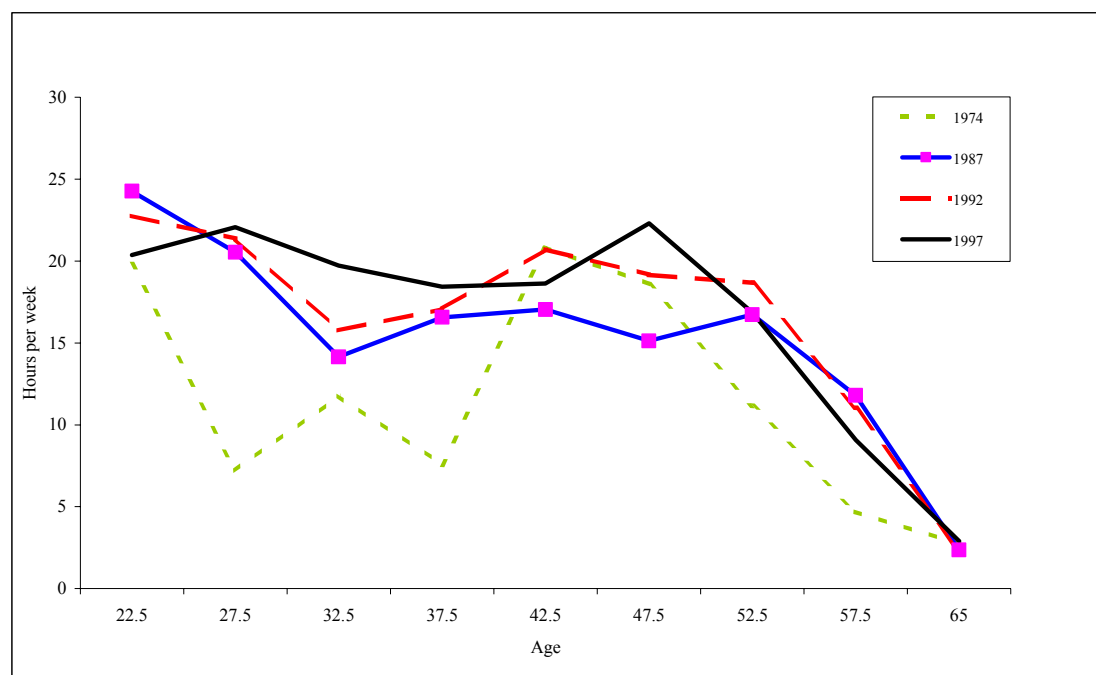
Figure 1: Metropolitan Male Per Capita Weekly Hours of Paid Work by Age: 1974-1997



³ The estimated decline in men's per capita hours is statistically significant ($P < .10$, using a t-test) for each time period, except 1992-1997.

⁴ The estimated increase in women's per capita hours is statistically significant ($P < .10$, using a t-test) for the every time period, except 1992-1997.

Figure 2: Metropolitan Females per Capita Weekly Hours of Paid Work by Age: 1974-1997



The most striking feature of the plot of men's per capita hours is that most change took place after 1974. The lines representing 1987, 1992, 1997 respectively, all fall relatively close together and well below the profile established by the base year 1974. There have also been some subtle shifts in the timing of life course events, which register as changes in the shape of the curve. In the 1970s, men's supply of hours to the labour market rose progressively, peaked when they were in their mid to late thirties, and declined steadily thereafter. The profile of men's per capita labour supply in the 1980s and 1990s is characterised by a long plateau stretching from their thirties to early fifties. By the 1990s growing school retention rates combined with increased participation in tertiary education had meant a later start to 'working life' for men. It takes young men in recent times a further seven years to reach the per capita working hours typical of twenty-year-olds in 1974. Compared with 25 years ago, a higher proportion of prime age males⁵ are not employed (unemployed or not in the labour force). There has been a slight but perceptible acceleration in the rate of non-employment among males aged 55 years and over. The majority of males aged 55 years and over are no longer in paid employment.

The significance of this change in the employment patterns of those over 55 years is magnified by the age structure of the Australian population that is, the effects of an aging baby-boom generation⁶ and the fact that the baby-boom was followed by a baby-bust. These twin demographic facts threaten significant increased demand for benefits and a serious increase in the dependency ratio.

⁵ The expression 'prime aged' conventionally covers those persons aged between 25 and 55 years.

⁶ The baby-boom generation commonly refers to persons born in Australia between 1946 and 1965 (House of Representatives, 2000).

An examination of the per capita labour supply of metropolitan women shows a more complicated and dramatic sequence of changes over the last quarter of a century than that of men. As might be expected from material already presented, women have increased the hours they supply to the labour market in every period under study across most of the age range (20 - 65 years). In contrast to men, however, it is changes in the timing of this supply that are more dramatic than the simple change in overall quantity. In 1974, there was a deep trough in the supply per capita hours associated with the modal ages for bearing and raising infant children (25 – 40 years). In successive years this trough has become progressively shallower, to the point where, in 1997, it is threatening to disappear altogether. The effects of the spectacular increase in women's school retention rates and the higher rates of tertiary study that became established in the last decade of the 20th century is evident in the progressive fall in the per capita hours of women in their twenties. There are also some indications that, in the last five years, women are leaving the labour force at an earlier age.

1.2 Changes in the Age Structure of the Australian Population

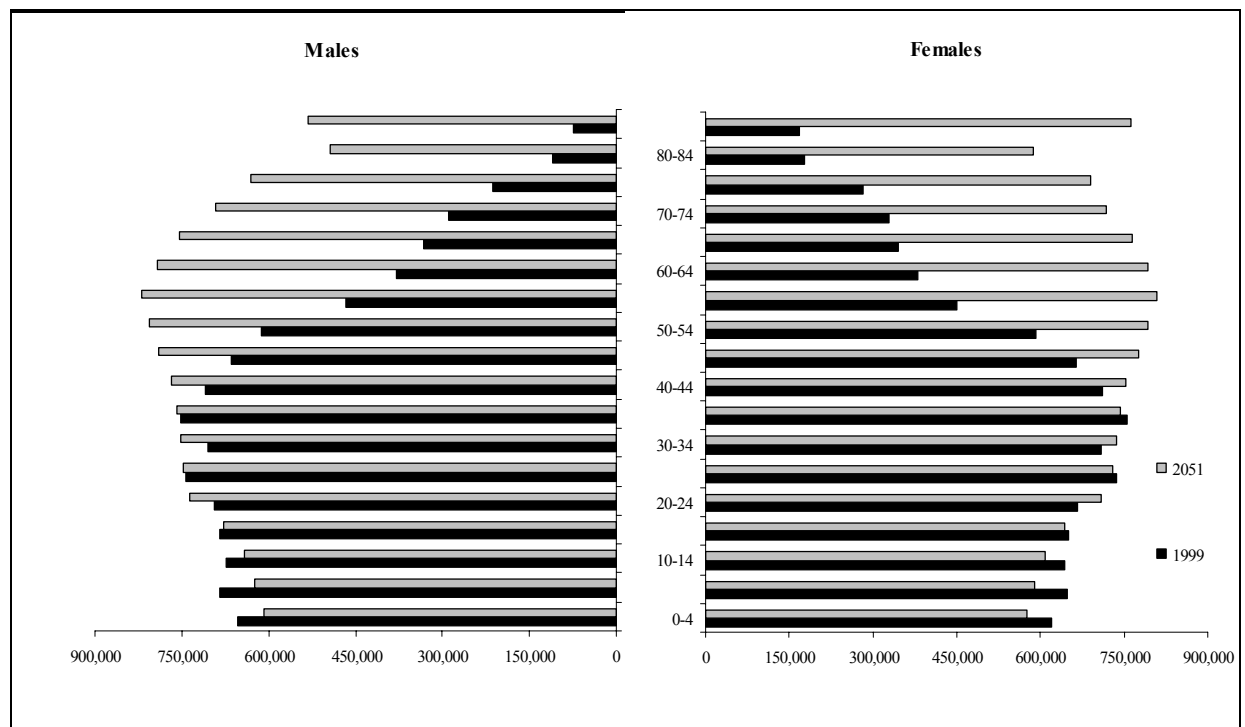
Australian men and women aged 55 years and over have low rates of employment compared to other age groups. These low rates of employment have persisted for many decades and show signs of becoming, if anything, lower still. This becomes an issue of some significance because it coincides with a set of historical trends in fertility and longevity. In the years following World War II, Australia experienced an unusual episode in its demographic history, commonly known as the baby-boom.

The baby-boom interrupted a long-term trend of fertility decline. Demographers use the measure 'total fertility rate' to estimate the number of children women will have by the time they complete their childbearing. Between 1861 and 1865, each woman in Australia was, on average, likely to give birth to six children. By 1935, the total fertility rate had fallen to a fraction over two children for each Australian woman. However, between 1945 and the early 1970s, the baby-boom temporarily reversed this trend in Australia, and the total fertility rate hovered around three children for every woman, peaking in 1961 when the rate was 3.55.

Since the mid-1970s Australia has experienced an equally spectacular but far less publicised 'baby-bust' (Hugo, 1992: 15). By 1976, the total fertility rate had fallen below the replacement level.⁷ The estimated number of births has remained below two per woman through the 1980s and 1990s (Hugo, 1992: 8-9).

⁷ If a population is to replace itself in the long term, without immigration from overseas, it is necessary that the total fertility rate should be higher than 2.115 (Hugo, 1992:8).

Figure 3: Projected Age Distribution for Australia at 2051 and Actual Population in 1999 (Australian Bureau of Statistics, 2000d, 1999d)⁸



A baby-boom followed by a baby-bust has produced a bulge in the age pyramid figure. This bulge in the age pyramid currently consists of high numbers of 'middle-aged' (aged between 39 and 53 years) people. In 1911, the age pyramid of the Australian population was very broad in the base and low in height, reflecting a high birthrate and much shorter life expectancy. Since that time the base of the pyramid has narrowed, so that at some ages the total population has actually shrunk in the last twenty years, while life expectancy has risen markedly. Since fertility among those born in the baby-boom is lower than that of their parents, and is expected to be lower still among their offspring, this bulge will become more pronounced. At the other end of the life course there have been remarkable increases in life expectancies in Australia. Male children born in the 1990s can expect to live for an average of 74 years and the female child can reasonably expect to live to 80 years of age. This is eight to ten years longer than their counterparts born in 1947, and a staggering 19-20 years longer than those born at the beginning of the twentieth century (Hugo, 1992: 75, 86). This historical trend towards greater life expectancy is elongating the age pyramid. It is expected that the population over 65 years of age will grow at twice the rate of the population between 1991 and 2011 (McDonald, 1995: 59). The age 'pyramid' has begun to resemble a pear or molten Coca-Cola bottle. And this baby boomer bulge can be expected to rise up the pyramid in the coming decades.

⁸ Series II data is used for the population projections (total fertility rate 1.60, net overseas migration 90 000).

The progressive ageing of the population is recognised as a serious issue for many western governments and Australia in particular (Pearson, 1996; OECD, 1999; Department of Health and Aged Care, 1999; House of Representatives, 2000). The impact of population ageing on economic growth, government spending (health care, social security) and national savings is expected to be realised when the baby-boom generation move into retirement.

1.3 Dependency Ratio

Western governments have become increasingly concerned with the ageing of the population and the effect of a growing number of older people becoming reliant on state pension systems either through early retirement, retrenchment or ill health (Trinder, Hulme and McCarthy et al., 1992; Carnegie Inquiry into the Third Age, 1993; Patrickson, 1998). The decline in the participation rate of older persons in Australia has significant implications for tax revenue, productivity and skills of the labour force and government expenditure on pensions, health and other services for the aged population.

The dependency ratio refers to the ratio of persons aged over 65 years of age to those of working age. Australia's aged dependency ratio age is projected to rise from 18 per cent in 1997 to 40 per cent by the year 2051 (OECD, 1999). This rise in the burden that working persons will carry in support of dependent persons is consistent with other Organisation for Economic Co-operation and Development (OECD) countries. The ageing population and declining participation rate of older workers will have severe financial implications for economic growth and sustainable funding of social security, health, housing and other age-related services (House of Representatives, 1992; Pickersgill et al., 1996; Committee for Economic Development, 1999; OECD, 1999: 100; Department of Health and Aged Care, 1999: 8).

1.4 Supply versus Demand

Given this demographic context, the employment of Australians aged 45 years and over is potentially one of the key issues for government in the coming decades. But what explains the low rate of employment among this age group? In theory there are two alternative explanations. One alternative is that Australians have become wealthier and have accumulated savings and are choosing to retire 'early', that is, before the age at which they would become eligible for the age pension. This alternative is what economists would call a 'supply-side' explanation. It explains the low rate of employment in terms of motives of the people supplying labour.

The other alternative is to explain low rates of employment in terms of the lack of demand for such workers. This is what economists call a 'demand-side' explanation. It suggests that the rates of employment are low because employers do not want workers from this age group. Lack of demand is shown by the disproportionate retrenchment of workers over 50 years of age, the lack of effort to train or take other steps to retain such staff, and by how difficult it is for people of this age group to be re-employed. A prolonged experience of unsuccessfully competing for job openings may lead to a significant 'discouraged worker effect', where individuals become resigned to failure and withdraw from the very process of seeking jobs.

It is, of course, possible that the phenomena of low employment among people in this age category is the product of both supply-side and demand-side influences. The purpose of other components of the research project on Work Force Circumstances and Retirement Attitudes of Older Australians is to investigate the supply-side influences. The purpose of the survey of employer's attitudes towards older workers was to investigate some of the possible demand-side explanations for low employment rates among this group.

2 Overview of Issues: Labour Demand and Mature Age Non-Employment

Demand-side explanations draw our attention to what might be called the three Rs: retention, retrenchment and recruitment of mature-age workers. It highlights the significance of mature-age unemployment, its psychosocial effects, its implications for human rights and the industrial changes that lie behind the preference for younger workers. The survey of employers was designed to test many specific theories against the background of these ideas. In this section of the report an overview of the issue raised in this literature is provided.

2.1 Recruitment: Mature Age Unemployment

The problem of mature-age unemployment extends across countries, individual industries, and type of employment. Much of it is hidden because mature age job seekers do not appear in unemployment statistics because they become discouraged job seekers,⁹ or are in receipt of another social security payment.

Proponents of the demand-side explanation of the low rates of employment among older Australians receive their strongest support from the study of labour dynamics among this group. An analysis of the prospects of 'older job seekers' (aged 45-59 years), based on the longitudinal Survey of Employment and Unemployment Patterns (SEUP), showed that 65 per cent of job seekers aged 55-59 had failed to find any employment in a two-year period (Australian Bureau of Statistics, 1999a). The comparable rate for job seekers aged 20-44 years is 20 per cent. Where older workers were able to find work, they typically found casual employment, in jobs that lasted less than six months, at lower levels of skill (and lower rates of pay) than their previous jobs (Australian Bureau of Statistics, 1999a; Rix, 1994; Encel and Studencki, 1996a; 40+ Project, 2000; House of Representatives, 2000). Once unemployed, older workers have fewer employment opportunities than younger workers and these opportunities are limited to a smaller set of industries and occupations (Committee for Economic Development, 1999).

Following prolonged unemployment, may experience obsolescence of skills, lose motivation and confidence in their ability (Pearson, 1996; House of Representatives, 2000). An issue for concern is that employers report that unemployed older workers have poor job search skills, poor interview techniques, and lack confidence (Gibson, Zerbe and Franken, 1993; Steinberg et al., 1994; Pearson, 1996; House of Representatives, 2000). Many older workers have been in the one stable position for

⁹ Discouraged job seekers are defined by the ABS as 'persons who wanted to work, were available to start work in four weeks, but whose main reason for not actively looking for work was that they believed they would not find a job for any of the following reasons: considered to be too young or too old by employers; lacked necessary schooling, training, skills or experience; difficulties with language or ethnic background; no jobs in their locality or line of work; or no jobs available at all. (Australian Bureau of Statistics; 1999c).

several years before leaving the labour market and are particularly ill-prepared for seeking a new career and selling themselves to employers.

In the Australian context, older workers who have experienced difficulty in finding work are most likely to become discouraged job seekers. As at September 1999, the majority of discouraged job seekers were women aged 35-59 years. Males tended to become discouraged job seekers at a later age than women, with almost 40 per cent aged between 55 and 64 years (Australian Bureau of Statistics, 1999c). The majority of discouraged job seekers were not actively looking for work because they were considered too young or too old by employers (43 per cent), or there were no jobs in their locality or line of work (24 per cent). The high incidence of discouraged older job seekers shows that the official rate of unemployed mature-age worker vastly underestimates the numbers of persons who would like to work.

Mature age unemployed persons experience particular disadvantages in the labour market in the areas of retirement policies, retrenchment and redundancy and age discrimination (International Labour Organisation, 1995; Committee for Economic Development, 1999; VandenHeuvel, 1999). The trend in the 1980s towards organisational restructuring and downsizing, and the changing nature of work has impacted disproportionately on older workers (particularly, as we shall see, in manufacturing, and extraction industries) through retrenchments and early retirement. These kinds of findings have led Taylor and Walker to argue that 'demand-side factors have been the primary determinants of [the] decline in the economic activity among older people' (Taylor and Walker, 1998: 642).

This pattern has been repeated elsewhere in the industrialised world, according to the OECD.

Older males who lose their jobs appear to have great difficulty finding another job. They are under-represented in new hirings and are at great risk of entering long-term unemployment or of withdrawing from the labour force, usually into early retirement (OECD, 1999: 136).

Is Mature-Age Unemployment a White Anglo-Male Issue?

Among the cohort of unemployed older workers, there are those who are at a greater disadvantage than others. These include women who have left the work force to care for children and may have been out of work for up to 20 years; people from a non-English-speaking background; people from the Aboriginal and Torres Strait Islander community; labourers, process and manufacturing workers whose jobs have been made redundant by new technology; and those workers with poor literacy and numeracy skills (Mission Australia, 2000).

However, most of the discussion of mature-age unemployment revolves around men. Perhaps this is because men have been viewed (and have viewed themselves) as 'breadwinners'. Furthermore, it has been assumed that men will spend their entire working life making a career in a single industry. A large proportion of older male workers have been concentrated in industries such as manufacturing which are in decline due to exposure to world markets and new technologies. Older males have been more deeply affected by organisational restructuring, downsizing and retrenchments. In contrast, many of the studies comment that women are accustomed

to the notion of a career typified by breaks in employment, such as when they leave employment to care for children. In a recent Radio National program on mature-age unemployment, Paul Stevens of the Centre for Worklife Counselling commented that women are more resilient in terms of changes in working life than men. Women, he argued, effectively view their career as a series of contracts interspersed with periods of child care (Australian Broadcasting Corporation, 2000).

Nevertheless, unemployment among older women has social costs. It has been argued that, if mature-age women experience less difficulty than men in returning to the labour market it is because they are prepared to accept jobs with low status and pay on a part-time or casual basis (Burgess and Campbell, 1998; Mission Australia, 2000). It follows that these women will have broken career patterns and limited job experience, which restricts their future employment prospects, earnings, savings, and superannuation. The exposure to poverty in retirement among women in this age group will be significantly increased and their reliance on the age pension will be far greater. Onyx argues that older women workers experience discrimination about their age and gender in a heightened 'cumulative fashion' (Onyx, 1998). Ginn and Arber comment that women experience age barriers in employment at a younger age than men (Ginn and Arber, 1996). Employers are generally not well disposed to female employees since women are not perceived as suitable for employment at any age. For example, young women are considered a risk because of the potential for pregnancy and child care. Middle-aged women are considered limited by family commitments and career breaks (Itzin and Phillipson, 1993).

This study does not specifically explore the effects of mature-age unemployment and negative employer attitudes to older workers who identify as indigenous, from a non-English-speaking background, or those with a disability or from a rural or remote area. Research from the United States suggests that the problem of unemployment is greater for certain subgroups of older workers including the less educated, from non-Anglo background, and those with poor health (Committee for Economic Development, 1999). Mission Australia argues that mature-age unemployment is often concentrated in particular regions with declining industry (Committee for Economic Development, 1999: 27; Mission Australia, 2000). For example, factory, mine or plant closures or restructuring in a regional area will have a severe effect on the community and unemployed workers will be at a 'locational disadvantage' (Australian Broadcasting Corporation, 2000).

The Impact of Unemployment

The social and economic implications of the exclusion and marginalisation of older workers from the labour market are wide-ranging. Economic and social effects include increases in health and welfare costs, the possibility of poverty among older persons, and exclusion from the community. For older persons, the personal impact of unemployment is often more severe than for young people and may have debilitating psychological and health effects (Senate Employment, Education and Training References Committee, 1995; Lobo and Parker, 1995; House of Representatives, 2000; Mission Australia, 2000). The loss of employment causes serious emotional, financial and social stress to individuals, families and the wider community (Mission Australia, 2000; House of Representatives, 2000). Submissions to the House of Representatives Inquiry into 'Issues Specific to Older Workers Seeking Employment, or Establishing a Business, Following Unemployment' graphically illustrate the pain

and distress caused by long-term unemployment in middle age. Respondents to the Inquiry commented:

I was retrenched from highly innovative, street-level outreach targeting graffiti vandalism in November 1996 and have been unable to obtain regular employment since that time ... Since retrenchment [my] income has reduced to the standard Newstart Allowance of \$162 per week and I have found that amount extremely difficult to exist.

I lost a small flat and all furniture and personal possessions, in March 1998, just 15 months after retrenchment, due to lack of income and employment. I now live in a transitional rooming house with 11 other adults, all unemployed and several receiving long-term psychiatric care. Thus far I do not need any prescribed medication, but I sincerely wonder how long it will be before I do.

I have become very depressed with a total lack of mental stimulation, loss of personal identity and self-respect, and constant rejection after 370 job applications in the subsequent 30 months of unemployment. All personal networks of past community and business association have gone. I have no friends and find myself on a merry-go-round of professional referrals (Submission 100 to House of Representatives 2000, N. Buchanan).

Since being forced to resign my position with the Department in 1995 at the age of 54 years I have found it extremely difficult to get anything more than a survival income. I have applied for probably more than 250 positions and I have also had a number of interviews. It is quite clear however, that as soon as one attends the interview process the interview panel quickly forms the opinion that one is too old. ...

It is also surprising the number of reasons that can be found for not employing an older person, even though the selection criteria have been met or exceeded, I am sure that many younger people who conduct interviews feel threatened by the more experienced person, (older). Attending interviews has therefore become quite a disillusionment, to the point where one wonders whether it is still worth trying, but one does continue to try in an effort to maintain a level of dignity within the community and to maintain one's self esteem (Submission 129 to House of Representatives 2000, M. Wright).

The psychological and social costs of retrenchment and prolonged unemployment during the productive years of life impact harshly on the quality of life of affected individuals and families. Experiences of low self-esteem and loss of self identity impact on physical and mental health and can extend to broader consequences of social isolation and the loss of social networks and support... At the very least it reduces

people's sense of membership and contribution to the life of the community (Submission 117 to House of Representatives 2000, Australian Catholic Social Welfare Commission).

A speaker on a Radio National talkback program on 'Unemployed workers over 45: What can be done to find work' held in April 2000 commented that the 'mature aged jobless are the lost generation' (Australian Broadcasting Corporation, 2000).

2.2 Retrenchment and Retention: The Two Faces of the Changing Nature of Work?

Studies have suggested that in times of recession and economic downturn, older workers have been disproportionately represented among those leaving the labour market through redundancy, retrenchment and early retirement (Trinder, Hulme and McCarthy, 1992; Itzin and Phillipson, 1993; Taylor and Walker, 1993; ILO, 1995; Patrickson and Hartmann, 1995; HREOC, 1997). Clabaugh notes that during the process of downsizing and restructuring, older workers are often viewed by managers as expenses to be shed rather than as resources to be nurtured (Clabaugh, 1998). Older workers are often the first to be explicitly or implicitly targeted for retrenchment in times of low economic activity (Taylor and Walker, 1993; Pickersgill et al., 1996, Clabaugh, 1998). Taylor and Walker (1998) comment that for organisations seeking to reduce staff, it is relatively easy to encourage early retirement for older employees (Walker, 1998).

The Human Rights and Equal Opportunity Commission has commented that many redundancy arrangements are based on a perception that older workers should not expect to remain in the work force and are better able to adjust and deal with job loss than younger workers (HREOC, 1997). Older workers are often seen as 'soft' targets for redundancy because they have the highest severance pay; their financial security is cushioned by pension; and they are perceived as more prepared for retirement than younger workers (Patrickson and Hartmann, 1992; Pickersgill et al, 1996). However, there is considerable evidence that older workers are financially and emotionally unprepared for retrenchment, which impacts on their adjustment to seeking new employment (Senate Employment, Education and Training References Committee, 1995; House of Representatives, 2000). Employers present voluntary redundancy as a 'choice' to retire early, since redundancy packages are seen as a generous reward to the employee for years of service. A policy of voluntary redundancy is viewed by employees, unions and the community as preferable to forced retrenchment. Several studies have reported that communities are more concerned about youth unemployment as a social problem than mature-age unemployment (Arctcraft, 1989; Reark Research, 1994; Taylor, Steinberg and Walley, 2000).

In an interesting study of British steelworks over the last few decades, Alan Walker and Philip Taylor noted that retrenchment of older workers was concentrated in lower socioeconomic classes (Walker and Taylor, 1992). Redundancy packages, they found, were designed to appeal to older workers. Moreover older workers were under pressure from management and their peers to take redundancy or early retirement (Walker, 1990). This element of pressure has implications for the dichotomous conception of willing and forced exit from the labour force, that is, between voluntary 'early retirement' and 'forced redundancy'. If an apparently voluntary exit from employment is the result of first marginalisation in the workplace, and heavy pressure

to accept a redundancy package and retire early, policies targeted at employer practices are likely to be more effective than altering individual incentives to retire.

In most industrialised countries, the ageing of the working-age population has forced a change in ideology around retirement and notions of the duration of working life. In the European community and most Australian jurisdictions, compulsory retirement has been abolished¹⁰ and instead governments have sought to reduce the dependency ratio by promoting the potential of older people to remain in employment (Institute of Personnel Management, 1993).

Inflexible Victims of Industrial Restructuring?

Many academics have argued that over the last 20 years there has also been a massive change in the nature of work and the type of skills required in the labour market (Pickersgill et al., 1996; ACIRRT, 1999; Department of Health and Aged Care, 1999; OECD, 1999). The nature of employment arrangements has changed and people can no longer expect to work in one job and industry for the duration of their working life. The labour force has become increasingly mobile, and people change jobs more frequently than in the past. Employees need to possess flexibility and transferable skills in order for businesses to be productive and compete successfully in the global economy. In this economy, career progression is often linked to ongoing training, satisfactory job performance and higher levels of educational qualification.

The research conducted by Pickersgill and colleagues (1996) examined employer attitudes and practices toward older workers in the context of changes in labour and product markets. This report argues that the structural changes in the Australian economy are such that there may be different issues for mature age workers who have to train for a new occupation, than for those looking for work in the same occupation or industry (Pickersgill et al., 1996; 36). The case studies in this paper indicate that strategic approaches by employers to manage older workers was limited to those who were currently employed. Pickersgill argues that in industries with a declining employment base, such as manufacturing and construction, the potential for employment for older workers was limited, and these workers will require training or retraining in order to find new employment.

In Australia, there has been an increase in the levels of part-time and casual work with around a quarter of the work force in casual work arrangements. The majority of new jobs are in the service sector and are part-time, casual and non-unionised (Burgess and Campbell, 1998). There has been a move toward outsourcing of work, particularly in the service sector (technology, consulting, personal and community services) to contractors. Contract employment tends to be on a short-term basis, and may inhibit an employee's capacity to plan for the future and retirement. For older workers, the

¹⁰ Compulsory retirement was outlawed in the United States in 1986, and is abolished in Canada, France Sweden, Denmark and Finland. It has been abolished in all Australian jurisdictions; the Northern Territory and Tasmania allow compulsory retirement provided the employer imposes a standard retirement age. However, compulsory retirement is permitted for certain professions, for example in NSW judicial and police officers are subject to compulsory retirement (HREOC, 1999). Until the Public Service Act 1999, Commonwealth public servants were compulsorily retired when they reached the age of 65.

casualisation of labour has implications for retirement incomes and the dependency ratio.

Industrial restructuring, including the development and innovation in technology has produced a decline in employment in industries using manual labour (mining, manufacturing, electricity, gas and water, construction, transport and storage) and an increase in the services sector, particularly information technology, property and business and financial services (Committee on Employment Opportunities, 1993). The skills required in the service industry sector are different to those in the primary industries. The Department of Health and Aged Care notes that the change in the nature of work combined with the ageing of the population has produced a shift in the balance between young and older workers (Department of Health and Aged Care, 1999; 17). Older workers are disadvantaged in the areas of transferability of skills, educational qualifications and literacy and numeracy levels (Submission 32 to House of Representatives, Department of Employment, Workplace Relations and Small Business).

Research suggests that in this labour market, older workers are at a distinct disadvantage when seeking employment and in competition with younger workers. Older workers are less mobile, may have fewer educational qualifications, receive less training, may be deficient in literacy and numeracy skills, and their skills may be outdated and not easily transferable between tasks (Artcraft, 1989; Reark Research, 1994; Steinberg et al., 1994).

2.3 The Spectre of Age Discrimination

Why are the recruitment rates for older workers so low and why are so many discouraged and dispirited? Much of the literature on employer attitudes suggests that employers have stereotypical perceptions about older workers that ultimately become the basis for age discrimination in employment (Taylor and Walker, 1993; Warr and Pennington, 1993; Reark Research, 1994; Steinberg et al., 1994; Pickersgill et al., 1996). It is these discriminatory practices which ensure that older workers are less likely to be in employment and prevent older workers from returning to employment, even at lower levels of skill.

Age discrimination can be defined as 'differential and discriminatory treatment on the grounds of age, based on a set of negative assumptions and stereotypes about older people' (Pearson 1996: 16). In the labour market, many have argued that age discrimination operates to deny older people the choice or opportunity to continue to work (through retrenchment, early retirement schemes and prolonged unemployment), and forces them into casual, part-time or contract labour with no sustainable long-term employment future.

Discrimination on the basis of age is illegal in all states and territories of Australia. At the national level, Australia is party to a number of international treaties and conventions which impose an obligation to eliminate age discrimination. The Human Rights and Equal Opportunity Commission Act 1986 covers age discrimination and the Workplace Relations Act 1996 outlaws the termination of employment based on age. According to the Commission, the Federal and State levels of Government have inconsistent provisions and Australia lacks a national standard for protection against age discrimination. In several responses to complaints of age discrimination in

retirement and redundancy, the Commission has called for the Commonwealth to legislate to provide comprehensive national prohibition of age discrimination (HREOC, 1996; HREOC, 1997). During 1998-1999, 15 per cent of complaints received by the Commission under the Human Rights and Equal Opportunity Act were about discrimination on the basis of age (HREOC, 2000). The Commission recently tabled a report on age discrimination in Australia in Parliament (HREOC, 1999) and has called on the government to review all legislation, regulations and policy for discriminatory provisions (Ingram, 2000).

Despite legislative support for the equitable treatment of persons of all ages in the labour market, Australian researchers have argued that employers still discriminate on the basis of age (Artcraft, 1989; Reark Research, 1994; Steinberg et al., 1994; Pickersgill et al., 1996; Watson and Shael, 1997; Encel, 1998; Urbis Keys Young, 1999). Age discrimination can be manifest in employers practices and policies relating to recruitment and selection, staff retention, retrenching older employees before younger, and the preferential hiring, training and promotion of younger employees. These practices may be overt (such as age limits in advertisements) or covert, by rejecting all applicants over a specified age. At a practical level, company policies articulating principles of 'workplace diversity' may exclude the dimension of age. The recent Urbis Keys Young survey of older workers reported employers were more aware of gender and ethnicity as discrimination issues than they were of age (Urbis Keys Young, 1999).

Older workers report many incidents of age discrimination when seeking employment in the labour market, listing it as the primary reason for not getting job, or even failing to get an interview for a job (Encel and Studencki, 1996a; Hayward et al., 1997; Mission Australia, 2000). In a UK study on attitudes to retirement, two-thirds of men and women aged over 40 years stated that their age was a major barrier to obtaining a better job (Ginn and Arber, 1996). However, employers may not specify an age limit but use words such as 'dynamic', 'creative' and 'innovative' in an advertisement to attract younger applicants, and deter older applicants (Itzin and Phillipson, 1993; Kodz, Kersley and Bates, 1999). The practice of age discrimination may also be disguised by a focus on formal selection criteria (Senate Employment, Education and Training References Committee, 1995, Patrickson and Hartmann, 1995).

The United Kingdom has explored the relative benefits of pursuing anti-discrimination legislation compared with an education campaign about the abilities of older workers (Taylor and Walker, 1993). In 1999, after wide-ranging community consultation, the Blair Government introduced the 'Age Diversity in Employment; A Code of Practice' (Department for Education and Employment, 1999). The Code covers best practice in human resource management, recruitment, selection, promotion, training and development, redundancy and retirement. An interim evaluation of the Code reports that while employers do not appear to endorse policies that encourage age discrimination, in practice age discrimination was prevalent, particularly in the area of recruitment (Department for Education and Employment, 2000). In addition, there was little reported change in company policies as a result of the implementation of the Code and the British Government is currently considering implementing anti-discrimination legislation.

This research suggests that government can play a key role in raising the employment rates among older Australians by tackling employer practices based on age

discrimination. The implication is that discriminatory employment practices create a large pool of non-employed mature-age workers and artificially reduce the demand for their labour. However, the research also indicates that the process of eliminating age discrimination in the labour market is difficult. Employer attitudes, business practices and the economic situation combine to limit the opportunities of older workers in the labour market. The British Code of Practice illustrates that while best practice models may be developed, unless age discrimination legislation can be effectively enforced, there may be little alteration in actual employer practices.

3 Survey Design and Methodology

The SPRC Survey of Employers was commissioned by the Department of Family and Community Services as part of a larger project examining labour force dynamics among mature-age workers, their income support patterns and their financial circumstances.

A key consideration of the survey design was ways to avoid duplication and complement the results of the Department of Employment, Workplace Relations and Small Business (DEWRSB) survey on the Employability of Mature Workers conducted in July 1999 (Urbis Keys Young, 1999). An initial review of the literature on mature-age employment established that previous surveys had focused on employer attitudes and practices in relation to the recruitment, retention (through training and development) and redundancy of older workers. Employers are a difficult population to survey, they are best interviewed by telephone and it is only practicable to keep them on the phone for 15 to 20 minutes. Each of the issues of recruitment, retention and redundancy among mature-age workers is substantial enough to be subject of an entire 20-minute interview. In order to extract maximum value from the survey it was necessary to place the major emphasis on just one of these three topics.

Previous studies had provided clear reasons why older workers are targeted for redundancy or early retirement through employer or self-selection (ILO, 1995; Patrickson and Hartmann, 1995; Encel and Studencki, 1996a; HREOC, 1997; OECD, 1999). There seemed little point in replicating these well-established findings. Furthermore, the policy implications of these findings were already the subject of investigation by legislative bodies. The House of Representatives Standing Committee on Employment, Education and Workplace Relations investigated the need for an Employer Code of Conduct on Retrenching Workers in March 2000. A recently released report of this inquiry recommends the development of a voluntary code of conduct for best practice principles in relation to retrenchment (Recommendation 3, House of Representatives 2000).

Retention is the reverse-side of the coin of redundancy. Retraining is an issue connected to both retention and recruitment. The literature reports that lack of recent training is the reason frequently put forward by employers for not recruiting older workers. On the issue of training and retention, the Department of Education, Training and Youth Affairs has recently released a report on the barriers to training for older persons (National Institute of Labour Studies, 1999). However, there is scope in a survey of employers' perceptions and practices to produce useful new information about the salience of recent training in explaining low employment rates older workers.

Based on this information, it was decided that investigating recruitment practices through the survey would provide the opportunity to make a significant contribution to policy in this area. There is a lack of detailed research on the relation between the attitudes and practices of employers toward older workers, and actual instances of recruitment activity. In order to effectively examine what measures may encourage an employer to hire an older worker, it is necessary to gain information about how businesses conduct recruitment, and who they actually recruit, and the characteristics of their ideal employee. It is likely that issues of retention, retraining and redundancy

in relation to older workers may mobilise the same set of employer attitudes as recruitment. In focusing on recruitment, the survey provides valuable information about employer attitudes to older workers as potential employees and will contribute what is already known about the position of older workers in terms of retention, retraining and redundancy.

3.1 Industry Selection

Assuming a relatively small sample size survey of all employers, it is unlikely that the cell sizes are sufficiently large to support a statistically significant breakdown of variations by industry. Having decided to focus on the issue of recruitment, the next question is that of selection of industry. Information about the attitudes of employers in declining industries, that are mostly shedding labour, gives little purchase on policies to promote the recruitment of older workers.

The focus of the survey on employer attitudes toward older workers in a single industry is supported by previous research. Employer attitudes toward older workers have been shown to be generally consistent across countries, industries and type of employment. Nevertheless, Taylor and Walker found slight differences in attitudes between industry sectors in the United Kingdom. Employers in the service industry held slightly more positive views than those in manufacturing and construction (Taylor and Walker, 1994). Although this means that there may be limits to generalised conclusions based on a single industry these are likely to be offset by the advantages provided by insight into the perceptions and practices of employers who are likely to recruit older workers.

The survey was conducted nationally in Business Services, which is a subdivision of Property and Business Services in the Australian and New Zealand Standard Industrial Classification (ANZSIC) (Australian Bureau of Statistics, 1993). Business Services was selected because of the diverse businesses and employment arrangements it includes and because it has a profile suggesting that it is representative of the employment opportunities available to older workers. In particular, Property and Business Services is a suitable industry to focus on for the purposes of the SPRC Survey. It has:

- experienced a 35 per cent employment growth from 1994-1995 to 1999-2000; the majority of growth was experienced by women aged 55-59 years (82 per cent), and men aged 55-59 years (58 per cent) and 60-64 years (43 per cent) (Australian Bureau of Statistics, 2000b);
- almost one-third of the work force are over 45 years old;
- an even distribution between the numbers of males and females in the work force;
- a history of retrenchments and redundancy of older workers (Australian Bureau of Statistics, 1997b); and
- one-quarter of employees work on a part-time basis (Australian Bureau of Statistics, 2000b).

Alternative industry classifications, which were investigated as possible candidates also for the SPRC Survey - the construction industry and health and community services industry – proved less suitable. Both these industries have similar characteristics in terms of high employment growth, a large proportion of employees over 45, and a history of retrenchment and redundancy. However, construction (87 per cent males) and health and community services (80 per cent females) have very uneven distributions of males and females in the work force. Focusing the SPRC Survey on these industries may result in a sample that is less representative of older workers in general.

As identified in the House of Representatives Inquiry, many older persons who have lost employment choose to establish or purchase a small business (House of Representatives, 2000). In 1998-99 the largest number (20 per cent) of non-agricultural small businesses were operating in the Property and Business Services sector (Australian Bureau of Statistics, 1999e). By conducting the survey in the Business Services sector, it is possible to sample a significant number of older workers who are employed in small business or are small business proprietors. In addition, small non-agricultural businesses provided employment for an estimated 47 per cent of the economy's private sector work force in 1998-99.

Business Services cover a diverse range of organisations and occupations, and include new modes of service delivery such as the contracting out of services. Industries include employment services, cleaning, secretarial, computer maintenance, data processing, business management and consulting. It also includes 'new technology' businesses that are likely to be of increasing significance in the future. The classification Business Services includes the following sub-categories:

- 781 Scientific Research;
- 782 Technical Services (architectural services, surveying, consulting engineering, technical services not elsewhere classified);
- 783 Computer Services (data processing, information storage and retrieval services computer maintenance services, computer consultancy services);
- 784 Legal and Accounting Services;
- 785 Marketing and Business Management Services (advertising services, commercial art and display services, market research services, business administrative services and business management services); and
- 786 Other Business Services (employment placement services, contract staff services, secretarial services, security and investigative services, pest control services, cleaning services, contract packing services and business services not elsewhere classified).

3.2 Sample Instrument and Design

A sample of job opportunities available would have been ideal for a survey with the purpose of studying recruitment of workers. However, this design specification could not be pursued because the ABS does not collect data on job openings or release data

on the nearest proxy: employer size. Although Dunn and Bradstreet could supply a sampling frame of business classified according to size, in total this frame contained roughly 4000 names of businesses in the appropriate industrial classification. Given the expected rate of successful contact this would not have yielded a final sample of the necessary magnitude.

Surveys Australia could provide a national listing of businesses drawn from the electronic Yellow Pages and this list was adopted as the basic building block of the sampling frame. By matching the entries in the Yellow Pages to the ANZSIC classification of Business Services a sampling frame of 112 193 businesses in appropriate industry classification was developed.

For the purposes of this survey only employers operating in the Business Services industry, that employ staff and have recruited employees in the last 12 months are in scope. Screening questions were used to exclude sole operator businesses and those with no recent history of recruitment from the survey. Having selected a business in scope, the next important step to ensure that we interviewed the most relevant person in the business. The target respondent for the survey was a person in the business who has been responsible for recent recruitment activity. Up to three call-backs were made to each business before discarding the respondent from the sample frame.

The sample was national in focus and incorporated metropolitan, rural and regional areas. Quotas were used to ensure adequate representation of metropolitan, rural and regional respondents. Respondents were randomly selected until the quotas were filled and 1007 interviews were completed.

The survey instrument (attached at Appendix A) was developed in response to a review of the national and international literature and research of employers' views of the employment of older workers. The survey instrument was further refined after consultation with the Department of Family and Community Services.

The rationale for the survey items is as follows:

- a concentration on recruitment practices (questions 5 and 7 - 15); this has been a notable weakness in previous research, which has tended to collect data on attitudes but no information about actual instances of recruitment;
- qualities stereotypically associated with older workers, in previous research are contrasted with qualities stereotypically associated with younger workers and both are given a positive valence, to avoid bias due to social acceptability, and to provide a more stringent test of whether these stereotypical criteria underpin employer preferences in recruitment (question 6);
- asking about both stereotypes and actual recruitment decisions enables the study of the relationship between employer attitudes and the most recent appointments;
- a module on attitudes to job applicants with a history of retrenchment (question 16) have been included to test the alleged prejudice against retrenched workers;
- a module designed to tap employer attitudes to retirement (questions 17 - 19);

- tests of the responsiveness of employer to incentives aimed at promoting the recruitment of older workers, which are both more elaborate and more concrete than those asked in the Urbis Keys Young survey (1999) for the Department of Employment, Workplace Relations and Small Business (question 20);
- information about the respondent's position within the organisation has been gathered (question 3 - 4, 29 - 30);
- the survey instrument gathers information about the characteristics of the organisation itself including age, gender and type of employment (question 1 - 2 and 21 - 28); and
- the survey was approved by the Australian Bureau of Statistics Statistical Clearing House in June 2000 (Approval Number 00499-01).

4 Sample Characteristics

When interpreting survey outputs a key consideration is the quality of the sample. The fundamental issue is whether the sample is representative of the target population as a whole. Generalising from a probability or 'random' sample depends on the assumption that every unit in the population being sampled has an equal chance of selection and differential rates of response by sub-populations violates this presumption. A comparison of sample characteristics with population statistics collected by the Australian Bureau of Statistics allows some rudimentary assessment of the representativeness of the final sample.

4.1 Response Characteristics

The full details of the response characteristics are shown in Appendix B. Since the survey design contained an element of screening, Appendix B shows large numbers of telephone contacts to identify the small proportion of eligible businesses. The Appendix B shows that 3756 calls were made to businesses that did not recruit in the last 12 months and were therefore out of scope. In more than 800 cases the listed phone number no longer belonged to a business that was trading. When these and all the other grounds for exclusion from the sampling frame are summed together, over 5000 business entities in the Yellow Pages were screened out as ineligible. A further 1475 business entries were discarded from the sample because the number listed was a mobile phone and 142 because the sampling quota had already been filled. Overall, fewer than 19 per cent of those business entries in the Yellow Pages selected for the sample survived screening for eligibility.

Among those contactable businesses eligible for interview the response rate was 54 per cent. In the process of collecting more than 1000 valid interviews, there were over 800 refusals and 65 calls to eligible businesses were terminated before they could be completed. Given the difficulties of surveying businesses this is a higher than expected response rate.

The recently released Urbis Keys Young survey of employers undertaken for DEWRSB provides an obvious point of comparison (Urbis Keys Young, 1999). The Urbis Keys Young study constrained their sample to contain roughly same number of businesses that employed over 200 people as those that employed less. Within the larger businesses, quota sampling was used to ensure that they interviewed Human Resources Managers in half the cases. Although restricted to a single industrial classification, a population of business with a history of having hired an employee in the year, the SPRC survey applied only geographical quotas to obtain the right balance between capital cities and rest of state. This produced a probability sample in which less than five per cent of businesses employed more than 200 people and in slightly more than half of these cases the Human Resources Manager was the interviewee. While the Urbis Keys Young survey yielded higher response rates from the firms with more than 200 employees, when the results are reweighted to reflected the characteristics of interviewees and their firms in the SPRC survey, the overall response rate in the SPRC survey is shown to be higher.

Table 2: Comparison of Response Rates for Recent Telephone Surveys of Employers

	Urbis Keys Young Survey			SPRC Survey of Employers		
	Human Resources Manager interviewed, 200 plus employees	Other Manager Interviewed, 200 plus employees	Less than 200 employees	Overall	Reweighted	
Interviews	101	100	200	401	1006	
Refusals	51	40	193	284	65	
Terminations	4	5	27	36	821	
Total	156	145	420	721	1892	
Response rate (Percentage)	64.74	68.97	47.62	55.62	48.50	53.17

A crucial issue in assessing the response rate is whether the differential rates of response among various sub-populations will have introduced a source of error, known as ‘response bias’, into the sample estimates. For example, if only those organisations with an explicit affirmative action policy were to respond to a questionnaire on the employment of women with disabilities then the resulting estimates of potential employment would be an overestimate. A well-accepted method for assessing the effects of non-response is to check the sample against an authoritative source of independent data, to see if estimates derived from the sample agree with the source chosen as the standard. In this respect the consideration of response bias merges with issues of assessing the representativeness of the sample.

4.2 Representativeness

The chief obstacle to checking the representativeness of the final SPRC sample is the lack of comparable published data. The Australian Bureau of Statistics maintains a register of businesses but this data is not publicly available.¹¹ An important test of the sample is whether it sampled all components of Business Services classification in the correct proportion. The ANZSIC is a nesting classification of industries with the most detail captured at the 4-digit level and the broadest level of classification at 2-digit level. Business Services is a category at the 2-digit level of classification.

Information about the number of persons employed in various industries was collected as part of the 1996 Census. The special advantage of using the Census as a point of reference is that, by definition, the census counts everyone and therefore no sampling error is zero. Assuming there is a strong relationship between number of business units who took on an employee in the last year and the number people employed in that industry, it is possible to approximate a test of the representativeness of the study sample against data from the census.

¹¹ A table can be prepared from the Australian Business Register for a charge.

The SPRC survey design called for a national probability sample using the Yellow Pages as the sampling frame. The company subcontracted to conduct the survey fieldwork – Surveys Australia – has developed a way of mapping entries in the Yellow Pages to the 3-digit level of ANZSIC. Since some businesses have multiple entries in the Yellow pages, the sample included eleven businesses that did not belong to the Business Services classification. A further 67 were businesses with no clear ANZSIC classification. These businesses were retained in the final sample and their industry classification are treated as missing data.

Table 3: Comparison of Census Data and SPRC sample

3-digit ANZSIC code	Industry Classification	Percentage of persons employed (1996 Census)	Percentage of businesses sampled (SPRC Survey of Employers)
781	Scientific Research	3.9	1.3
782	Technical Services	15.1	19.4
783	Computer Services	9.5	6.2
784	Legal and Accounting Services	21.5	27.4
785	Marketing and Business Management Services	21.5	17.7
786	Other Business Services	28.5	28.0
	All Business Services	100.0	100.0

Table 3 above shows that there is a relatively close association between the Census information on the proportion of Australians employed in the various subdivisions of Business Services and the proportion of fully responding business units in the SPRC Survey. The largest discrepancy, found in the Legal and Accounting Services classification, is that the SPRC Survey is 6.5 per cent higher than that shown in the Census data. Otherwise the difference in proportion is never greater than four percentage points. If the presumed association between proportions employed and business unit responding is accepted, then comparison with this benchmark should inspire substantial confidence in the representativeness of the SPRC Survey.

5 Respondent Characteristics

This section describes the characteristics of the respondent businesses, the nature of the work force in the respondent business and individual respondent details. These characteristics are broadly discussed in terms of their relationship, if any, to employer attitudes and older workers.

5.1 Industry

As discussed in the methodology section, the sampling frame for the survey was drawn from the electronic Yellow Pages. The Yellow Pages were matched to the ANZSIC classification for Business Services to provide a sample pool of 112 193 businesses. During the conduct of the survey, the phone numbers for Business Services were allocated randomly and on some occasions the number was re-routed to a person outside the business to answer the survey questions. In these situations, it was not possible to allocate the re-routed number to a Business Services classification and the industry code is missing. There are 78 (67 no industry and 11 with industry code outside Business Services) cases where this has occurred and these items are included in the sample of 1007 respondents as ‘Other Industries’. The sample is distributed between the following industry classifications.

The majority of respondents were employed in ‘Other Business Services’ (26 per cent). ‘Legal and Accounting Services’ had 25 per cent of respondents, followed by ‘Technical Services’ with 18 per cent, ‘Marketing and Business Management Services’ (16 per cent), ‘Computer Services’ (six per cent) and ‘Scientific Research’ (one per cent), and Other Industries (eight per cent). The category of ‘Other Business Services’ includes employment placement services, contract staff services, secretarial services, security and investigative services, pest control services, cleaning services, contract packing services and Business Services not elsewhere classified.

Table 4: Distribution in Business Services

ANZSIC Classification	Percentage
Scientific Research (781)	1.2
Technical Services (782)	17.9
Computer Services (783)	5.8
Legal and Accounting Services (784)	25.3
Marketing and Business Management Services (785)	16.3
Other Business Services (786)	25.8
Other Industries	7.7

5.2 Organisational Characteristics

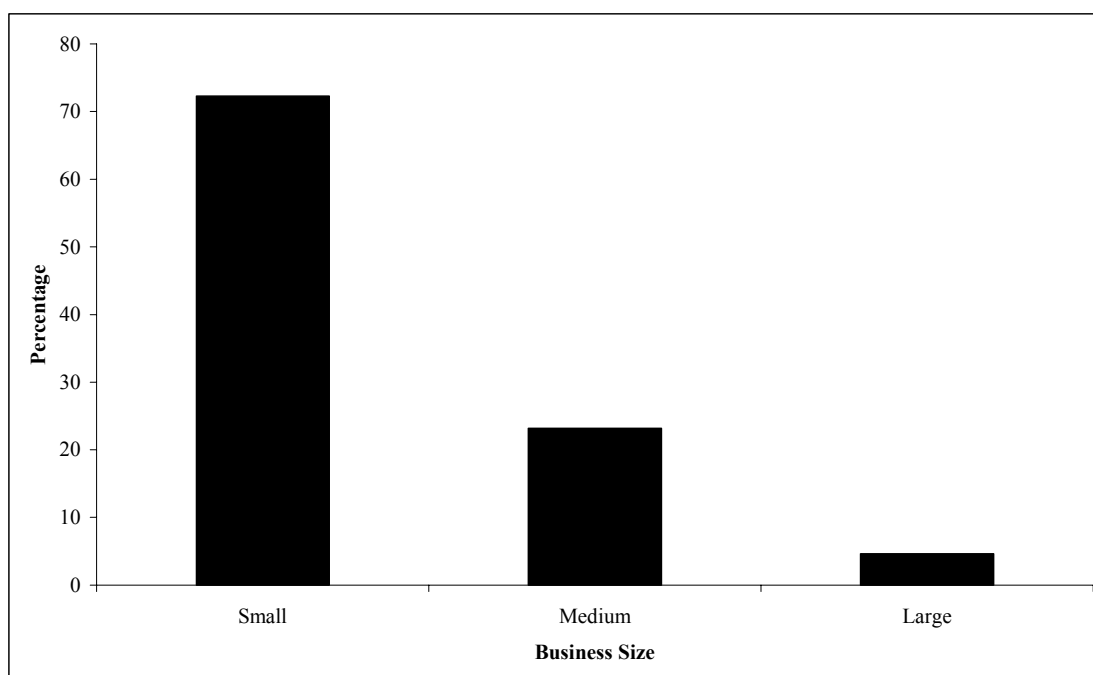
Business Size

Previous studies have found an association between employer size and attitudes toward older workers. In general, larger organisations are more likely to be receptive to the employment of older workers, and hold positive attitudes toward older workers (London, 1992; Divito, 1994; Steinberg et al., 1994; Steinberg, et al., 1998; Urbis

Keys Young, 1999). In the SPRC Survey, the size of the business was not a significant factor influencing employer attitudes toward older workers.

In Figure 5, business size is based on the Australian Bureau of Statistics definition (Australian Bureau of Statistics, 1997a) where small business is 1-19 employees, medium is 20-199 employees, and large is 200+ employees. It is important to note that the sample does not include sole operator businesses. Analysis of the sample indicated that there were a total of 52 sole operator businesses that were screened out at the start of the survey. In addition, there were five survey respondents who could not state the size of their business. In the SPRC Survey, almost three-quarters of the sample were small business (72 per cent), 23 per cent were medium business and less than five per cent were large businesses.

Figure 4: Size of Respondent Businesses



Almost 20 per cent of the small businesses in the sample had been operating for less than five years. Only 45 per cent of small businesses had been operating for more than 10 years, compared to 64 per cent for medium and 76 per cent for large businesses. This finding indicates that small business may be less likely to become a long-term concern than larger businesses.

Three-quarters of businesses in the sample were stand-alone operations and were not part of a larger organisation.

Special Needs of Small Business

When examining employer attitudes to recruitment, it is important to note that human resource policies, practices and strategies within a business are specific and responsive to the economic situation, and the characteristics of that business. The work force participation of older workers is dependent on a number of business-related factors including productivity, profit, availability of labour, business expectations,

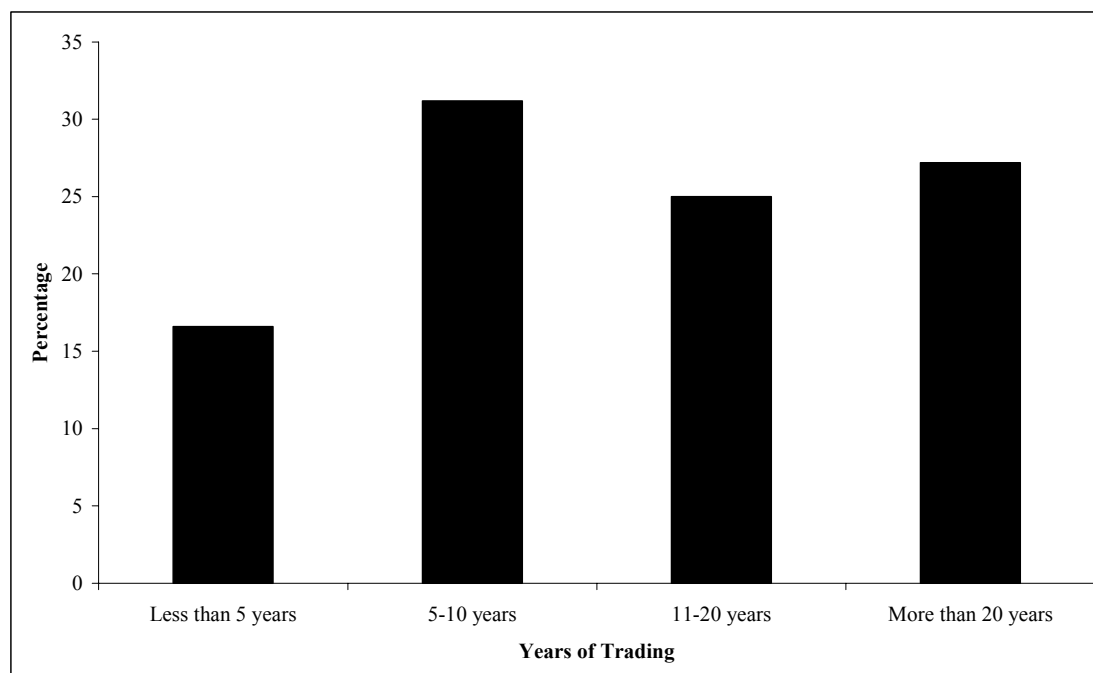
skill levels, structure of the business and the economic climate. From the employer perspective, Shepherd comments that employers make recruitment decisions based on financial considerations, and that older workers are simply not in high demand, or able to compete with younger workers for jobs in a restructured economy (Shepherd, 1993: 149).

In several studies of mature age unemployment, employers have commented that they are operating under considerable financial, time and organisational pressure (Reark Research, 1994; Watson and Shael, 1997). Small business in particular, is an environment that is characterised by rapid and continual change in terms of government and legislative requirements, and they operate with low overheads and profit margins. In this context, financial pressure is passed on to employees to ensure that they increase their productivity, adapt to new technology and work to full capacity. To some extent, it is understandable that employers may be seeking employees who they think will embrace change (Reark Research, 1994: 24) and do not require a settling-in period or retraining (Watson and Shael, 1997: 101) before performing at optimal level. This research on employer attitudes confirms that the employees sought in this pressured business environment are more likely to be younger employees because they are viewed as more adaptable, flexible and productive than older employees.

Age of the Business

Interestingly, over 50 per cent of sampled organisations had been trading for more than 10 years. This contradicts anecdotal information about the Business Services industry, which suggests that they are typical of new businesses that have emerged in response to the recent trend for contracting out services such as computer services, legal and accounting services and consulting services. The length of trading time for businesses is shown in Figure 5.

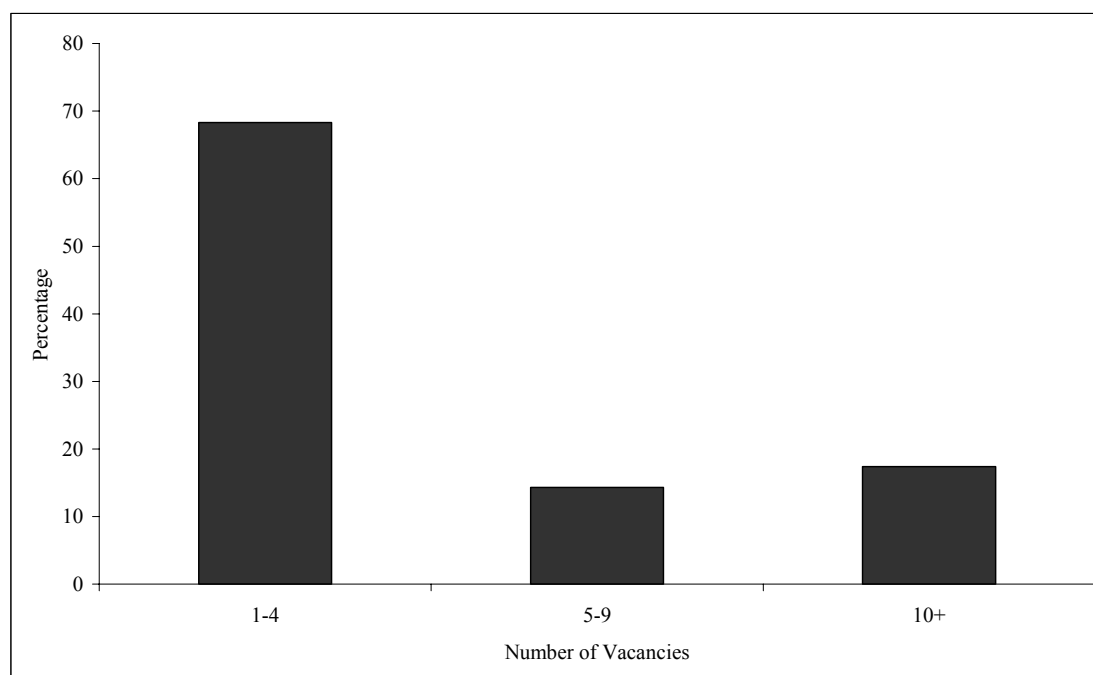
Figure 5: Length of Time the Business has been Trading



Number of Vacancies

Almost 70 per cent of businesses in the survey had experienced up to four vacancies in the twelve months to June 2000. Fourteen per cent of respondent businesses had experienced five to nine vacancies, and 17 per cent had more than 10 vacancies over the 12-month period as shown in Table 13. The property and Business Services industry has been experiencing strong growth in the number of job vacancies, and in May 2000 recorded the largest number of job vacancies across all industries (Australian Bureau of Statistics, 2000a). The results appear in Figure 6.

Figure 6: Number of Vacancies in the Previous Year



Age of Typical Customer

There is little literature exploring the association between customer age and attitudes toward older workers. As will become evident, this characteristic of the business has an important effect on the recruitment of mature-age workers. In the UK, there have been several pilot programs conducted to increase the employment of older workers in the retail industry and customer service roles. These programs have been designed to match the needs of older consumers and clients who may prefer to deal with their peers (Rothstein, 1988; Trinder, Hulme and McCarthy, 1992; Kern, 1993). Kodz reports that in the retail and service industry, the buying power of older consumers is recognised and older workers are likely to be recruited or retained to reflect the age base of customers (Kodz, Kersley and Bates, 1999).

Respondents were asked about the age range of their typical customer or client. The majority (56 per cent) of respondents reported that their typical customer or client was aged between 30 and 44 years, followed by 35 per cent aged over 45 years. In answering this question, some respondents reported that their organisation was a corporation and as such did not have a client or customer base known to the respondent. These responses are included in the 'Other' category in the table with

responses of ‘Don’t Know’ and ‘Can’t Answer’. The results for the question about age of typical customer or client are in Table 5.

Table 5: Age of Typical Customer

Age range	Percentage
< 30 years	7.0
30-44 years	55.8
> 45 years	35.3
All ages	0.9
Other	1.1

5.3 Characteristics of Employees

This section of the SPRC Survey consisted of a series of questions about the general characteristics of the respondent’s employees. Respondents were asked to give information in the form of percentage of their work force that fitted certain characteristics. For example, respondents were asked to about the percentage of female employees, the age distribution, union membership, labour turnover and employment arrangements.

Turnover of the Work Force

Respondents were asked what percentage of work force had been employed for the last five years. Roughly half of all respondents had employed half of their work force for the last five years or more, indicating that this industry experiences consistent staff turnover. One hundred and sixty-seven respondents did not answer this question because their business had not been trading for five years. The SPRC Survey results appear in Table 6.

Table 6: Turnover of Work Force

	Percentage
None	7.3
Less than 20%	18.2
20-40%	17.7
40-60%	24.3
60-80%	14.2
80-100%	18.3

The Australian Bureau of Statistics provides statistics on job mobility by industry for the between 1997 and 1998 (Australian Bureau of Statistics, 1998).¹² In February 1998, 83 per cent of employees in property and Business Services had been in that position for one year or more, compared to 86 per cent of persons in all industries who had been in the labour force in 1997 and 1998. These statistics support the SPRC

¹² Job mobility is defined as ‘a change of job which may involve: a change of employer/business; or a change of locality without a change of employer/business.

Survey findings suggest that the rate of job mobility for employees in property and Business Services is slightly greater than that of the labour force as a whole.

Female Employment

The employment of women in Business Services has increased by one-third in the five-year period from 1994-95 to 1999-2000. Men's employment in Business Services grew by a similar proportion. In all other industries the growth was 13 per cent for women and 9 per cent for men over the same time period (Australian Bureau of Statistics, 2000b).

As in Table 7, the sample in Business Services indicates a high level of female employment, with half of respondents reporting that half of their work force was female.

Table 7: Percentage of Females in the Work Force

	Percentage
None	3.8
Less than 20%	14.0
20-40%	15.5
40-60%	27.5
60-80%	21.4
80-100%	17.8

Age Distribution of the Work Force

Almost three-quarters of respondents to the survey reported that half of their work force was aged under 45 years as seen in Table 8. In 1999-2000, 70 per cent of all employees in Business Services, and 68 per cent of employees in all industries were aged under 45 years (Australian Bureau of Statistics, 2000b).

Table 8: Age Distribution of Work Force

	Percentage	
	Under 45 years	Over 55 years
None	1.7	47.0
Less than 20%	5.6	38.3
20-40%	9.3	9.3
40-60%	24.4	4.4
60-80%	24.1	0.5
80-100%	34.9	0.5

In the SPRC Survey, respondents reported a low rate of employment for workers over 55 years, with 47 per cent of businesses not employing any staff of this age group, and 70 per cent had less than 10 per cent of their employees aged over 55 years. When looking at the age profile of all employees in Business Services, the pattern is slightly more favourable with 10 per cent of all employees in Business Services aged over 55 years. In all industries, the percentage of employees aged over 55 years was slightly higher (Australian Bureau of Statistics, 2000b). Overall, the Business Services industry is a promising sector for the employment of mature-age workers.

Employment Arrangements for Workers Aged Over 45 Years

Three-quarters of all employees in Business Services work full-time (Australian Bureau of Statistics, 2000b). In 1999-2000 a higher proportion of women in Business Services worked on a full-time basis (62 per cent) than women in all industries (56 per cent). However, the level of full-time employment in Business Services falls as employees age. Just over a quarter of all full-time employees in Business Services are aged over 45 years. More men than women were employed on a full-time basis in Business Services and across all industries. The findings of the SPRC Survey support the proposition that Business Services has a low proportion of full-time workers aged over 45. Half of the respondents reported that less than 30 per cent of their employees over 45 years worked on a full-time basis. The results for the SPRC Survey are shown in Table 9.

Table 9: Full-Time and Casual Employees Aged Over 45

	Percentage	
	Full-time	Casual
None	27.1	71.5
Less than 20%	17.8	14.0
20-40%	13.6	4.4
40-60%	8.2	2.9
60-80%	3.7	1.5
80-100%	29.6	5.8

In terms of casual employment, 71 per cent of respondents reported that there were no employees over 45 years who worked casually. Reading the results of the previous two questions indicate that a large proportion of employees aged over 45 years in the Business Services industry work part-time or in another type of employment arrangement such as contract work. In 1999-2000, a greater proportion of Business Services employees aged over 45 years (39 per cent) worked on a part-time basis than employees in all other industries (31 per cent). Interestingly, a greater share of men aged over 45 (44 per cent) were employed part-time in Business Services than women aged over 45 years (37 per cent) (Australian Bureau of Statistics, 2000b).

Level of Unionisation

The Business Services industry does not have a high level of trade union membership. In August 1999, 10 per cent of all employees in Business Services were members of a trade union, compared with one-quarter of employees in all industries (Australian Bureau of Statistics, 1999b). Table 10 shows that 87 per cent of respondents reported that their employees were not members of a trade union.

Table 10: Level of Trade Union Membership

	Percentage
None	86.8
Less than 20%	6.6
20-40%	2.9
40-60%	1.5
60-80%	1.1
80-100%	1.2

5.4 Location

By design, the majority (80 per cent) of the survey sample were located in the major metropolitan centres of Sydney, Melbourne, Brisbane, Perth and Adelaide. Twenty per cent of the sample were based in regional areas of NSW, Victoria, Queensland, Western Australia and South Australia. This metropolitan/regional breakdown allows for a comparison of responses in relation to the location of the respondent.

Table 11 shows that the majority of small (79 per cent), medium (80 per cent) and large (84 per cent) businesses were located in metropolitan areas of Sydney, Melbourne, Brisbane, Adelaide and Perth.

Table 11: Location of Businesses in Sample

Location	Percentage
Sydney	18.2
Melbourne	18.0
Brisbane	16.0
Adelaide	13.9
Perth	13.9
Regional New South Wales	4.0
Regional Victoria	4.1
Regional Queensland	4.0
Regional South Australia	4.1
Regional Western Australia	4.0

5.5 Characteristics of the Individual Respondents

In other studies, the age, gender and position of respondent within the organisation has been found to have a significant relationship with their positive or negative attitudes toward older workers (Artcraft, 1989; Reark Research, 1994, Urbis, Keys Young, 1999).

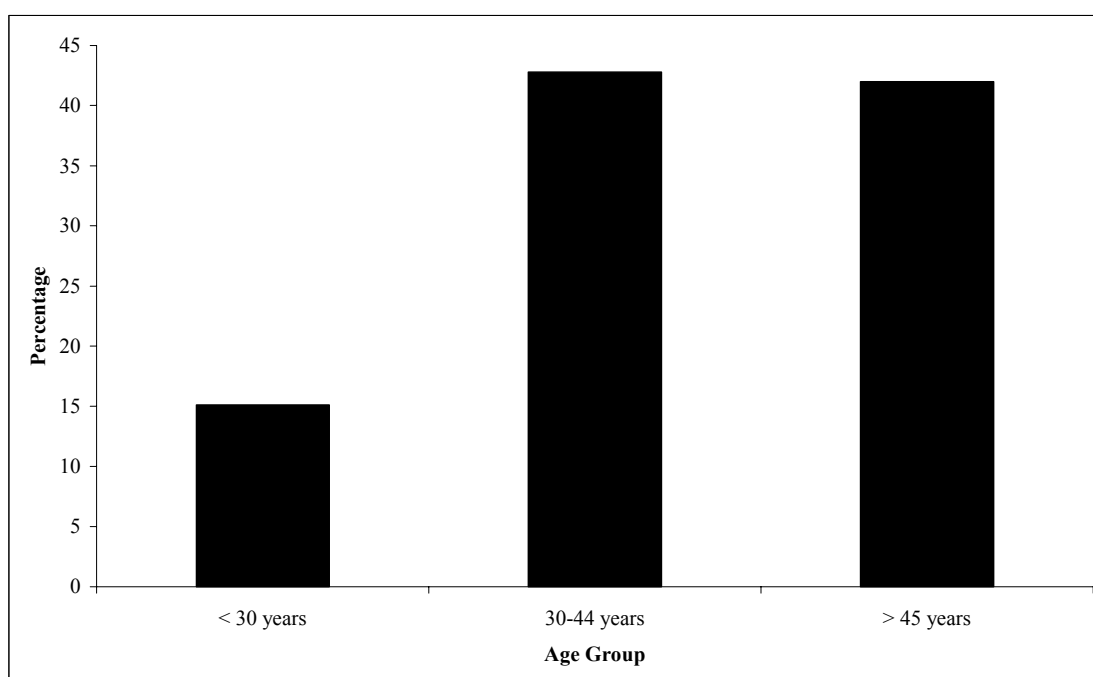
Age of the Respondent

Previous studies have found that the age of the respondent is a significant factor affecting attitudes toward older workers (Artcraft, 1989; Partridge, 1999). This research suggests that older respondents are more positive in their attitudes toward older workers, and younger respondents are less positive (Artcraft, 1989; Gibson, Zerbe and Franken, 1993). These findings are not supported by the recent Urbis Keys Young survey, which found an opposite pattern. Older respondents reported that older

workers were lacking in skills and capabilities, while younger respondents were more positive. However, it is noted that the majority of the Urbis Keys Young sample were respondents with training in human resources. In the report, it was argued that since human resources management was a relatively new field, these respondents were more likely to be younger than other respondents, and the results were affected by this bias (Urbis Keys Young, 1999: 47).

The age distribution of survey respondents was varied as seen in Figure 7. Those aged under 30 years made up 15 per cent of respondents, 43 per cent were aged between 30 and 44 years, and 42 per cent were aged over 45 years. Almost half (46 per cent) of all small business proprietors in the sample were aged over 45 years. One possible explanation of this age profile is that some of these respondents had previously been retrenched and then started a small business as discussed in the House of Representatives report (House of Representatives, 2000).

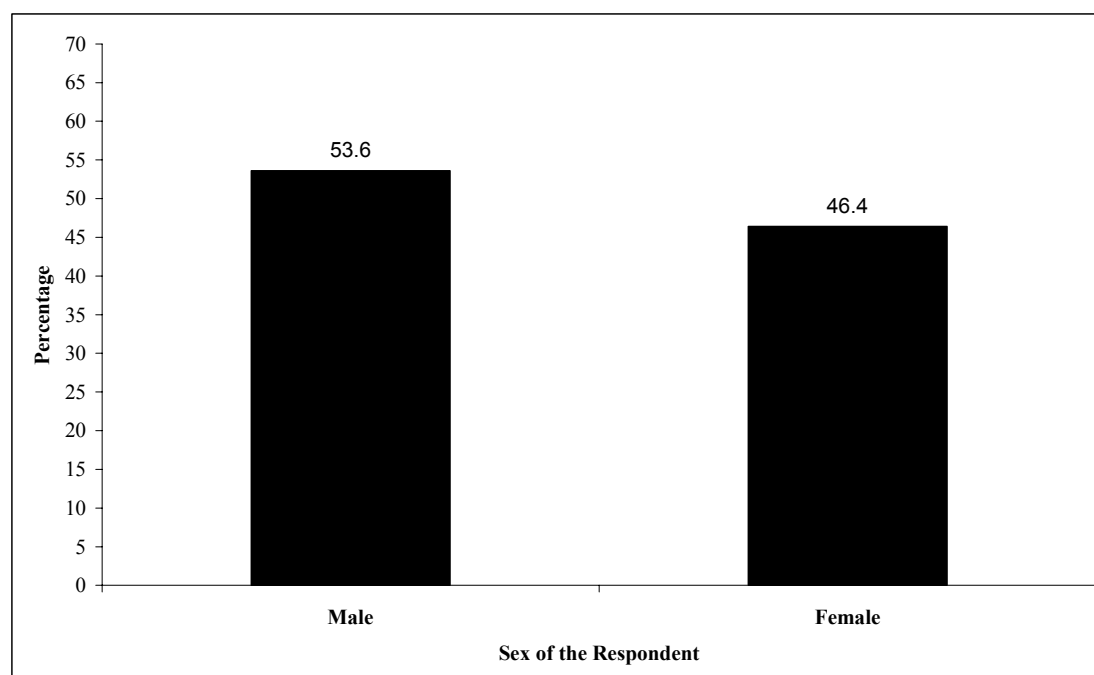
Figure 7: Age of the Respondent



Sex of the Respondent

The Urbis Keys Young survey found that there were differences in attitudes based on the sex of the respondent, with males reporting less positive attitudes than females (Urbis Keys Young, 1999). In the SPRC Survey, the sex of the respondent did not influence employer attitudes toward older workers to a significant level.

The survey sample in Figure 8 has slightly more male (54 per cent) than female (46 per cent) respondents. This corresponds with the gender distribution of employees in Business Services as reported by the Australian Bureau of Statistics. In May 2000, there were 56 per cent males and 44 per cent female employees in the property and Business Services industry (Australian Bureau of Statistics, 2000c).

Figure 8: Sex of Respondent**Position and Role of the Respondent**

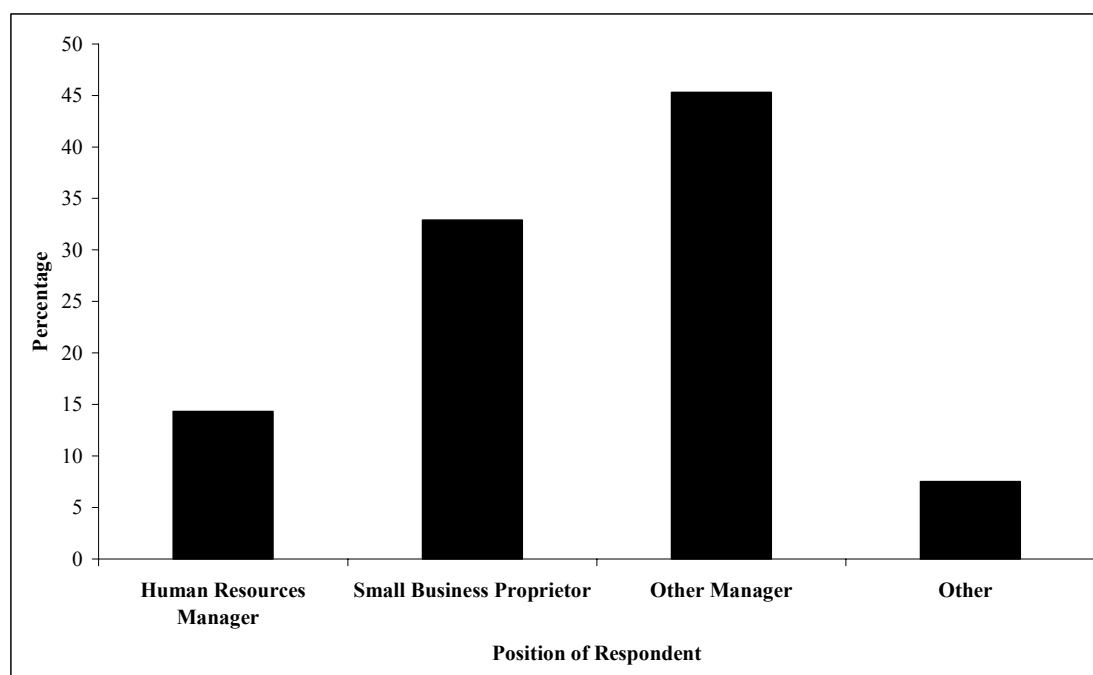
The survey was targeted to a person in the respondent organisation who was responsible for recent recruitment activity. As seen in Table 12, almost 90 per cent of the respondents were responsible for conducting recruitment activity, with two thirds of these respondents also responsible for specifying selection criteria for employees. Only 10 per cent of the sample were not responsible for conducting the recent recruitment.

Table 12: Respondent's Role in Recruitment Activity

Involvement in Recruitment Activity	Percentage
I am responsible for managing the actual recruitment process	20.4
I generally specify requirements for employees but don't conduct the actual recruitment	10.4
I both specify requirements for employees and conduct the actual recruitment	67.8
Other	1.4

The majority (45 per cent) of survey respondents were managers, followed by 33 per cent who were Small Business Proprietors, and 14 per cent were Human Resource Managers.

In Figure 9, the category of 'Other Manager' includes the positions of director, managing director, general manager, chief executive officer, partner, operations manager, office manager, account manager, finance manager, practice manager, and division/branch/area manager. The category of 'Human Resources Manager' also includes the position of recruitment/employment consultant and the category of 'Other' includes the positions of administrative officer, personal assistant, clerical and other responses that could not be defined as management.

Figure 9: Position of the Respondent

Previous studies have found a relationship between the position of the respondent and attitudes toward older workers. A key hypothesis of the recent Urbis Keys Young study on the Employability of Mature Age Workers (1999) was to investigate whether respondents with training in human resource management held more positive attitudes toward older workers than other respondents. The study found that respondents in human resources were generally more positive toward older workers, and recommends that personnel involved in employment-related decisions undertake training in human resource management (Urbis Keys Young 1999: 47). Our multivariate analysis does not support Urbis Keys Young's finding about the link between human resources staff and more positive attitudes toward older workers.

Respondent's Duration of Employment

Over one third of respondents had been employed by the organisation for more than 10 years. Roughly a quarter of respondents had been employed by the organisation for two to four years, and five to nine years as shown in Table 13. There is no research available on how job tenure with an organisation may affect attitudes toward older workers.

Table 13: Length of Employment

Time	Percentage
One year or less	14.4
2-4 years	23.2
5-9 years	25.4
> 10 years	36.9

5.6 Business Expectations

There were a series of questions in the SPRC Survey designed to tap employer expectations of the business and labour market in the next 10 to 15 years. The key structuring factor in developing these questions was the finding that due to the ageing of the population, by 2015, one-third of the work force will be aged over 35 years (Australian Bureau of Statistics, 2000e). The questions explore respondent expectations of future labour market supply within the business and in Australia, and retirement arrangements.

Awareness of the Ageing Population

A British study of older workers and employment investigated the question of whether businesses were aware of the impact of population ageing on their operations, and whether they had developed strategies to accommodate older workers in their work force (Kodz, Kersley and Bates, 1999). This study found that only very large businesses were aware of the impact the ageing of the population would have on the age structure of the labour market and had begun planning accordingly. In general, research has found that employers are not aware, and not concerned with the issue of an ageing work force (Taylor and Walker, 1994; Hayward et al., 1997; Kodz, Kersley and Bates, 1999). A recent article reported that the awareness among businesses in Australia and the United Kingdom of the problem of ageing population and mature-age unemployment is low (Taylor, Steinberg and Walley, 2000; Kodz, Kersley and Bates, 1999).

Kodz and colleagues argue that the awareness of the ageing population has a significant effect on employment opportunities for mature-age workers (Kodz, Kersley and Bates, 1999). Employers must realise that the demographic impact of the ageing population will result in a larger available pool of older workers and a smaller pool of younger workers in the labour force. Employers will need to develop specific policies and practices to attract and manage older workers within their work force. At a macro-level, the Committee for Economic Development predicts a skill and labour shortage in the United States as a result of the ageing population which can be met by employers 'redefining the working age population' to include older workers (Committee for Economic Development, 1999: 12).

These findings are supported in the SPRC Survey where very few employers thought the number of younger workers would decrease. In Table 14, comprising mostly small business, only 17 per cent of respondents thought that the number of workers aged under 35 would decrease by 2015. Over half of the respondents thought that the number of workers aged less than 35 years would increase in the next 10-15 years, and 28 per cent thought that the number of workers aged under 35 years would remain the same as at present. While a greater proportion of large businesses than smaller businesses thought that the number of workers under 35 would decrease, this was not a significant difference.

Table 14: Response to Question: Will the Number of Workers Under 35 Years Increase or Decrease in the Next 10-15 Years?

	Percentage
Increase	55.0
Decrease	16.6
Stay the same	28.3
Don't know	0.1

Expectation of Business Success

Respondents were asked 'Will the business be recruiting more staff in the next 10-15 years?' This question was designed to explore expectations of business success in the next 10-15 years. Two-thirds of respondents were confident that their business would prosper in the future and expressed the view that their business would be recruiting more staff in the next 10-15 years. Twenty-nine per cent commented that they would be recruiting the same amount of staff and 4 per cent reported they would be recruiting less staff in Table 15. This shows the generally expansionary outlook of decision-makers in the Business Services industry.

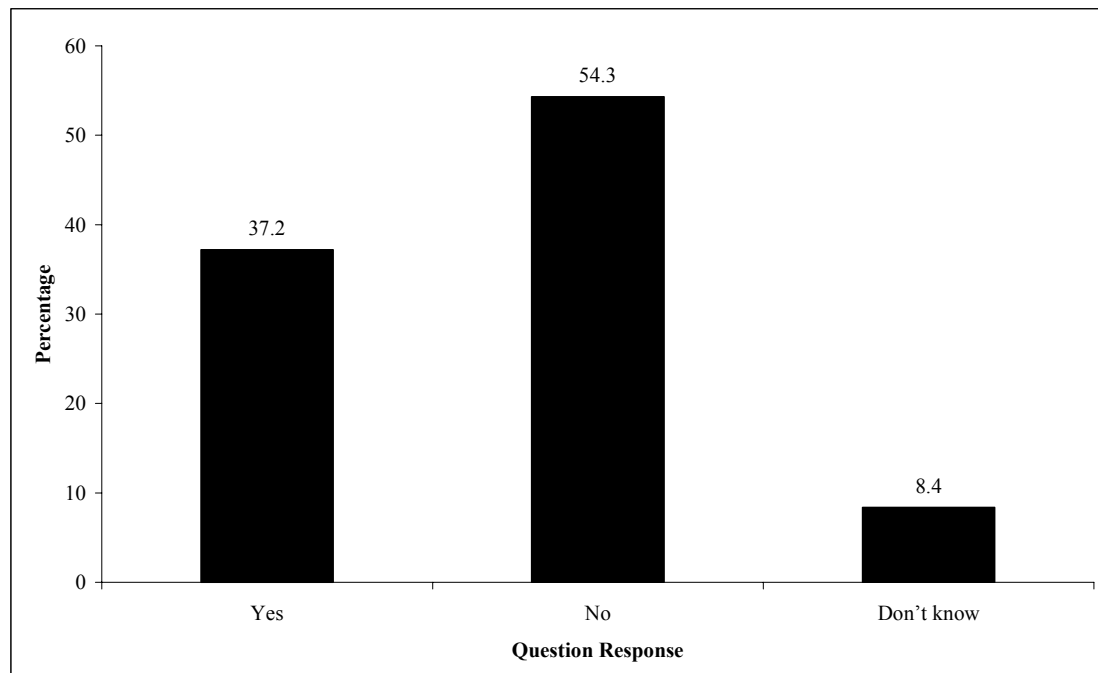
Table 15: Response to Question: Will the Business be Recruiting More Staff in the Next 10-15 Years?

	Percentage
More staff	66.6
Same number	29.1
Less staff	4.1
Don't know	0.1

Expectation of Decline in Retirement Age

As seen in Figure 10, over half of respondents disagreed with the statement that the retirement age will decrease in the next 10-15 years. These responses indicate a low support for formal early retirement age, and are positive toward workers remaining in employment beyond 55 years of age.

Figure 10: Response to Question: In the Next 10-15 Years, Will Employees Retire Once They Reach 55 Years?



6 Employer Attitudes: Are They a Barrier to Employment?

International and Australian studies have shown that employer attitudes constitute a significant barrier to the employment of older workers. The existing survey research on employer attitudes supports the argument that the 'likelihood that employers will utilise members of the older labour force is directly related to their perceptions of the limitations of employing an older worker' (Gibson, Zerbe and Franken, 1993: 322). As will become evident, the analysis of SPRC Survey data indicate that there is no clear pattern of attitudes held by employers that affect their decision to employ an older worker.

A close examination of reported results on employer attitudes show contradictory attitudes toward older workers. Most writers have generally concluded that employer attitudes are a barrier to the employment of older workers. Reark Research argue that there is an 'attitudinal mismatch' between what employers are seeking and what older workers are perceived to offer (1994: 27). It appears that employers may hold positive views about their own older employees, but the stereotypes about older workers come into play when recruitment and selection activities are taking place (Steinberg et al., 1994; Encel, 1998). The experience of older workers that is valued while they are employed within an organisation becomes a significant barrier when they are seeking new employment. In this scenario, prospective employers read the very experience and knowledge that older workers possess in negative terms as a lack of flexibility and entrenched bad habits and do not recruit them (Arrowsmith and McGoldrick, 1996).

Australian studies report that older workers are valued for their skills, experience, loyalty, corporate knowledge, commitment, strong work ethic, reliability, and low absenteeism. At the same time, employers regard older workers as less adaptable to change, less productive, hard to train, inflexible, less motivated, a risky investment and with potential poor health (Artcraft, 1989; House of Representatives, 1992; Divito, 1994; Reark Research, 1994; Steinberg et al., 1994; Bennington and Tharenou, 1995; Pickersgill et al., 1996; Urbis Keys Young, 1999). In a competitive labour market, older workers are unfavourably compared to younger workers in terms of ambition, cost-effectiveness, physical fitness and computer skills (Itzin and Phillipson, 1993; Steinberg et al., 1994; Taylor and Walker 1996: 184; Pickersgill et al., 1996; Hayward et al., 1997; Kodz, Kersley and Bates, 1999; Urbis Keys Young, 1999; AARP, 2000). In this situation, employers may regard older workers as less qualified for contemporary employment than younger workers (Gibson, Zerbe and Franken, 1993). According to these studies, as a consequence of these attitudes, employers are generally reluctant to hire older workers.

However, much of the research on employer attitudes toward older workers finds that the stereotypes and perceptions that these attitudes are based on are inaccurate. A 1996 Australian study tested the prevalence and validity of employer attitudes toward older workers, particularly relating to productivity, through a series of five case studies in four different industries (Pickersgill et al., 1996). The research explored policy and practices within the workplaces and tested the employer perceptions: in particular, that older workers:

- have deteriorating mental and physical abilities;

- are not receptive to new technology;
- are more resistant to organisational change;
- lack appropriate skills and are difficult to retrain; and
- lack the drive, ambition, energy and creativity of younger colleagues (Pickersgill et al., 1996: 45-8).

The report concluded that generalisations about age, productivity and performance are not reliable, and that age should not be used as a category to assess performance, or to limit the recruitment of older workers.

It is often claimed that the negative attitudes of employers toward older workers are very powerful and can hold 'even though their personal experiences with older workers may suggest otherwise' (Senate Employment, Education and Training References Committee, 1995: 53). In a British study, employers reported negative attitudes of older workers even where the performance of older workers in the organisation contradicted this view (Casey, Metcalf and Lakey, 1993). A Canadian study of the barriers older workers face in seeking employment, reported that employers agreed that a major barrier to the employment of older workers was in fact the negative attitudes and perceptions employers used to stereotype older workers (Gibson, Zerbe and Franken, 1993). These comments indicate that the negative attitudes of employers are so strong as to be almost irrational, and not based on experience.

The patterns of negative attitudes toward older workers reported in previous research are not found to be consistent in the SPRC Survey. It may be possible that the method of questioning employers about their attitudes toward older workers in previous studies may have suggested certain responses.

These surveys and studies of employer attitudes have explored the issue in different countries, industries and occupations. This research consistently reports that employers regard older workers as less motivated, less productive and less adaptable to workplace change than younger workers. These negative views are regarded as more important by employers than the positive attributes of experience, knowledge, reliability and loyalty. It is argued that these negative employer attitudes are based in stereotypes and age discrimination and operate to limit the labour market experience and opportunities of older workers. Research by Taylor and Walker has suggested that employer attitudes toward older workers may directly influence recruitment, advancement and training prospects (Taylor and Walker, 1998: 653-4).

6.1 Older Workers as Potential Employees

Previous studies have explored employers attitudes to older workers by asking respondents to agree or disagree (usually on a Likert scale) with a range of positive or negative statements about older workers (Artcraft, 1989; Reark Research, 1994; Urbis Keys Young, 1999). In the SPRC Survey, respondents were asked to choose, from a pair of response options, the option that best described the type of person they recruit most often. The two response options were designed to capture a dimension of employee quality. We make the assumption, based on previous literature, that one

option corresponds to an alleged stereotype commonly associated with younger workers and the other option corresponds to an alleged stereotype commonly associated with older workers. Both alternatives were phrased in such a way as to avoid negative valence terms, to reduce the likelihood of bias or ‘socially acceptable’ responses. This procedure was repeated twelve times, yielding twelve dichotomous choices. These choices are listed in Table 16, with those options more commonly associated with mature-age worker being listed on the right, although in the administration of the survey these positions were randomly rotated.

Table 16: Twelve Dichotomous Choices Depicting the Type of Person Recruited Most Often

1	Someone who is willing to be flexible and work varied hours (including shorter hours) if required	vs	Someone who works full-time and is willing to work longer hours if required
2	A promising person with recent training	vs	A person with a lot of experience in the industry
3	An energetic and enthusiastic person	vs	A person who works calmly and is thorough
4	An innovative person who enjoys a challenge	vs	A trustworthy and reliable person
5	Someone who takes the initiative	vs	A worker who listens carefully and follows instructions
6	A person who adapts well to change	vs	A person who knows what works but is against change for changes sake
7	A person who is good at working with computers but with no experience in the industry	vs	A person with a direct experience in the industry but with limited computing skills
8	A person with physical strength and stamina	vs	A person who is mentally very sharp
9	A person with no particular qualifications for the job	vs	A person who is over-qualified for the job
10	A person with similar background and age to our other workers	vs	A diverse work force
11	A person with the ability to work in different areas of the business as needed	vs	A person with specialist skills
12	An ambitious person who acts independently	vs	A person who works effectively as part of a team

These forced choices were presented to respondents early in the interview, before any questions about the age of employees. This questionnaire item was designed to test the whether respondents preferred the characteristics particularly associated with older workers, over those typically associated with younger workers. As discussed below, many of these age associations are exploratory in nature and are based on previous findings and general assumptions about the characteristics and qualities of older workers. This question structure tests employer attitudes to older workers as potential employees, rather than as older workers in general.

In summary, respondents strongly favoured employees who were: trustworthy and reliable (65 per cent); adapt well to change (94 per cent); with direct experience in the industry (65 per cent); with mental agility (92 per cent); with transferable skills and a capacity to work in different areas of the business as needed (66 per cent) and persons who work effectively as part of a team (90 per cent). Almost two-thirds of respondents preferred to have a diverse work force rather than a work force of persons with similar background and age.

Favoured qualities with more equivocal responses include employees: with recent training (52 per cent); with the ability to work calmly and thoroughly (55 per cent); able to take the initiative (52 per cent); and those who work full-time but can contribute more time if needed (53 per cent). Employees with no particular qualifications for the job (51 per cent) were slightly favoured in relation to those who were over-qualified.

These results are interesting because there is no clear pattern where employers consistently favour the characteristics typically associated with either older or younger workers. This may indicate that respondents answered the question about the qualities of an 'ideal' employee rather than about the type of employee they recruit most often.

Flexibility in Hours of Working

A large proportion of respondents to the Urbis Keys Young survey reported that older workers lacked flexibility, a finding which is consistent with previous research (Artcraft, 1989; Reark Research, 1994; Steinberg et al., 1994 and 1998; Senate Employment, Education and Training References Committee, 1995; Urbis Keys Young, 1999).

In the SPRC Survey, the question of flexibility was framed in terms of flexibility in working hours and times. There is little published literature on attitudes toward older workers in terms of working hours and the association between full-time work and older workers, and flexible work and younger workers is exploratory in nature. It may be argued that if employers prefer to employ younger workers as the research on employer attitudes indicates, then employers will favour persons who are capable of working on a flexible basis. This argument excludes industry and business operational factors relating to working hours and arrangements. The assumption here is that younger workers are more likely to be working on a flexible basis than older workers because older workers are more likely to expect associated with permanent life-long employment. If employers generally prefer younger workers to older workers, it may be cautiously assumed that more respondents would select a person who was willing to be flexible and work varied hours. In Table 17, respondents were evenly split between the options, with 53 per cent preferring full-time employees, and 47 per cent preferring employees able to work flexible hours.

Table 17: Employer Preference for Full-Time Workers

Employee quality	Percentage
Someone who works full-time and is willing to work longer hours if required	53.1
Someone who is willing to be flexible and work varied hours (including shorter hours) if required	46.6
Can't answer	0.3

Specialist or Transferable Skills?

Several studies have reported that employers view older workers as lacking in flexibility and adaptability to changing work arrangements and situations. The oppositions in this question draw upon the previous research suggesting that employers view older workers as less flexible and adaptable than younger workers

(Artcraft, 1989; Reark Research, 1994; Steinberg et al., 1994; Senate Employment, Education and Training References Committee, 1995; Urbis Keys Young, 1999). There is a skills dimension to flexibility which involves adapting skills and experience to different work situations and tasks. As with the question about experience and training, for the purposes of analysis older workers are assumed to be those with specialist skills, and younger workers are assumed have more transferable skills.

Table 18 shows that two-thirds of employers would prefer to employ a person with transferable skills and a capability to work in different areas of the business as required.

Table 18: Employer Preference for Transferable Skills

Employee quality	Percentage
A person with specialist skills	33.9
A person with the ability to work in different areas of the business as needed	66.0
Can't answer	0.1

Experience or Recent Training?

Research has shown that employers view older workers positively in terms of their experience, loyalty, commitment and strong work ethic. In general, it is more likely that an older worker is pursuing re-employment in the same industry as their previous position, they will have a wide range of experience. In this question, the 'person with a lot of experience in the industry' is associated with older workers.

Respondents were evenly split between choosing a person with recent training (52 per cent) and a person with experience in the industry (47 per cent) as shown in Table 19. Several respondents commented that their answer depended on the person or the position and these responses are included in 'Can't Answer'.

Table 19: Employer Preference for Recent Training

Employee quality	Per cent
A person with a lot of experience in the industry	47.2
A promising person with recent training	52.0
Can't answer	0.8

Reliable or Risk-Taking?

The following set of qualities draw on previous research indicating that employers prefer employees who are creative, ambitious, enthusiastic and prepared to take risks. Australian studies show that employers associate these qualities with younger workers rather than older workers (Artcraft, 1989; Reark Research, 1994; Steinberg et al., 1994; Pickersgill et al., 1996; Urbis Keys Young, 1999). In general, older workers are perceived by employers to lack the 'drive, ambition, energy and creativity of the younger counterparts' (Pickersgill et al., 1996: 10).

The SPRC Survey explored the attitudes of employers to older and younger workers through a question about the qualities of the type of person that they recruit most

often. The findings suggest that employers prefer to hire persons who are trustworthy and reliable (65 per cent), calm and thorough in their work practices (55 per cent). The results in Table 20, 21 and 22 seem to indicate a general preference for qualities associated with older workers, rather than those associated with younger workers in previous studies.

Table 20: Employer Preference for Calm and Thorough Employees

Employee quality	Percentage
An energetic and enthusiastic person	44.6
A person who works calmly and is thorough	54.5
Can't answer	0.9

Table 21: Employer Preference for Reliable Employees

Employee quality	Percentage
A trustworthy and reliable person	65.0
An innovative person who enjoys a challenge	34.5
Can't answer	0.5

Table 22: Employer Preference for Employees Who Take the Initiative

Employee quality	Percentage
A worker who listens carefully and follows instructions	47.0
Someone who takes the initiative	52.3
Can't answer	0.7

Managing Change: Adapt or Resist?

Previous Australian research has found that a key attitude strongly held by employers is that older workers are resistant to change, and are not adaptable to changing situations (Artcraft, 1989; Divito, 1994; Reark Research, 1994; Steinberg et al., 1994; Pickersgill et al., 1996; Urbis Keys Young, 1999). Older workers are considered to be set in their ways and reluctant to embrace workplace change. In the Urbis Keys Young survey, 27 per cent of respondents reported that older workers were lacking the ability to cope with change and adapt to new situations (Urbis Keys Young, 1999: 20). However, a series of case studies found that workplace change was not an issue for any age group where the change was implemented in a strategic fashion, staff were kept informed and were given the opportunity to participate in the reform process (Pickersgill et al., 1996).

The findings from the SPRC Survey in Table 23 support the previous research in favouring employees who can adapt to workplace change. The vast majority (94 per cent) of respondents preferred to employ a person who adapted well to change.

Table 23: Employer Preferences for Employee Adaptability

Employee quality	Percentage
A person who adapts well to change	94.2
A person who knows what works but is against change for changes sake	5.7
Can't answer	0.1

Computer skills

The recent study by Urbis Keys Young for DEWRSB found that employers regard older workers as lacking in computer literacy and the ability to use technology (Urbis Keys Young, 1999). There are few data available to test the accuracy of employer perceptions of the computer literacy of older workers, but it may be difficult to persist in this view given the increased accessibility of technology in the home and the workplace (Urbis Keys Young, 1999: 43). Older workers may be intimidated by new technology, but this may be overcome by provision of appropriate training and development (Barth, McNaught and Rizzi, 1995, Pickersgill et al., 1996; Rix, 1996; Filipczak, 1998; Steinberg et al., 1998; Committee for Economic Development, 1999; Kodz, Kersley and Bates, 1999).

Surprisingly, two-thirds of respondents in Table 24 usually employ persons with industry experience and limited computer skills in preference to persons with good computing skills. This preference for industry experience over good computing skills may be specific to the Business Services industry rather than a general trend. Those older workers lacking basic computer skills may be disadvantaged when seeking employment. This situation may be addressed by the House of Representatives recommendation for a computer literacy and training program for mature-age people (Recommendation 8, House of Representatives, 2000).

Table 24: Employer Preference for Industry Experience and Limited Computer Skills

Employee quality	Percentage
A person with direct experience in the industry but with limited computing skills	65.3
A person who is good at working with computers but with no experience in the industry	34.2
Can't answer	0.5

Physical Strength or Mental Stamina?

There is large body of international research on the links between age and job performance (Waldman and Avolio, 1986; McEvoy and Cascio, 1989; Itzin and Phillipson, 1993; WHO, 1993; Czaja, 1995; Yearta and Warr, 1995). Research on job performance suggests that there is little evidence that this declines with age (Sterns and McDaniel, 1994; Steinberg et al., 1998; Committee for Economic Development, 1999). The capacity of a worker to perform their responsibilities as they age has been found to be largely influenced by occupation, type of work, working conditions and lifestyle (Dibden and Hibbett, 1993). It is important to note that older workers are not a homogenous group and there is much variability among the physical and mental abilities of older workers. Age, however, is a particularly deficient measure of

performance, productivity and the capacity to learn new skills (Trinder, Hulme and McCarthy, 1992; Pickersgill et al., 1996; Kodz, Kersley and Bates, 1999; 40+ Project, 2000). A US study found that experience was a far better predictor of performance than age (Avolio, Waldman and McDaniel, 1990). Further, people mature at different rates and chronological age many not accurately predict attitudes, work behaviour and capacity (Arrowsmith and McGoldrick, 1996). The physical and mental changes employees experience as they age can be accommodated within the work force through redesign of jobs and the work environment to enable high levels of work involvement and productivity (Patrickson and Hartmann, 1995).

In the SPRC Survey, a question was designed to explore the finding from previous research that employers are reluctant to hire older workers because they believe that the job performance of older workers (in the form of physical strength) declines with age. Therefore, in this question physical strength is associated with younger workers, and mental sharpness with older workers. Pickersgill supports this broad division and notes that while the ability to perform some tasks may diminish with age in industries utilising manual labour, the performance of professionals seems to be enhanced with age (Pickersgill et al., 1996). It is important to note that respondents may have answered this question with reference to the nature of the work required by their business, and answers to this question are analysed in terms of a preference for employees with mental agility over those with physical strength. As seen in Table 25, 90 per cent of respondents most often recruit employees with mental agility.

Table 25: Employer Preference for Employees with Mental Acuity

Employee quality	Percentage
A person who is mentally very sharp	91.5
A person with physical strength and stamina	8.2
Can't answer	0.3

No Qualifications or Over Qualified?

Submissions to the House of Representatives Inquiry highlighted the problem of unemployed older workers applying for available work who are consistently told that they are 'over qualified for lower positions and under qualified for higher positions' (Submission 42 to House of Representatives, 2000, G. Otway). Employer's reasons for not employing the older person range from 'you appear to be over qualified and we thought you would get bored'; and 'nobody thought you would stay if you got the position' (Submission 40 to House of Representatives 2000, B. Dawson). If applying for work of a comparable level to their previous employment, older workers reported being told that they had been out of the field for too long.

This survey relies upon the view that older workers are more likely to be regarded as over qualified than younger workers. As Table 26 shows, respondents were evenly split and there was a slight preference for employing persons with no particular qualifications (51 per cent) over persons who are over qualified (48 per cent). Employers may prefer employees with fewer qualifications so that person can be taught new business-specific skills more easily.

Table 26: Employer Preference for No Specific Qualifications

Employee quality	Percentage
A person with no particular qualifications for the job	51.2
A person who is over qualified for the job	47.9
Can't answer	0.9

A Homogenous or Diverse Work Force?

When recruiting new staff, employers seek the ‘best person for the job’ (Urbis Keys Young, 1999). Another key factor employers consider is the ability of the new recruit adapt and fit in to new environment. In several studies, employers have discussed the importance of a ‘fit’ between the worker, the culture of the organisation, and other employees (Gibson, Zerbe and Franken, 1993; Reark Research, 1994: 24; Urbis Keys Young, 1999). Some studies have reported that older workers are more difficult to integrate into the workplace: they may expect special treatment (Reark Research, 1994), question organisational policies and practices (Gibson, Zerbe and Franken, 1993), resent reporting to younger managers, and are generally difficult to manage. In contrast, younger workers are considered receptive to new ideas and as employees will grow with the organisation (Gibson, Zerbe and Franken, 1993). However, several British studies have found that older workers were regarded positively in terms of balancing age and experience in teams (Itzin and Phillipson, 1993: 36; Kodz, Kersley and Bates, 1999) and managers report many benefits from employing a mixed age work force (Arrowsmith and McGoldrick, 1996).

As shown in Table 27, almost two-thirds of employers prefer to employ a diverse work force rather than a person who will fit in to a homogenous work force.

Table 27: Employer Preference for a Diverse Work Force

Employee quality	Percentage
A person with similar background and age to our other workers	34.2
A diverse work force	65.7
Can't answer	0.1

An Independent or Team Worker?

Much of the literature on employer attitudes suggests that employers favour employees who are innovative, energetic and independent workers (Artcraft, 1989; Reark Research, 1994; Pickersgill et al., 1996; Urbis Keys Young, 1999). Employers view older workers as lacking in motivation and ambition when compared to younger workers (Divito, 1994; Pickersgill et al., 1996). While research has suggested that some employers may be hesitant to employ older workers because they may not ‘fit in’ to the existing work force, other literature on employer attitudes reports positively on the contributions of older workers as mentors in work teams (Steinberg et al., 1994; Winefield, 1998).

In this survey, teamwork is associated with an older worker, and independence with ambitious younger workers. However, as can be seen in Table 28, the majority of

respondents in the SPRC Survey prefer employees who are capable of working effectively as part of a team.

Table 28: Employer Preference for Team Workers

Employee quality	Percentage
An ambitious person who acts independently	9.8
A person who works effectively as part of a team	90.2

Measures of Association and Factor Analysis

A factor analysis procedure was conducted on the twelve qualities listed in Table 16 to determine whether positive responses to certain qualities are associated with positive responses to other qualities. The existence of a broad-based stereotype of mature-age workers would result in high levels of concord - or positive association - amongst respondents' answers to these questions. In other words, each individual would tend to give similar responses - either in favour of or against the options associated with mature-age workers - across a wide range of these questions.

This idea is examined in Table 29. This table presents values of Spearman's rho, a measure of association, for respondents' answers to these twelve questions. In total, 66 values are reported, one for each possible pairing of questions. In the calculation of these statistics, those responses more commonly associated with mature-age workers were given a score of 1 and those more commonly associated with younger workers were given a score of 0. Spearman's rho ranges between -1, indicative of a perfect, negative relationship, and +1, indicative of a perfect, positive relationship. A value of 0 suggests very little relationship at all.

The results presented in Table 29 do not support the idea that respondents' answers to these questions are motivated by an underlying aversion to the negative, stereotypical qualities associated with mature-age workers, or by an underlying attraction to the positive, stereotypical qualities associated with younger workers. Of the 66 measures of association reported, only 27 (41 per cent) are significantly different from zero, in a statistical sense at conventional confidence levels. Furthermore, only 14 (21 per cent) suggest a positive association amongst respondents' answers. Thus, only a minority of the 66 possible pairings of questions represent instances in which respondents tended to answer the two questions similarly.

Table 29: Association Between Responses to the Twelve Dichotomous Choices Describing the Type of Person Recruited Most Often: Spearman's rhos

Choice	1	2	3	4	5	Choice 6	7	8	9	10	11
2	0.08*										
3	-0.14**	ns									
4	-0.08*	ns	0.19**								
5	ns	ns	0.15**	0.27**							
6	ns	ns	ns	ns	ns						
7	ns	0.14**	ns	ns	ns	ns					
8	0.12**	ns	ns	-0.13**	-0.13**	ns	-0.08*				
9	0.08*	0.23**	ns	-0.08**	-0.10**	ns	ns	ns			
10	-0.10**	ns	ns	ns	-0.08*	ns	ns	ns	ns		
11	0.07*	0.16**	-0.08*	-0.06*	ns	ns	0.08*	ns	0.18**	-0.07*	
12	ns	ns	0.08*	ns	0.10**	ns	ns	ns	ns	ns	-0.08*

Notes:

(1) Missing data was treated by pairwise deletion

(2) The smallest number of cases used in the calculation of these statistics is 992

** Significant at the 0.01 level (2-tailed)

* Significant at the 0.05 level (2-tailed)

ns Not significant at the 0.05 level (2-tailed)

To investigate these issues further, an exploratory factor analysis was conducted on respondents' answers to these questions. Factor analysis is founded on the assumption that the association present amongst a number of observed variables results from the fact that these observed variables have one or more common, unobserved causes. The unobserved, causal variables are referred to as 'factors'. Strictly speaking, dichotomous data such as that obtained from these twelve questions on the type of person recruited most often do not meet the measurement requirements of factor analysis. However, factor analysis on this kind of data can be justified if the factor analysis is used merely as a means of finding general groupings of variables, and if the underlying correlations amongst variables are not believed to be high (Kim and Mueller, 1978: 74-75).

In this spirit, the results of an exploratory factor analysis are reported in Table 30. This table presents the factor pattern matrix for this factor analysis. The content of each cell in the table - referred to as a 'factor loading' - is an estimate of the effect the relevant extracted factor has on the relevant observed variables. Each observed variable is assumed to be a linear combination of the factors. Factor loadings less than 0.3 in magnitude have been suppressed, following the rule of thumb that loadings less than 0.3 are not substantial (Kim and Mueller, 1978: 70).

Table 30: Factor Pattern Matrix for an Exploratory Factor Analysis of the Twelve Dichotomous Choices Describing the Type of Person Recruited Most Often

Choice	Factor			
	1	2	3	4
1	-	-	-	-
2	-	0.55	-	-
3	0.55	-	-	-
4	0.39	-	-	-
5	0.34	-	-0.37	-
6	-	-	-	-
7	-	-	-	-
8	-	-	-	0.46
9	-	0.47	-	-
10	-	-	0.32	-
11	-	0.32	-	-
12	-	-	-	-
Eigenvalue	1.67	1.42	1.18	1.08

Notes:

(1) Loadings less than 0.3 in magnitude have been suppressed

(2) Initial factors were extracted on the basis of the maximum likelihood procedure. Only factors with eigenvalues greater than or equal to 1 were retained. Factors were then rotated using the direct oblimin criterion ($\delta = 0$), with Kaiser normalization

(3) Missing data was treated by pairwise deletion

(4) The smallest number of cases used in the calculation of these statistics is 992

As shown in Table 30, four factors were extracted in the process of this exploratory factor analysis. The first and most significant factor loads substantially on the third, fourth, and fifth choices, suggesting that responses to these three choices were to some extent influenced by a certain, unobserved, common cause. Given the substantive content of the

third, fourth, and fifth choices (as described in Table 28), a likely candidate for this unobserved, common cause is a general preference for diligent rather than adventurous employees. The second most significant factor loads substantially on the second, ninth, and eleventh choices. In this instance, a likely candidate for the unobserved, common cause is a general preference for employees with specific rather than general skills. The third factor extracted in the process of this exploratory factor analysis is somewhat difficult to interpret, while the fourth factor loads substantially on only one of the twelve choices. Analysis of these last two factors was not pursued further.

This exploratory factor analysis, therefore, suggests that respondents' answers to these twelve dichotomous choices cluster into at least two groupings, one associated with a general preference for diligent rather than adventurous employees and one associated with a general preference for employees with specific rather than general skills. The fact that none of the factors extracted load substantially on more than three of the choices investigated provide further support for the idea that respondents' answers to these questions are not motivated by a broad-based, underlying stereotype of mature-age workers.

On the basis of this exploratory factor analysis, two simple scales relating to the first two factors were constructed. The first factor-based scale - an index of preference for adventurousness vs diligence - was created by summing of responses to the third, fourth, and fifth choices listed in Table 28. Prior to summation, those responses associated with diligence were allocated a score of 1 and those associated with adventurousness were allocated a score of 0. The second factor-based scale - an index of preference for general vs specific skills - was created by summing responses to the second, ninth, and eleventh choices. Prior to summing, responses associated with specific skills were given a score of 1 and those associated with general skills were given a score of 0. Both of these indexes, therefore, range between 0 and 3, with higher values indicating greater preference for diligence in the case of the first index and greater preference for specific skills in the case of the second.

6.2 Recruitment Practices

Research suggests that in the process of recruitment and selection, employers may rely on age-related stereotypes that influence their decisions about whether to employ an older worker (Artcraft, 1989; Itzin and Phillipson, 1993; Reark Research, 1994; Steinberg et al., 1994; Taylor and Walker, 1994 and 1995; Arrowsmith and McGoldrick, 1996, Kodz, Kersley and Bates, 1999; Department of Health and Aged Care, 1999). Findings from Australian studies of employer attitudes toward older workers indicate that while employers appreciate the skills and attributes of older workers, they are reluctant to recruit them (Artcraft, 1989; Reark Research, 1994; Steinberg et al. 1994; Urbis Keys Young, 1999). A British study of employment opportunities for older workers tested agreement with the statement: someone may be 50 and in a particular job, but they would have difficulty in getting the job if they were 50 and applying for it' (Itzin and Phillipson, 1993: 37).

This anomaly, where employers report positive views of older workers but do not employ older workers is investigated further in this chapter. This survey explored employer attitudes toward older workers and also examined the actual recruitment practices within an organisation by obtaining information about the last position filled in the organisation. Respondents were asked questions about the type of position, type of employment arrangement, recruitment method, age and gender of the successful candidate. As discussed above in the section on Employer Attitudes, respondents reported generally positive views about the characteristics associated with older workers. However, just over 10 per cent of successful candidates for the position were aged over 45 years (see Table 34).

The study of employer attitudes by Reark Research (1994) supports the view that age is a subtle but significant factor in recruitment and selection decisions. Their research showed that recruitment decisions are made at two levels: one, a 'rational' evaluation of the applicant's ability and competence to perform the job (including education and experience); and two, an assessment at a subconscious level of the capacity of the applicant to fit in to the organisation, their ambition, productivity, commitment and personal characteristics such as family status. While in many organisations there are formal mechanisms to ensure that recruitment decisions are made on transparent, objective criteria, it is apparent that many other factors (including age) may be considered. In practice, the process of recruitment and selection is often constrained by time, expense and organisational factors, and may be described in the following terms:

employers are using age as an inexpensive screening device in order to simplify a complex, expensive and often politically charged decision about whom to hire, fire, train, reward and promote. Age serves as an easy proxy for the much more difficult task of assessing a worker's productive potential. (Barth, McNaught and Rizzi, 1995: 325)

Age discrimination can operate at several stages of the recruitment and selection process such as advertisements, shortlisting and interviews. Previous studies have used sampling of advertisements as a method for measuring the level of age discrimination (Tillsley, 1990; Oswick and Jones, 1991; Trinder, Hulme and McCarthy, 1992; Dibden and Hibbett, 1993; Taylor and Walker, 1995). In Australia, age may not be specified in a job advertisement except where it is an inherent requirement of the position (HREOC, 1999). While many jobs require applications addressing age-neutral selection criteria, it is possible for employers to infer the age of an applicant from length of experience, dates of education and other factors (Patrickson and Hartmann, 1995: 38). In their 1994 study of employers, Taylor and Walker found that 43 per cent considered age an important consideration in the recruitment of staff (Taylor and Walker, 1994). Employers have commented that although selection is ostensibly on merit, they usually have a firm notion of the type of person most suitable for the position in terms of age and fitting into the workplace (Itzin and Phillipson, 1993; Urbis Keys Young, 1999; House of Representatives, 2000). Generally, employers prefer to recruit people who are already employed, or who have only been unemployed for a short period. In addition, employers may be reluctant to employ subordinate staff who are older than themselves.

The recruitment process may utilise formal (advertising, employment agencies) or informal methods (internal labour markets, networks), and also have a focus on attracting applicants from inside or outside the organisation (Wooden and Harding, 1997). The SPRC Survey has focused on formal recruitment methods. Exploring methods of recruitment that exclude job seekers on Newstart Allowance such as internal labour markets may severely limit the policy responses open to FaCS. Recruitment involves selection, a process of collecting and evaluating information about the experience, knowledge, skills and abilities of individual job applicants in order to determine whether they can perform the duties of the job, and how valuable they will be to the organisation.

The type of recruitment method used by employers depends on the type of vacancy, how the vacancy arises, skill level of vacancy, industry, size of organisation and characteristics of the work force. A national survey of recruitment practices conducted by Wooden and Harding found that the most common method of recruitment for all vacancy types was newspaper advertising which usually generated a large number of applicants (Wooden and Harding, 1997). Another common method of recruitment is through internal labour markets via staff transfer or promotion. In this practice, employers tend to recruit at the bottom of the career stream and then promote upward (Trinder, Hulme and McCarthy, 1992; Casey, Metcalf and Lakey, 1993). The process of using internal labour markets may also serve to develop a workplace culture. Casey argues that the use of internal labour markets by employers has the effect of disadvantaging older job seekers and excluding them from competing with younger workers (Casey and Wood, 1994).

6.3 Successful and Unsuccessful Candidates

In conjunction with a question about attitudes toward older workers, the survey also explored issues around recent recruitment activity. Respondents were asked a series of questions about the last job that was filled by a person outside their business. The following information details the characteristics of the position, and the successful candidate for that position.

More than half of all successful candidates were from within the respondent's industry. In relation to older workers, 60 per cent of successful candidates aged over 45 years were employed from within the same industry. Successful candidates aged under 30 years were equally likely to be employed from within or outside the same industry as their new position. This finding indicates that once unemployed, workers aged over 45 years have a slightly better chance of finding employment in the same industry, than in seeking employment in a different area.

Type of position

The majority of recent recruitment was in skilled professional positions. In Table 31, 40 per cent of successful candidates were employed as professionals, followed by 19 per cent Skilled workers, 13 per cent Trade Skilled and 13 per cent in Administration positions. In the sample, employers tend to recruit professionals who can fill a specific role within the business. This shows that recruitment practices are not related in

straightforward manner to employer attitudes, and contradicts the finding that employers prefer to employ persons with transferable rather than specialist skills.

Table 31: Recent Appointment by Type

Type of Position	Percentage
Management	6.2
Professional	40.5
Skilled	18.9
Trade Skilled	13.3
Other	1.5
Sales	1.4
Cleaning	1.4
Administration	12.6
Accounts/Book keeping	0.4
Unskilled	3.9
Total	100.0

Employment Arrangements

From Table 32, almost three-quarters of vacant positions (72 per cent) were full-time, followed by casual positions (15 per cent) and part-time positions (13 per cent). The nature of employment arrangements differed for men and women as they grew older. Almost three-quarters of males of all age groups were employed on a full-time basis. The proportion of men in full-time work appears to remain constant as they grow older, while the pattern is different for women. Men's share of part-time work increases slightly as they age, while casual employment declines.

However, the pattern is quite different for women, with full-time employment declining significantly (from 79 per cent to 52 per cent) as the applicants grow older. In addition, more older women are employed in part-time or casual work. This may be a supply issue where women choose employment with reduced hours because of family commitments. There is a steep decline in women obtaining full-time work after the age of 30.

Table 32: Nature of Employment by Sex and Age of Successful Candidate

Age	Employment Arrangement (Percentage)		
	Full-Time	Part-Time	Casual
Males			
Less than 30	73.5	7.4	19.1
30-44	80.3	7.7	12.0
45 +	75.5	13.2	11.3
Total Male	76.1	8.3	15.6
Females			
Less than 30	78.9	8.9	12.2
30-44	54.7	26.5	18.8
45 +	51.8	25.0	23.2
Total Female	69.4	15.5	15.1
Persons	72.0	12.6	15.4

Recruitment Method

Table 33 shows that, the major method of recruitment for all age groups is personal networks¹³ (44 per cent), followed by advertisements including internet advertising (38 per cent). Less than one-fifth (18 per cent) of respondents used an employment agency to recruit their staff.

Table 33: Recruitment Method Used to Fill Last Position by Age of Successful Candidate

Age	Recruitment Method		
	Advertisement	Employment Agency	Personal Networks
Less than 30	38.8	19.7	41.6
30-44	40.2	15.8	44.1
45 +	30.3	14.7	55.0
Total	38.4	17.9	43.8
Number of persons	384	179	438

It is apparent that different age groups found out the position through a variety of formal and informal recruitment methods. As identified in previous literature, the most popular recruitment method for workers aged over 45 years was personal networks (Encel and Studencki, 1996a; Wooden and Harding, 1997). Workers aged over 45 years were least likely to find employment through an employment agency. This finding supports the Reark Research study where it was acknowledged that employment agencies might not send older workers to job interviews (Reark Research, 1994). Workers aged under 45 years reported a similar pattern for use of recruitment methods, with almost 40 per cent

¹³ The category of 'personal networks' includes the responses of previously known, college/TAFE, work experience, sending in resume and word of mouth.

using advertisements to find employment, and about one-fifth using employment agencies.

The SPRC Survey reports a very low use of employment agencies by employers in Business Services. This supports the finding in the Urbis Keys Young survey (1999), over two-thirds of respondents commented that a referral from a Job Network member would be unlikely to encourage them to employ an older worker (Urbis Keys Young 1999: 39). This issue is discussed further in Section 9.

Age of Successful Candidate

The survey responses in Table 31 show that over half of all successful candidates were aged under 30 years of age, followed by 31 per cent aged 30-44 years and 11 per cent aged over 45 years. Across all industries, one-third of employees are aged over 45 years, and one-quarter of all employees in Business Services are aged over 45 years (Australian Bureau of Statistics, 2000b).

Almost 60 per cent of successful candidates for these were female, and 40 per cent were male.

Table 34: Recent Appointment by Age

Age	Percentage
Less than 30	58.0
30-44	31.0
45 +	10.9
Don't know	1.0

Unsuccessful Candidates

Respondents were asked whether there had been any applicants for the position who were aged over 45 years and then were asked about the characteristics of that applicant. Over half of the unsuccessful candidates were male (55 per cent), 44 per cent were female and one per cent of respondents could not recall the sex of the unsuccessful candidate.

There were 243 unsuccessful applicants for the position who were aged over 45 years and the following question is based on responses about these persons. Table 35 shows that in the majority of responses, there were no applicants for the position who were aged over 45 years.

Table 35: Age of Unsuccessful Candidate

Age	Percentage
Less than 45	67.0
45 +	27.1
Don't recall	5.9

Reasons for Lack of Success

Respondents were asked to comment on the chief reason why the candidate aged over 45 years was not successful in gaining the position and these are listed in Table 36. A sample majority of respondents (28 per cent) commented that the candidate was not suitable for other reasons. Excluding this, the major reasons for older candidates being unsuccessful were a lack of current skills (17 per cent), and a lack of relevant technical experience (17 per cent). Another significant reason was that the older candidate would not fit in to the business (12 per cent) which corresponds with one third of respondents who prefer a work force of similar background and age (question 6). Other reasons were that the candidates could not demonstrate their relevant experience in an interview situation (10 per cent), and that the older candidate was over qualified (9 per cent). The issue of whether the older candidate had been long-term unemployed appears not to be significant, but this factor may have been over-ridden by more prominent reasons.

Table 36: Main Reason why the Older Candidate was Unsuccessful

Reason why candidate unsuccessful	Percentage
The candidate was over qualified	9.1
The candidate did not possess current skills	17.3
The candidate lacked relevant technical experience	17.3
The candidate would not fit in to the business	11.5
The candidate could not demonstrate their relevant experience	10.3
The candidate had been unemployed for 12 months or more	0.8
The candidate lacked confidence	2.1
The candidates application was not satisfactory	3.3
The candidate was not suitable for other reasons	28.4
Total	100.0

It appears that in a recruitment situation, older workers are viewed by employers as lacking in current skills and relevant experience. There is a clear policy need to provide relevant and current training and work experience for unemployed mature-age workers. The House of Representatives report (2000) recommends a trial of a 'training credit scheme' available to long-term unemployed mature-age persons (Recommendation 7, House of Representatives, 2000). The scheme is limited in the sense that persons are only eligible where they have a definite job offer, which may be a factor inhibiting access to the scheme for the mature-age unemployed.

In the SPRC Survey, almost 15 per cent of unsuccessful older candidates were not appointed due to poor job search and interview practices. These applicants were either unable to demonstrate their relevant experience, lacked confidence or submitted an unsatisfactory job application. These results support the recommendation of the recent House of Representatives report on mature-age unemployment for a free career guidance service for job seekers on benefits (Recommendation 5, House of Representatives, 2000). To adequately address mature-age unemployment, this service should be extended to all job seekers over the age of 45, with specialist advisers available to recommend counselling and financial planning.

Age of Best Contribution

Many studies have articulated the issue of mature-age unemployment as a matter of employers regarding older workers as generally less capable than younger workers based on a set of negative attitudes and stereotypes (Artcraft, 1989; Warr and Pennington, 1993; Institute of Personnel Management, 1993; Itzin and Phillipson, 1993; Divito, 1994; Reark Research, 1994; Steinberg et al., 1994; Taylor and Walker, 1994; American Association of Retired Persons (AARP), 1995 and 2000; Bennington and Tharenou, 1995; Arrowsmith and McGoldrick, 1996; Pickersgill et al., 1996; Hayward et al., 1997; Committee for Economic Development, 1999; Kodz, Kersley and Bates, 1999; Urbis Keys Young, 1999). A pragmatic reason why employers are reluctant to hire older workers is a simple numbers game: employers value workers in terms of how many years they can 'get out of them' (Senate Employment, Education and Training References Committee, 1995: 53). In this context, older workers are less attractive than younger workers because they have fewer years of working life to contribute to an employer. While older workers are more likely to stay with the same company for a longer period (House of Representatives, 1992, Trinder, Hulme and McCarthy, 1992; Reark Research, 1994; Sterns and McDaniel, 1994; Barth, McNaught and Rizzi, 1995; Committee for Economic Development, 1999), younger workers are still seen as a better investment in terms of training expenditure because they are at the beginning of their working life and can contribute more to the company over time (Casey and Wood, 1994; Rix, 199; Hayward et al., 1997).

A key issue in exploring the link between employer attitudes and practices toward older workers is defining 'at what age a worker becomes older'. The most common definition of an older worker is given in terms of chronological age. However, studies show that there is no common age where employers consider a worker to be older. The concept of 'older worker' is complicated by the findings that factors such as gender, position, tenure and age of the employer have been shown to significantly influence attitudes and concepts of the age, ability and job performance of the employee (Artcraft, 1989; Steinberg et al., 1994 and 1998; Kodz, Kersley and Bates, 1999). Among employers, there is a 'very young perception of who is an older worker' (Steinberg et al. 1994: 68). They found that employers considered workers older (at 51-55 years) at a younger age than the rest of the community (56-60 years) (Steinberg et al., 1994: 68). Reark Research found that employers considered workers to be old at 40 years, with a second plateau at 50 years (see also Hayward et al., 1997). A British study found that employers considered the ideal age to combine knowledge and experience was between 40-50 years (Itzin and Phillipson, 1993). In their 1994 Australian survey, Reark Research found that conceptions of when a worker becomes 'older' is linked to occupation and that senior managers were considered to be older at a younger chronological age than other types of workers.

It is apparent that the notion of when a worker becomes older is influenced by a variety of factors which are specific to the employer. Previous studies indicate that a worker may become older at any time between 40 and 55 years. In the SPRC Survey, we explored attitudes to older workers over the age of 45 years. Respondent views about the 'right age to retire' are discussed in Section 8.

In the SPRC Survey, the question of defining the age of an older workers was framed in terms of when in their life-cycle an employee makes their best contribution to the respondent's business. The survey company reported that during interviews, some respondents resisted choosing one particular age band over another. The survey was modified to include the option of 'at any age' with the list of age bands.

In Table 37, over half of all respondents considered that employees made their best contribution to the business between the ages of 30-44 years. A comparable amount of respondents considered that employees made their best contribution before the age of 30 (15 per cent), and over 45 years (15 per cent). One-fifth of the sample were reluctant to choose an age range and commented that employees made their best contribution to the business 'at any age'.

Table 37: Employer Assessment of Age of Best Contribution

Age Range	Percentage
< 30 years	14.5
30-44 years	50.7
>45 years	14.8
At any age	20.0
Total	100.0

6.4 What Factors Influence Recruitment Decisions?

Having established how often employers hold a specific attitude or makes a definite recruitment choice, the next step in analysis is to study what influences that those attitudes and choices. Since it rarely the case that the outright causes of an event be can be determined, most often analysts settle for a study of associations.

A simple way of considering associations is to cross-tabulate a dependent variable, for example age of employee last recruited, with an independent variable, for example size of business. A relatively short survey questionnaire can produce a dauntingly large number of cross-tabulations. An immediate problem is to determine which of these cross-tabulations is important. A further, and equally important, consideration is that studying relationship between pairs of variable can be very misleading because many associations may be spurious. For example, cross-tabulating age last successful applicant with size of business may suggest that small business are more likely to recruit worker aged over 45 years. However, this apparent association between business size and recruitment pattern may be the result of an even stronger association between business size and industry subdivisions, so that the analytically important relationship is actually between industry subdivision and age employees recruited.

The best solution to these problems is to use a form of multivariate analysis. Multivariate forms of analysis, as the name suggests, allow the researcher to study the effect on the dependent variable of each independent variable while holding all other variables constant. This is an invaluable aid in eliminating spurious relationships and determining which relationship are analytically the most important. Therefore, where appropriate we

have presented the analysis of the survey in a multivariate form, rather than in cross-tabulations.

The results of a logistic regression of whether the last vacancy was filled by a mature-age worker¹⁴ are presented in Table 38. In this table, results that exceed conventional benchmarks of statistical significance are indicated by asterisks. Some of the results that fail to exceed these benchmarks have been replaced by 'ns'. Full results of this logistic regression are presented in Table C1 in Appendix C.

This regression model examines the effects of a number of factors, or independent variables, on the likelihood that the last outside appointment was filled by a mature-age worker rather than a younger worker. The factors investigated include a relatively exhaustive list of the characteristics of businesses and the attributes, attitudes, and expectations of respondents.

Among the characteristics of businesses considered are: the industry within which the business operates; location; number of people employed; number of vacancies filled in the last year; the number of years the business has been trading; and the age of the business' typical customer or client. The attributes of respondents investigated include sex, age, and position within the business. Among the respondents' attitudes considered are their views on the age at which employees make their best contribution and the optimal age for a person to retire. Employers' preferences on the adventurousness-diligence dimension and the general-specific skills dimension of employee performance are also entered into the model. Also included are respondents' expectations that, in the next 10-15 years, employees will retire once they reach 55.

Table 38 contains the marginal probabilities associated with these independent variables. Each marginal probability describes the change in probability of employing someone over 45 that is predicted to occur for a unit change in the relevant independent variable. These changes are expressed relative to a base category. A marginal probability describes the change that would occur if only the relevant independent variable changed, with all the other independent variables remaining unchanged.

The base category in Table 38 above is a 40 year old, male proprietor of a small legal and accounting services business located in a capital city, that employs 35 people and that filled 7 vacancies in the last year. This business has been trading for 15 years and has a typical customer or client aged 30-44 years. This businessman thinks that people 30-44 years of age make the best contribution to his business and scores near the middle of both the index of preference for adventurousness versus diligence and the index of preference for general versus specific skills. Moreover, he believes that the right age to retire is over 65 years and does not expect that, in the next 10-15 years, employees will retire once they reach the age of 55.

¹⁴ Where the applicant was recruited from outside the business.

Table 38: Logistic Regression of Whether the Last Job Filled by Someone Outside the Business was Filled by Someone Aged 45 Years or Over

Variable	Marginal probability
Base probability	0.06
Industry	
Scientific research	-0.01
Technical services	-0.02
Computer services	-0.02
Marketing and business management services	0.00
Other Business Services	0.01
Other industries	0.17*
[omitted category: Legal and accounting services]	
Not located in a capital city	ns
Number of people employed in the business	ns
Number of vacancies filled in the last year	ns
Number of years the business has been trading	ns
Age of typical customer or client	
Under 30 years	0.05
45 years or over	0.06**
Missing	0.09
[omitted category: 30-44 years]	
Respondent female	ns
Age of the respondent	ns
Respondent's position in the business	ns
Age people make the best contribution to the business	
Under 30 years	-0.04*
45 years or over	0.06**
At any age	0.01
[omitted category: 30-44 years]	
The right age for a person to retire from full-time employment	ns
Index of preference for adventurousness vs diligence	ns
Index of preference for general vs specific skills	ns
Expects that, in the next 10-15 years, employees will retire once they reach 55	ns
Model chi-squared	69.17**
N	916

Notes:

(1) The base probability is the predicted probability (that the last job filled by someone outside the business was filled by someone aged 45 years or over) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 years-old, a small business proprietor who thinks that people 30-44 years of age make the best contribution to his business and that the right age for a person to retire from full-time employment is 65 years or over, and who scored 2 on the index of preference for adventurousness vs diligence and 1 on the index of preference for general vs specific skills, and who does not expect that, in the next 10-15 years, employees will retire once they reach 55.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

ns Not significant at the 0.05 level

The base probability reported at the top of Table 38 is the probability that somebody in the base category will fill an outside appointment with a mature-age worker. Table 38 reports this probability as 0.06, or 6 chances in 100.

In interpreting a logistic regression model, an important consideration is the explanatory power of the model. The model should be capable of accounting for the observed data better than a null model, that is, a model that has no independent variables. The model chi-squared statistic reported at the bottom of the table tests this formally. This statistic exceeds conventional benchmarks for statistical significance, indicating that the logistic regression model fits the data significantly better - in a statistical sense at conventional confidence levels - than does the null model.

The marginal probability results presented in Table 38 suggest that three factors significantly influence the likelihood of filling an outside appointment with a mature-age worker. These factors are the age of the business' typical customer or client, the age at which the respondent thinks people make the best contribution to his or her business, and the industry within which the business operates. Businesses whose typical customer or client is older (aged 45 years or over) are more likely (marginal probability = +0.06) to hire a mature-age worker than are businesses whose typical customer or client is aged 30 to 44 years. Businesses in the base category, whose typical customer or client is aged 30 to 44 years, fill approximately 6 out of 100 vacancies with a mature-age worker (base probability = 0.06). In comparison, businesses whose typical customers or clients are older (aged 45 years or over) than those of businesses in the base category, but which are identical to base category businesses in all other respects, have twice the chance - 12 chances in 100 - of filling an outside appointment with a mature-age worker ($0.06 + 0.06 = 0.12$).

Businesses are also more likely to hire a mature-age worker if the respondent feels that people aged 45 years or over make the best contribution to his or her business (marginal probability = +0.06). The reverse side of this phenomenon is that businesses are less likely to hire a mature-age worker if the respondent feels that people under the age of 30 make the best contributions (marginal probability = -0.04). Respondents in the base category believe that employees make the best contribution to their businesses between the ages of 30 and 44 years. For respondents who believe that people make their greatest contribution when aged 45 years or over, but who are identical to base category respondents in every other respect, the chances of employing a mature-age worker are 12 in 100. If, on the other hand, they believe employees' contribution is greatest between the ages of 30 and 44, there are only 6 chances in 100 that they will employ a mature-age worker. However, for respondents who feel that people under the age to 30 make the best contribution to their businesses, the chance of filling an outside appointment with a mature-age worker falls dramatically to only 2 chances in 100. The attitudes that employers have towards mature-age workers appear to have a profound influence on the likelihood that they will employ mature-age workers.

The final significant marginal probability attaches to a particular industry sub-classification. It transpires that the eleven businesses with multiply listings in the Yellow Pages whose core business lies outside the ANZSIC Business Services category are more

likely to employ mature-age workers. Although the marginal probability associated with this industry category (+0.17) is much higher than those associated with the other industry categories investigated in this study, this marginal probability is difficult to interpret. These eleven businesses are not a representative sample of any other ANZSIC industry classification and are an ad hoc grouping. It is not clear whether there is something unique about cross-listed businesses or whether this result is an artefact of some other anomaly. It is advisable to treat this result cautiously.

After these three factors have been taken into account, the other factors investigated do not seem to influence the likelihood that a business will fill an outside appointment with a mature-age worker. Of course, it is possible that these other factors influence the age of the business' typical customers or clients or the attitudes that employers have towards mature-age workers, and so influence the hiring decisions of employers indirectly.

6.5 What do Employers Think About Older Job Seekers with a Redundancy

When considering an applicant for a position within their organisation, employers may assume that older workers who have retired early or accepted redundancy packages do not wish to work, or are incapable of working at full capacity. This question was designed to explore whether employers hold positive or negative attitudes toward persons who have taken a redundancy package in their last position. Respondents were asked to choose between opposing pairs of qualities describing persons who have been made redundant.

For the most part, respondents expressed positive attitudes towards older workers who had been made redundant. As seen in Table 39, persons who had taken a redundancy were strongly regarded as: experienced workers (95 per cent); realistic planners (91 per cent); not easily discouraged (90 per cent); a victim of industrial change (84 per cent); a person deserving a second chance (92 per cent); and a person who overcomes difficulties (95 per cent). Respondents described persons who had taken a redundancy as person who would like a job (62 per cent) rather than as persons who need a job.

Again, some respondents had difficulty choosing between the pairs. These responses are collated in the 'Can't Answer' category.

These responses illustrate that employers do not generally hold negative attitudes toward older workers who have taken a redundancy package.

Table 39: Attitudes Toward Older Job Seekers who have Taken a Redundancy

Poor performer or Experienced Worker?	Percentage
A poor performer	4.0
An experienced worker	94.9
Can't answer	1.1
<hr/>	
Realistic Planner or Indecisive Person?	
A realistic planner	91.0
An indecisive person	7.1
Can't answer	1.9
<hr/>	
Discouraged or Motivated?	
A person who is not easily discouraged	90.4
A person who lacks motivation	8.2
Can't answer	1.4
<hr/>	
A Victim of the System?	
A person who has been a victim of industrial change	83.6
A person who plays the system	14.6
Can't answer	1.8
<hr/>	
Deserving a Second Chance?	
A person who has had their chance	6.9
A person who deserves a second chance	92.2
Can't answer	1.0
<hr/>	
Needs a Job?	
A person who would like a job	62.4
A person who needs a job	36.6
Can't answer	1.0
<hr/>	
Health Problems?	
A person who is probably too sick to work	3.7
A person who overcomes difficulties	94.7
Can't answer	1.6

7 Attitudes to Retirement

There have been few studies of attitudes to retirement from an employer perspective, with most Australian research exploring individual views on retirement (Encel and Studencki, 1996b; Cornish, 1997; Wolcott, 1998). An individual's attitude to retirement will be influenced by whether they made a positive choice to leave employment, or whether the retirement was involuntary through redundancy, poor health or other reasons.

The series of questions in this module explored respondent attitudes to retirement age, and working beyond retirement age, and good reasons to retire from the perspective of an employer. The results provide useful information in assessing community attitudes toward retirement.

7.1 What is the 'Right Age' to Retire

Respondents were asked their opinion on the 'right age' for a person to retire from full-time employment. Three respondents said their answer depended on the person, and three did not answer.

Table 40 shows that the majority (55 per cent) of respondents were in favour of persons retiring between 55 and 64 years. Over one third of the sample were favourable to persons retiring after 65 years. These responses demonstrate that the respondents in the SPRC Survey do not hold hostile attitudes toward early retirement, and many still hold traditional views on retirement age.

Table 40: Right Age to Retire

Age Range	Percentage
<45 years	1.7
45-49 years	1.1
50-54 years	4.4
55-59 years	26.3
60-64 years	28.4
>65 years	37.5

The results of a logistic regression of whether the respondent thought that the right age for a person to retire from full-time employment was 65 years or over are presented in Table 41. Full results of this logistic regression can be found in Table D1 in Appendix D.

This regression model investigates the effects of a number of factors on the likelihood that a respondent thought that the right age for a person to retire from full-time employment was 65 years or over. The factors examined include characteristics of the business in which the respondent works, as well as other attributes and attitudes of the respondent.

Among the characteristics of businesses considered are the industry within which the business operates; location; number of people employed; number of vacancies filled in

the last year; the number of years the business has been trading; and the age of the business' typical customer or client. The attributes of respondents investigated include sex, age, and position within the business. Respondents' attitudes regarding the age at which employees make their best contribution are also entered into the model.

Table 41 contains the marginal probabilities associated with these independent variables. The base category in Table 41 is a 40 year old, male proprietor of a small legal and accounting services business, who thinks that people 30 to 44 years of age make the best contribution to his business. This business is located in a capital city, employs 35 people, filled 7 vacancies in the last year, has been trading for 15 years, and has a typical customer or client aged 30 to 44 years. Somebody in this base category has a 31 in 100 chance of thinking that the right age for a person to retire from full-time employment is 65 years or over, as indicated by the base probability of 0.31 reported in Table 41.

The model chi-squared statistic presented in Table 41 indicates that the logistic regression model fits the data significantly better - in a statistical sense at conventional confidence levels - than does the null model (that is, a model that has no independent variables).

The marginal probability results suggest that five factors significantly influence the likelihood that a respondent will think that the right age for a person to retire is 65 years or over. These factors are location, the age of the business' typical customer or client, the respondent's sex and age, and the age at which the respondent thinks people make the best contribution to his or her business.

There appear to be significant regional effects shaping people's opinions on the right age for a person to retire from full-time employment. People working for businesses located outside the capital cities are less likely than those working within the capital cities to think that the optimal age for a person to retire is 65 years or over (marginal probability = -0.08). People working outside the capital cities, but who are otherwise identical to people in the base category, have a 23 in 100 chance of thinking that the optimal age for a person to retire is 65 years or over. In comparison, people in the base category, who work within the capital cities, have a 31 in 100 chance of thinking that the right age for a person to retire is 65 years or over.

The age of the typical customer or client of the business for which a person works also appears to be a significant determinant of that person's attitudes towards the right age to retire. People are substantially more likely (marginal probability = +0.25) to think that the right age for a person to retire is 65 years or over if they work for businesses whose typical customer or client is older (aged 55 years or over) than if they work for businesses whose typical customer or client is aged 30 to 44 years. People who work for businesses whose typical customer or client is older (aged 55 years or over), but who are otherwise identical to people in the base category, have a 56 in 100 chance of thinking that the optimal age for a person to retire is 65 years or over. This is almost twice the chance associated with people in the base category.

Women are more likely than men to believe that the optimal age for a person to retire is 65 years or over (marginal probability = +0.08). Women who - apart from being women -

Table 41. Logistic Regression of Whether the Respondent Thinks that the Right Age for a Person to Retire from Full-Time Employment is 65 Years or Over

Variable	Marginal probability
Base probability	0.31
Industry	Ns
Not located in a capital city	-0.08*
Number of people employed in the business	ns
Number of vacancies filled in the last year	ns
Number of years the business has been trading	ns
Age of typical customer or client	
Under 30 years	0.11
45-54 years	0.00
55 years or over	0.25*
Missing	-0.13
[omitted category: 30-44 years]	
Respondent female	0.08*
Age of the respondent / 10	0.04*
Respondent's position in the business	ns
Age people make the best contribution to the business	
Under 30 years	-0.01
45 years or over	0.12*
At any age	0.21**
[omitted category: 30-44 years]	
Model chi-squared	67.84**
N	928.00

Notes:

(1) The base probability is the predicted probability (that the respondent thinks that the right age for a person to retire from full-time employment is 65 years or over) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 year-old small business proprietor who thinks that people 30-44 years of age make the best contribution to his business.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

ns Not significant at the 0.05 level

are identical to people in the base category have a 39 in 100 chance of believing that the right age to retire is 65 years or over.

The likelihood that a person will believe that the right age to retire is 65 years or over is also significantly associated with that person's age. People who are older are more likely to think that the right age to retire is 65 years or over than are people who are younger (marginal probability = +0.04). People who are 50 years of age, but who are otherwise identical to people in the base category, have a 35 in 100 chance of believing that the optimal age to retire is 65 years or over. In comparison, people in the base category, who are 40 years of age, have a 31 in 100 chance of believing that the right age for a person to

retire is 65 years or over. Younger people are thus more likely to be in favour of early retirement.

The final factor significantly influencing a person’s opinion on the right age to retire is the age at which a person thinks people make the best contribution to his or her business. Those who believe that people aged 45 years or over make the best contribution to their businesses are more likely to think that the right age to retire is 65 years or over (marginal probabilities = +0.12) than are those who believe that the best contributions are made by people aged 30 to 44 years. The same is true for those who believe that people make their best contributions at any age (marginal probability = +0.21). People who believe that the best contributions are made by employees aged 45 years or over, but who are otherwise identical to people in the base category, have a 43 in 100 chance of thinking that the optimal age to retire is 65 years or over. People who believe that employees make their best contributions at any age, on the other hand, have a 52 in 100 chance of thinking that the right age for a person to retire is 65 years or over.

7.2 Good Reasons to Keep Working

Respondents were asked to comment on whether a range of statements constituted a ‘good’ or ‘bad’ reason to continue working beyond the age they specified as the ‘right age to retire’. Over two-thirds of the sample considered that there were good reasons to continue working where: a persons services are valued by their employer (80 per cent); work is important to self-esteem (79 per cent); where persons like to keep busy (73 per cent) and where persons are contributing to the community (69 per cent). Less favoured reasons for continuing to work include where work is the only source of contact with others (52 per cent) and where persons are reliant on the age pension (46 per cent), or don’t have sufficient superannuation benefits to support themselves (46 per cent).

From Table 42, it may be concluded that positive social reasons for continuing to work are more favoured than strictly financial reasons. Work as a site for social interaction and contact was less favoured, perhaps due the range of potential social and community activities that are available for retirees. This finding suggests that a policy encouraging older workers, where appropriate, to retain links with their employer through a system of flexible retirement would attract community support.

Table 42: Good Reasons to Keep Working

Reason	A good reason	A bad reason
Because they don’t have enough superannuation	45.9	54.1
Because their only income is the age pension	46.0	54.0
Because they like to keep busy	73.4	26.6
Because they are contributing to the community	69.2	30.8
Because work is important to their self esteem	78.7	21.3
Because work is the most important source of contact with others	51.8	48.2
Because their services are valued by their employer	80.2	19.8

7.3 Good Reasons to Retire

Respondents were asked their views on ‘good’ and ‘bad’ reasons to retire at any age and the results are collated in Table 43. There was strong approval for retirement where: persons had poor health (96 per cent); persons had planned financially for retirement (94 per cent); persons had family caring responsibilities (88 per cent); persons could no longer work effectively in their current position (86 per cent) or could no longer work full-time hours (83 per cent). The least favoured reason was eligibility for the age pension, with less than 20 per cent approving of this reason. About 60 per cent of the sample thought that good reasons to retire included that a person’s partner was retired, and that a person could access superannuation benefits.

Table 43: Good Reasons for Choosing to Retire

Reason	A good reason	A bad reason
Because they were offered an opportunity to leave the work force through redundancy	67.4	32.6
Because through sound financial planning they can afford to retire	93.8	6.2
Because they have reached retirement age	45.6	54.4
Because they have poor health	95.6	4.4
Because they are eligible for government income support	16.5	83.5
Because their partner is retired	59.6	40.3
Because they have family commitments such as caring for relatives	88.3	11.7
Because they can no longer work effectively in their current position	85.9	14.1
Because they no longer want to work full-time hours	83.0	17.0
Because they can access superannuation benefits	60.7	39.3

The attitudes of respondents to flexible or phased retirement was explored in this question. Flexible or phased retirement is where employers and employees negotiate a redeployment or reduction in hours and work responsibilities to assist older workers in the transition to retirement, while retaining their skills and experience within the business. The situation where a person can no longer perform effectively in their current position, or cannot work full-time hours is suitable for flexible retirement. The results indicate that this sample of employers is not aware, or not responsive to this option and see these situations as a reason to retire rather than an opportunity for an employee to continue working in a modified capacity.

It appears that good reasons to retire are for health reasons or because the employees has planned and managed their finances carefully. However, it is less acceptable to retire due to eligibility for age pension or superannuation benefits. Over half the sample disapproved of retirement merely because a person had reached retirement age. This finding implies that there is not automatic support not automatic support within the SPRC Survey sample for persons choosing retiring once they are eligible for the aged pension.

8 Possible Incentives to Encourage Employment of Older Workers

Previous Australian studies on employer attitudes toward older workers also explored a range of possible incentives that may encourage the employment of older workers. These studies reported little success in identifying possible incentives (Reark Research, 1994; Steinberg et al., 1996; Urbis Keys Young, 1999). The Urbis Keys Young survey found that when recruiting, employers are most interested in getting the right person for the job. Their investigation of possible incentives to encourage the employment of older workers found that wage subsidies, superannuation subsidies, and financial incentives for retraining would not encourage respondents to employ an older worker. By posing the issue in a less abstract way and attaching a definite dollar amount to this option, the SPRC Survey elicited a more meaningful response on the matter of wage subsidies.

The recent report by the House of Representatives Committee canvassed a range of possible ways to deal with mature-age unemployment. These include measures to employer education campaigns, wage subsidies, developing codes of conduct for retrenchment and retirement (including phased retirement), measures to increase the job preparedness of mature-age workers and some 'welfare reform' measures (House of Representatives, 2000).

In a recent article reviewing recent public policy developments for older workers in Australia and the UK, the authors commented that a major education campaign among employers, trade unions and the general public was required. This campaign would need to be sustained over a considerable period of time to raise awareness about age discrimination to the level of sex and race discrimination (Taylor, Steinberg and Walley, 2000: 128).

The recently published House of Representatives Committee's report proposes a variety of measures to promote employer education. Recommendation 1 recommends combating age discrimination and employer prejudice through legislation (Workplace Relations Act) and a public education campaign targeting employers to promote the benefits of maturity and age-balance in the work force. Recommendation 2 suggests that the Minister for DEWRSB promote a version of the British Employers Forum on Age to Australian business. The report also recommends that DEWRSB work with business and other organisations to develop a code of best practice principles for retrenchments and redundancies. The Committee's preferred option is redeployment rather than redundancy. The Code is to focus on early intervention and employment needs are to be assessed by Centrelink staff using existing instruments. The Committee recommends that employers develop pathways to employment by promoting casual and part-time work to older workers.

The effect of wage subsidies in reducing unemployment is controversial. It is often argued that wage subsidies merely redistribute unemployment. Submissions to the House of Representatives Inquiry argued that wage subsidies might be used for a six to twelve month period to pay the 'on-costs' of a position and to keep work practices up-to-date. The DEWRSB submission cited the OECD's comments that wage subsidies may distribute the incidence of unemployment, decrease the duration of unemployment and

increase chances of employability. Following the recent DEWRSB report (by Urbis Keys Young), the House of Representatives Committee stated that ‘the suitability of an applicant for a position is the main reason a person will be hired’ (House of Representatives, 2000). In contrast, the SPRC Survey found that almost 50 per cent of employers would be influenced to employ an older worker because a wage subsidy was available. This positive result may be the consequence of how the question was framed. The question suggested \$4000 package of financial assistance for employing an older worker for a six-month period.¹⁵

Training pilot programs, training subsidies, career guidance and computer education are all recommended by the House of Representatives Committee as ways to increase the ‘job-readiness’ of mature-age workers. Training mature age workers to operate as mentors and supervisors in ‘Work for the Dole’ Schemes is another solution suggested by the Committee.

Extending Work for the Dole on a voluntary basis for very long term unemployed mature-age workers and a stronger emphasis on voluntary work as either a mutual obligation activity, or activity test requirement are among the ‘welfare reform’ solutions proposed by the House of Representatives Committee.

At present, Australia does not have any system of rewarding employers for employing, training and utilising the talents of older workers. In particular, Japan has been proactive in developing measures designed to maintain the employment of older workers through encouraging employers to adjust working conditions to take account of the increased duration of working life (Moore, Tilson and Whitting, 1994). These measures include subsidies for employers who employ a particular number of older workers, re-employ people who have retired, or continue to employ people past retirement age. The Japanese Government pays a monthly subsidy to employers with over per cent of their work force aged between 60-64 years (Moore, Tilson and Whitting, 1994: 8). European countries including Germany, Austria and France provide a system of subsidised employment (up to 100 per cent) to businesses employing an older worker for a certain period. The authors conclude that wage subsidies are often too limited in terms of an overall budget to have a large impact on the unemployment situation of older workers (Moore, Tilson and Whitting., 1994).

In Australia, there are several state government-funded programs to assist in the employment of older workers. For example, the Mature Workers Program in NSW provides job placement, job search and training support services to people over 40. The program commenced in 1990 with the aim to: ‘assist mid-life and older persons to re-enter the work force, either following retrenchment or after a period of unemployment, and in the process to equip them with skills which will enhance their prospects of permanent employment’. An evaluation of the Mature Worker Program conducted in 1994 found that it had a positive impact on the employment of older workers with around

¹⁵ This level of employment assistance was modelled on the existing Commonwealth labour market program for Indigenous Australians.

half of all participants in employment (Funnell, 1994). The evaluation also commented that older workers required particular assistance in seeking employment in new industries and occupations, assistance with the development of vocational skills and assistance with job seeking and interview techniques.

The SPRC Survey was designed to test the effectiveness of many of these inducements by exploring whether employers would be influenced to employ an older worker through a range of incentives. Respondents were asked to imagine that they had a job vacancy for which two suitable people with similar qualifications had applied. One of these is a younger candidate while the other is over 45 years of age. Respondents were then asked to indicate the extent to which ten separate ‘incentives’ would influence their recruitment decision in favour of the older candidate. The level of influence was described as ‘this would influence me a lot’, ‘this would influence me a little’, and ‘this would not influence me at all’. The ten incentives considered and the distribution of employer responses is shown in Table 44.

Table 44: Employer Responses to Incentives to Employ Mature-Age Workers

Incentive	Strong influence	Some influence	No influence	Can't answer
1 The older candidate has recent industry experience	70.8	24.5	4.6	0.1
2 The older candidate has relevant and up-to-date computer skills	64.3	23.7	11.7	0.2
3 The older candidate was referred and strongly recommended by a reputable employment agency	48.6	33.7	17.7	0.1
4 Once employed, the older candidate can be dismissed more easily	1.9	11.9	86.1	0.1
5 There are subsidised employer superannuation contributions available for employing the older candidate	5.6	35.1	59.2	0.2
6 The older candidate comes across in the interview as a much better candidate	89.7	7.1	3.1	0.1
7 Age discrimination carries legal penalties	8.2	17.9	73.7	0.2
8 The older candidate attracts a \$4000 package of financial assistance for six months employment	8.9	38.9	51.9	0.2
9 The older worker is an active volunteer	19.5	41	39.3	0.2
10 The older candidate has become unemployed in the last month and the younger candidate has been unemployed for 12 months or more	28.3	32.4	39.2	0.1

Incentives with ‘strong influence’ include situations where the older candidate performed better in the interview than the younger candidate (90 per cent), where the older candidate had recent industry experience (71 per cent) and where the older candidate has relevant and up-to-date computer skills (64 per cent). When the level of strong and some influence is combined, there are positive responses to six out of the ten proposed incentives.

The incentives which would not influence the majority of respondents to select the older candidate include unfair dismissal provisions (86 per cent), subsidised employer

superannuation contributions (59 per cent), and the prospect of legal penalties for age discrimination (74 per cent).

When the scores for ‘strong influence’ and ‘some influence’ are combined, it is apparent that most incentives would have some effect on the recruitment decisions of employers. In contrast with the Urbis Keys Young survey (1999), just under half of all respondents commented that the prospect of financial assistance would encourage them to employ an older worker. 60 per cent of respondents would be influenced to employ the older candidate if the older candidate had only recently become unemployed, in preference to a younger candidate who was long-term unemployed. Employers were influenced the volunteering experience of an older candidate (61 per cent) and referral by a reputable employment agency (82 per cent).

8.1 Multivariate Analysis of the Effectiveness of Incentives

A series of ten logistic regressions was conducted of whether each of these ten incentives would influence respondents in favour of the older candidate. These regressions were utilised in order to investigate whether respondents with different characteristics were differentially sensitive to these ten incentives. The model that underlies these ten regressions is essentially the same as that behind the logistic regression of whether the respondent thought that the right age for a person to retire from full-time employment was 65 years or over (see Table 41). The same factors, or independent variables, are included in the model and the substantive meaning of the base category is identical.

The results of eight of these logistic regressions are presented in Table 45, with full results available in Appendix E in Tables E1 to E8. Two of the ten logistic regressions conducted - those relating to respondents’ sensitivity to recent industry experience and performance in the interview - failed to fit the data better than the null model (that is, a model that has no independent variables) and are not reported here. Respondents with different characteristics tended to respond to these two incentives in fairly similar ways, with over 95 per cent of respondents claiming that these two incentives would influence them in favour of the older candidate. Each of the other regressions conducted fitted the data significantly better than did the null model.

Table 45: Logistic Regressions of Whether a Variety of Incentives Would Influence Respondents in Favour of Older Candidates

Variable	Marginal Probability							
	Incentive 2	Incentive 3	Incentive 4	Incentive 5	Incentive 7	Incentive 8	Incentive 9	Incentive 10
Base probability	0.92	0.82	0.17	0.41	0.24	0.46	0.59	0.61
Industry								
Scientific research	0.08	ns	ns	ns	ns	0.07	ns	ns
Technical services	-0.10*	ns	ns	ns	ns	0.11*	ns	ns
Computer services	-0.08	ns	ns	ns	ns	0.10	ns	ns
Marketing and business management services	-0.06	ns	ns	ns	ns	0.03	ns	ns
Other Business Services	-0.17**	ns	ns	ns	ns	0.01	ns	ns
Other industries	-0.05	ns	ns	ns	ns	0.29	ns	ns
[omitted category: Legal and accounting services]								
Not located in a capital city	ns	ns	ns	ns	ns	0.11*	ns	ns
Number of people employed in the business / 30	ns	ns	ns	ns	ns	ns	ns	ns
Number of vacancies filled in the last year / 5	-0.03**	ns	ns	-0.05**	ns	ns	ns	ns
Number of years the business has been trading / 10	ns	ns	ns	ns	ns	ns	ns	ns
Age of typical customer or client								
Under 30 years	ns	ns	ns	ns	ns	ns	0.15*	ns
45 years or over	ns	ns	ns	ns	ns	ns	0.02	ns
Missing	ns	ns	ns	ns	ns	ns	-0.15	ns
[omitted category: 30-44 years]								

Table 45 Continued

Respondent female	ns	ns	ns	-0.12**	ns	-0.08*	ns	ns
Age of the respondent / 10	ns	ns	-0.04**	-0.05**	-0.05**	-0.07**	-0.06**	-0.06**
Respondent's position in the business								
Human Resources Manager	0.06*	0.05	ns	ns	ns	ns	ns	0.08
Other Manager	0.04**	0.00	ns	ns	ns	ns	ns	0.02
Other	0.06**	0.09*	ns	ns	ns	ns	ns	0.12*
[omitted category: Small business proprietor]								
Age people make the best contribution to the business								
Under 30 years	ns	-0.14**	ns	ns	0.04	ns	ns	0.00
45 years or over	ns	-0.03	ns	ns	0.02	ns	ns	-0.06
At any age	ns	-0.05	ns	ns	-0.08*	ns	ns	-0.11*
[omitted category: 30-44 years]								
Model chi-squared	56.83**	36.69*	38.51*	55.30**	40.53**	51.93**	43.30**	40.17**
N	932	933	933	932	932	932	932	933

Notes:

(1) The base probability is the predicted probability (that an older candidate having relevant and up-to-date computer skills would influence the respondent in favour of this older candidate) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 year-old small business proprietor who thinks that people 30-44 years of age make the best contribution to his business.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

ns Not significant at the 0.05 level

Relevant and up-to-date computer skills

The second column of Table 45 presents the results of the logistic regression of whether an older candidate having relevant and up-to-date computer skills would influence the respondent in favour of this older candidate. Respondents in the base category have a 92 in 100 chance of being influenced by this particular incentive. The marginal probability results suggest that three factors significantly affect the likelihood that a respondent's recruitment decisions will be influenced by an older candidate's computer skills. These factors are the industry within which the respondent works, the number of vacancies filled in the last year, and the respondent's position in the business.

Respondents who worked in technical services were less likely (marginal probability = -0.10) to be influenced by an older candidate's computer skills than were respondents who worked in legal and accounting services. The same was true for respondents who worked in Business Services apart from scientific research, technical services, computer services, marketing and business management services, and legal and accounting services (marginal probability = -0.17).

The likelihood that a respondent would be influenced by an older candidate having relevant and up-to-date computer skills also decreased as the number of vacancies filled in the last year increased (marginal probability = -0.03).

The final factor significantly affecting the likelihood that a respondent would be influenced by an older candidate's computer skills is the respondent's position in the business. Small business proprietors appear to be the least likely to be influenced by an older candidate having relevant and up-to-date computer skills. Human resource managers and other managers were more likely than small business proprietors to be influenced by this particular incentive (marginal probabilities = +0.06 and +0.04). Respondents who were neither small business proprietors, human resource managers, nor other managers were also more likely than small business proprietors to be influenced by this particular incentive (marginal probability = +0.06).

References and recommendations from a reputable employment agency

The third column of Table 45 presents the results of the logistic regression of whether an older candidate being referred and strongly recommended by a reputable employment agency would influence the respondent in favour of the older candidate. Respondents in the base category have an 82 in 100 chance of being influenced by this particular incentive. The marginal probability results indicate that two factors significantly affect the likelihood that a respondent's recruitment decisions will be influenced by references and recommendations from a reputable employment agency. These factors are the respondent's position in the business and the age at which the respondent thinks people make the best contribution to his or her business.

Respondents who were neither small business proprietors, human resource managers, nor other managers were more likely to be influenced by references and recommendations

from a reputable employment agency than were small business proprietors (marginal probability = +0.09).

Respondents who believed that people under the age of 30 made the best contribution to their businesses, on the other hand, were less likely to be influenced by this particular incentive than were respondents who believed that the best contributions were made by people aged 30 to 44 years (marginal probability = -0.14).

Ease of dismissal

The fourth column of Table 45 presents the results of the logistic regression of whether an older candidate being easier to dismiss once employed would influence the respondent in favour of this older candidate. Respondents in the base category have a 17 in 100 chance of being influenced by this particular incentive. The marginal probability results presented in this column suggest that, of all the factors investigated, only one significantly influences the likelihood that a respondent's recruitment decisions will be influenced by an older candidate being easier to dismiss. This factor is the respondent's age, with older respondents being less likely to be influenced by this particular incentive (marginal probability = -0.04) than younger respondents. A respondent who is 50 years of age, but who is identical to base category respondents in all other respects, has a 13 in 100 chance of being influenced by this particular incentive.

Subsidised employer superannuation contributions

The fifth column of Table 45 presents the results of the logistic regression of whether the availability of subsidised employer superannuation contributions for employing an older candidate would influence the respondent in favour of this older candidate. Respondents in the base category have a 41 in 100 chance of being influenced by this particular incentive. The marginal probability results presented in this column indicate that three factors significantly affect the likelihood that a respondent will be influenced by the availability of subsidised employer superannuation contributions. These factors are the number of vacancies filled in the last year, the respondent's sex, and the respondent's age.

The likelihood that the respondent would be influenced by this particular incentive decreased as the number of vacancies filled in the last year increased (marginal probability = -0.05). Female respondents were also less likely (marginal probability = -0.12) to be influenced by this particular incentive than were male respondents. Similarly, older respondents were less likely (marginal probability = -0.05) to be influenced by this particular incentive than were younger respondents.

Legal penalties for age discrimination

The sixth column of Table 45 presents the results of the logistic regression of whether legal penalties for age discrimination would influence the respondent in favour of an older candidate. Respondents in the base category have a 24 in 100 chance of being influenced by this particular incentive. The marginal probability results suggest that two factors significantly affect the likelihood that a respondent's recruitment decisions will be

influenced by legal penalties for age discrimination. These factors are the age of the respondent and the age at which the respondent thinks people make the best contribution to his or her business.

The likelihood that a respondent would be influenced by legal penalties for age discrimination tended to decrease as the age of the respondent increased (marginal probability = -0.05).

Respondents who believed that people make their best contributions at any age were also less likely (marginal probability = -0.08) to be influenced by this particular incentive than were people who believed that the best contributions were made by people aged 30 to 44.

Financial assistance

The seventh column of Table 45 presents the results of the logistic regression of whether an older candidate attracting a \$4000 package of financial assistance for six months employment would influence the respondent in favour of this older candidate. Respondents in the base category have a 46 in 100 chance of being influenced by this particular incentive. The marginal probability results suggest that four factors significantly affect the likelihood that a respondent's recruitment decisions will be influenced by the availability of financial assistance tied to the employment of older candidates. These factors are the industry within which the respondent works, location, and the respondent's sex and age.

Respondents who worked in technical services were more likely (marginal probability = +0.11) than respondents who worked in legal and accounting services to be influenced by the availability of financial assistance tied to the employment of older candidates.

Similarly, respondents working for businesses located outside the capital cities were more likely (marginal probability = +0.11) than those working within the capital cities to be influenced by this particular incentive.

A respondent's sex and age were also significant determinants of his or her sensitivity to the availability of financial assistance tied to the employment of older candidates. Female respondents were less likely (marginal probability = -0.08) than male respondents to be influenced by this particular incentive. Similarly, older respondents were less likely (marginal probability = -0.07) to be influenced by this particular incentive than were younger respondents.

Active volunteering

The eighth column of Table 8 presents the results of the logistic regression of whether an older candidate being an active volunteer would influence the respondent in favour of this older candidate. Respondents in the base category have a 59 in 100 chance of being influenced by this particular incentive. The marginal probability results suggest that two factors significantly affect the likelihood that a respondent's recruitment decisions will be influenced by an older candidate being an active volunteer. These two factors are the age of the business' typical customer or client and the age of the respondent.

Respondents are more likely to be influenced by an older candidate being an active volunteer if the business' typical customer or client is under 30 years of age (marginal probability = + 0.15) than if the business' typical customer or client is 30 to 44 years of age. An older typical customer or client is thus associated with a lower level of responsiveness to this particular incentive.

The effect associated with the respondent's age works in the same direction as that associated with the age of the business' typical customer or client. That is, as the age of the respondent increases, the likelihood that he or she will be influenced by an older candidate being an active volunteer decreases (marginal probability = -0.06).

Length of unemployment

The ninth and final column of Table 45 presents the results of the logistic regression of whether an older candidate having become unemployed in the last month, while a younger candidate had been unemployed for 12 months or more, would influence the respondent in favour of this older candidate. Respondents in the base category have a 61 in 100 chance of being influenced by this particular incentive. The marginal probability results reported in this column suggest that three factors significantly affect the likelihood that a respondent's recruitment decisions will be influenced by this particular incentive. These factors, specifically, are the age of the respondent, the respondent's position in the business, and the age at which the respondent thinks people make the best contribution to his or her business.

With increasing age, respondents were less and less likely to be influenced by this particular incentive (marginal probability = -0.06).

In relation to the respondent's position in the business, respondents who were neither small business proprietors, human resource managers, nor other managers were more likely to be influenced by this particular incentive (marginal probability = +0.12) than were small business proprietors.

The final factor significantly affecting the likelihood that a respondent would be influenced by this particular incentive is the age at which the respondent thinks people make the best contribution to his or her business. Respondents who believed that people make their best contributions at any age were less likely (marginal probability = -0.11) to be influenced by this particular incentive than were people who believed that the best contributions were made by people aged 30 to 44.

9 Policy Implications

This project informs the demand-side scope for policy intervention targeted at mature-age labour market participation. An examination of new and existing data sources shows that the low rates of mature-age employment have been a growing problem in Australia for some decades, particularly among males. The decline in the employment of mature-age males has contributed significantly to increasing dependency rates, diminished social integration and low self-esteem. The age structure of the Australian population means that this problem will become more severe in the near future.

Demand-side policy intervention could target retrenchment practices, training and retention of mature-age workers and measures aimed at improving the employment prospects of this group. There is widespread community acceptance of the idea that older workers should be the first to be retrenched. Opportunities to change these attitudes are limited and most measures will require many years of implementation in order to gain some purchase on changing these attitudes. Therefore special emphasis in this study has been placed on the processes of recruiting and selecting employees. Recruitment opportunities vary by industry and there is little point in studying an industry with declining employment. Instead, concentration on an industry with strong employment growth and a record of employing mature-age workers has been adopted as the best method of optimising policy relevance while gathering information in sufficient depth. The attitudes of employers in the Business Services industry who have made a decision to recruit in the last year is the subject of this investigation.

The study has revealed that any attempt to influence the demand for mature-age labour that ignores small business is likely to meet with very limited success. In the high growth Business Services industry, the overwhelming majority of recruiting businesses are small businesses.

As might be expected from the above, changing the practices of human resources managers is likely to effect only a small proportion of the people making decisions about who to employ.

In the Business Services industry, business expectations are buoyant, with most respondents anticipating continuing high growth in employment. However, respondent's knowledge of the age profile of future labour supply was poor. Most employers are expecting an unending supply of younger workers. This suggests that there is a case for mounting an awareness campaign about the implications of the ageing population targeted at small business.

Allegedly discriminatory employer stereotypes of mature-age workers were not clearly present. Devoid of clues about the age of a worker, employers often show a preference for the very qualities it is claimed makes them hostile to older workers. Overall the qualities that employers prefer in employees are not closely associated with age.

Nevertheless, employers will state, reluctantly, a time in the life cycle when they think employees make their best contribution. This raw, age-based judgement directly affects

recruitment patterns. This suggests that more education effort needs to be placed on the contribution of mature-age employees to the work force than on their alleged stereotypical weaknesses.

Having information about actual recruitment practices is very important. This information on actual recruitment shows that only one in ten of the recent appointments were aged over 45 years – a lower proportion of this age group than are currently employed.

An unanticipated finding was the importance of the age of the business' typical customer. This information may help government agencies to better target incentives to produce the greatest employment outcomes for mature-age workers.

Moreover, employees were rarely recruited through an employment agency. This is consistent with the Urbis Keys Young survey (for DEWRSB) which found that employers are reluctant to use employment agencies. This implies that either the reputations of employment agencies in the Job Network need to be raised or that the mature-age unemployed need assistance and support in utilising other methods of finding jobs.

Employers do not generally hold negative attitudes toward older job seekers who have previously taken a redundancy package. Contrary to the prevailing view in the literature, employers took a relatively sympathetic view of applicants who had been made redundant.

The SPRC Survey also explored how employer attitudes to retirement might affect their thinking about retention and retirement in their internal labour markets. In the abstract, employers don't view retirement between the ages of 55 and 64 with alarm, a position which is quite likely consistent with general community attitudes.

Employers also expressed their view of good and poor reasons for retirement. Good reasons for retiring are sound financial planning, poor health, and caring responsibilities. Bad reasons for leaving the work force include reaching a nominal age of retirement, and mere eligibility for the pension or superannuation benefits.

Good reasons to keep working beyond the nominated age of retirement are mostly psychosocial in nature, involving self-esteem, maintaining a socially valued occupation and community contributions. However, where the motive for work is for human contact alone, employers view this as a poor reason to continue working. These results imply that older workers may benefit where they can maintain contact with an employer, perhaps by entering retirement in a phased, gradual fashion.

Employers are receptive to a range of incentives intended to encourage the employment of older workers. This contradicts the view suggested in the Urbis Keys Young survey that employers are only interested in recruiting the right person for the job. It is apparent in the SPRC Survey that employers will be influenced by targeted incentives, depending upon the attributes of the candidate. An explanation of the Urbis Keys Young finding that employers are only interested the best person for the job lies in the vagueness of their

stated alternatives. The SPRC Survey also found that job applicants with good interview skills are likely to succeed in gaining a position with the business and this may be the dimension tapped by the Urbis Keys Young survey.

There is a strong employer preference for candidates with recent industry experience. This implies that a program designed to maintain the industry experience and skills of older workers is likely to produce successful employment outcomes.

Employers are predisposed to employ an older candidate who is recommended by a reputable employment agency. Support for this proposition is surprising, given employer descriptions of the recruitment process, which showed that successful candidates were seldom recruited from an employment agency. The crucial element here may be the reputation of the Job Network providers. A policy step suggested by this constellation of findings is a more active promotion of the role of the Job Network in the Australian labour market.

Almost half of the respondents say that the provision of a package of financial assistance would have some influence on their decision to employ an older worker, and nine per cent say that it would strongly influence their decision. This contradicts the Urbis Keys Young interpretation that there is little support for this measure among employers. There may be scope for developing a package of financial assistance for recruiting the mature-age unemployed.

Employers were not particularly influenced by legal penalties associated with discriminatory practices. This may be due to a general lack of knowledge about age as a discrimination issue, as recognised by the Human Rights and Equal Opportunity Commission. This may be addressed through a public education campaign designed to increase awareness of legal requirements in relation to anti-discrimination, and to promote the benefits of age diversity in the work force. Age discrimination may form a key element of the national education strategy recently recommended by the House of Representatives (House of Representatives, 2000).

Employers are significantly influenced by a candidate's volunteering experience, but this incentive ranks well below recent industry experience, computer skills and recommendation by a trusted employment agency. Nevertheless the SPRC Survey of Employers lends some support to the idea that experience in active volunteering may increase the perceived 'job readiness' of mature-age people.

As indicated by previous research, candidates with up-to-date computer skills stand a stronger chance of gaining employment. Employers rated training in computer skills as an incentive that would strongly influence them when considering a mature-age job applicant. However, this finding should be interpreted against the background that employers prefer workers with industry experience (but limited computing experience) over those with extensive computing experience (but little experience in the industry).

Early intervention is a key issue. Once a mature-age worker becomes long term unemployed, employers are less likely to recruit them. The House of Representatives

Committee made a number of timely recommendations aimed at redirecting Centrelink assistance along the lines of an early intervention approach in the case of redundancies (House of Representatives, 2000).

The policy implications arising from the SPRC Survey points towards a two-pronged policy approach. The first is a package of measures targeted at particular sub-populations of employers aimed at increasing awareness of looming age-related labour market changes, anti-discrimination provisions and raising the reputations of the Job Network providers. In targeting employers special attention should be paid to small business and consideration should be given the age profile of their typical customers. The second subject for policy includes steps to improve the attractiveness of mature-age job seekers, including training (in computer-related skills and interview skills), financial incentives, community participation, and the early provision of assistance once a mature-age worker becomes unemployed.

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APPENDIX A

Mature Age Worker Employer Survey

Introduction

To Business Secretary:

We are conducting a national survey of businesses. We are keen to hear your views on issues relating to employment.

Screening question: *Has your business recruited any new staff in the last 12 months?*

Yes..... 1

No 2 **TERMINATE & TALLY**

Could I please speak to a person in your company who has been responsible for recent recruitment decisions?

WHEN SPEAKING TO CORRECT PERSON.....

The Social Policy Research Centre at the University of NSW is conducting a national survey to find out how businesses recruit their employees. The survey is confidential and we have randomly selected your number from the Yellow Pages. Your business will not be identified in any published material. Could I ask you some questions please?

RECORD

- Business name
- classification in Yellow Pages (type of business)
- state
- postcode

1. How many people are employed in your business?

1 (self employed)..... 1 **TERMINATE & TALLY**

2-4..... 2

5-19..... 3

20-49..... 4

50-99 5

- 100-199..... 6
- 200+..... 7
- Don't know/Refused..... 9

2. Is your business part of a larger business?

- Yes..... 1
- No 2

3. Which of the following best describes your position in the business? READ OUT

- Human Resources Manager 1
- Small Business Proprietor 2
- Other Manager (Specify)..... 3
- Other (Specify)..... 8

4. In regard to recruitment in your business, which of the following best describes your role? READ OUT

- I am responsible for managing the actual recruitment process 1
 - I generally specify requirements for employees but don't
conduct the actual recruitment2
 - I both specify requirements for employees
and conduct the actual recruitment.....3
 - Other (specify?)..... 8
-

Recruitment Module

Now I'd like to talk to you about recruitment in your business.

5. How many vacancies have you filled in the last year? RECORD IN RANGE

- 1 1
- 2-4..... 2
- 5-9..... 3
- 10-19..... 4
- 20+..... 5

6. Thinking about the type of person you recruit most often, choose the quality that best describes that person from the following pairs of qualities: ROTATE STATEMENTS BOTH VERTICALLY AND HORIZONTALLY

1	Someone who works full-time and is willing to work longer hours if required	v	Someone who is willing to be flexible and work varied hours (including shorter hours) if required
2	A person with a lot of experience in the industry	v	A promising person with recent training
3	An energetic and enthusiastic person	v	A person who works calmly and is thorough
4	A trustworthy and reliable person	v	An innovative person who enjoys a challenge
5	A worker who listens carefully and follows instructions	v	Someone who takes the initiative
6	A person who adapts well to change	v	A person who knows what works but is against change for changes sake
7	A person with a direct experience in the industry but with limited computing skills	v	A person who is good at working with computers but with no experience in the industry
8	A person who is mentally very sharp	v	A person with physical strength and stamina
9	A person with no particular qualifications for the job	v	A person who is over-qualified for the job
10	A person with similar background and age to our other workers	v	A diverse work force
11	A person with specialist skills	v	A person with the ability to work in different areas of the business as needed
12	An ambitious person who acts independently	v	A person who works effectively as part of a team

I am going to ask you some specific questions about the last job that was filled by a person from outside your business.

7. Which of the following areas would best describe the position. READ OUT

- Management..... 1
 Professional 2
 Skilled..... 3
 Trade Skilled 4
 Other (Specify)..... 8

8. Was this job... READ OUT

- Full-Time..... 1
 Part-Time..... 2
 Casual..... 3

(when I talk about casuals I mean people who are paid as casuals)

9. How did the successful candidate find out about the job?

- By advertisement 1
 Through an employment agency..... 2
 Through a personal contact..... 3
 Other (Specify) 8

10. Was the successful candidate from within your industry?

- Yes..... 1
 No 2

11. Was the successful candidate male or female?

- Male..... 1
 Female 2

12. What was the age of the successful candidate? RECORD IN RANGE

- Under 30 years of age 1 ASK Q13
 30-44 years of age..... 2 ASK Q13
-

45-54 years of age..... 3 **SKIP TO QUESTION 16**

55 or over years of age..... 4 **SKIP TO QUESTION 16**

If the successful candidate was aged over 45 years, proceed to question 16. (DELETE as already covered above)

If the successful candidate was aged under 45 years, ask the following question:

13. Were there any applicants for the job that were aged over 45 years?

Yes..... 1 **ASK Q14**

No 2 **SKIP TO QUESTION 16**

Don't recall..... 3 **SKIP TO QUESTION 16**

Thinking now about a person aged over 45 who applied for the job....

14. Was this person male or female?

Male..... 1

Female 2

**15. What was the chief reason was for this person not being appointed? Please choose one of the following reasons.
(PLEASE PROBE FULLY & CODE TO APPROPRIATE ANSWER)**

- The candidate was over qualified
- The candidate did not possess current skills
- The candidate lacked relevant technical experience
- The candidate would not 'fit in' to the business
- The candidate could not demonstrate their relevant experience
- The candidate had been unemployed for 12 months or more
- The candidate lacked confidence
- The candidate had a history of poor health
- The candidate's application was not satisfactory
- The candidate was not suitable for other reasons

16. **Imagine that a person of 50 years of age applies for a job with your business and you learn that they accepted a redundancy package in their last job. On the basis of this information choose one of the following pairs of phrases to describe how you would view this person. ROTATE STATEMENTS BOTH HORIZONTALLY AND VERTICALLY**

1	A poor performer	V	An experienced worker
2	A realistic planner	V	An indecisive person
3	A person who is not easily discouraged	V	A person who lacks motivation
4	A person who has been a victim of industrial change	V	A person who plays the system
5	A person who has had their chance	V	A person who deserves a second chance
6	A person who'd like a job	V	A person who needs a job
7	A person who is probably too sick to work	V	A person who overcomes difficulties

Retirement Module

Now I am going to ask you some questions about retirement.

17. Throughout a person's working life, there are times when they are able to make a larger or smaller contribution to the workplace. In your experience, at what age do people make the best contribution to your business? RECORD IN RANGE

Under 30 years of age	1
30-44 years of age	2
45-54 years of age	3
55 or over years of age.....	4
At any age	5

18. In your opinion, what is the right age for a person to retire from full-time employment? RECORD IN RANGE

Under 45 years of age	1
45-49 years.....	2
50-54 years.....	3
55-59 years.....	4
60-64 years.....	5
Over 65 years	6

19. In your opinion, which of the following are good reasons for people to continue working regularly beyond (FROM Q18) years? MULTIPLE RESPONSE

Because they don't have enough superannuation	1
Because their only income is the age pension	2
Because they like to keep busy	3
Because they are contributing to the community.....	4

Because work is important to their self-esteem 5

Because work is the most important source of contact with others 6

Because their services are valued by their employer 7

20. I am about to read you a list of possible reasons for someone choosing to retire from full-time employment. Please tell me whether you think each reason is... a very good reason, a good reason, a bad reason, or a very bad reason. ROTATE STATEMENTS

		A very good reason	A good reason	Bad reason	Very bad reason
1	Because they were offered an opportunity to leave the work force through redundancy	1	2	3	4
2	Because through sound financial planning they can afford to retire	1	2	3	4
3	Because they have reached retirement age	1	2	3	4
4	Because they have poor health	1	2	3	4
5	Because they are eligible for government income support	1	2	3	4
6	Because their partner is retired	1	2	3	4
7	Because they have family commitments such as caring for relatives	1	2	3	4
8	Because they can no longer work effectively in their current position	1	2	3	4
9	Because they no longer want to work full-time hours	1	2	3	4
10	Because they can access superannuation benefits	1	2	3	4

Incentives Module

21. Imagine that you have a vacancy and two suitable people with similar qualifications have applied. One is a younger candidate and the other is aged over 45 years. How much would any of the following measures influence your decision in favour of the older candidate? Please describe the level of influence as ... a lot, a little or not at all. ROTATE STATEMENTS

		This would influence me a lot	This would influence me a little	This would not influence me at all
1	The older candidate has recent industry experience	1	2	3
2	The older candidate has relevant and up-to-date computer skills	1	2	3
3	The older candidate was referred and strongly recommended by a reputable employment agency	1	2	3
4	Once employed, the older candidate can be dismissed more easily	1	2	3
5	There are subsidised employer superannuation contributions available for employing the older candidate	1	2	3
6	The older candidate comes across in the interview as a much better candidate	1	2	3
7	Age discrimination carries legal penalties	1	2	3
8	The older candidate attracts a \$4000 package of financial assistance for 6 months employment	1	2	3
9	The older candidate is an active volunteer	1	2	3
10	The older candidate has become unemployed in the last month and the younger candidate has been unemployed for 12 months or more	1	2	3

Employer Module

I am now going to ask you some questions about the characteristics of your business and your employees. When answering these questions, please give your best estimate.

22. Roughly, how long has your business been trading? RECORD IN RANGE

- Less than 5 years..... 1 **GO TO Q24**
 5-10 years..... 2
 11-20 years..... 3
 More than 20 years 4

23. Roughly, what percentage of your work force have you employed for the last 5 years or more? RECORD IN RANGE

- None..... 1
 Less than 10%..... 2
 10% - 20% 3
 21% - 30% 4
 31% - 40% 5
 41% - 50% 6
 51% - 60% 7
 61% - 70% 8
 71% - 80% 9
 81% - 90% 10
 91% - 100% 11

24. Roughly, what percentage of your work force is female? RECORD IN RANGE

- None..... 1
 Less than 10%..... 2
 10% - 20% 3
 21% - 30% 4
 31% - 40% 5
 41% - 50% 6
-

51% - 60%	7
61% - 70%	8
71% - 80%	9
81% - 90%	10
91% - 100%	11

**25. Roughly, what percentage of your work force is aged under 45 years old?
RECORD IN RANGE**

None	1
Less than 10%	2
10% - 20%	3
21% - 30%	4
31% - 40%	5
41% - 50%	6
51% - 60%	7
61% - 70%	8
71% - 80%	9
81% - 90%	10
91% - 100%	11

**26. Roughly, what percentage of your work force is aged over 55 years old?
RECORD IN RANGE**

None	1
Less than 10%	2
10% - 20%	3
21% - 30%	4
31% - 40%	5
41% - 50%	6
51% - 60%	7
61% - 70%	8

71% - 80%	9
81% - 90%	10
91% - 100%	11

27. Roughly, what percentage of your work force aged over 45 years old work full-time? RECORD IN RANGE

None.....	1
Less than 10%.....	2
10% - 20%	3
21% - 30%	4
31% - 40%	5
41% - 50%	6
51% - 60%	7
61% - 70%	8
71% - 80%	9
81% - 90%	10
91% - 100%	11

28. Roughly, what percentage of your work force aged over 45 years old do casual work? RECORD IN RANGE

None.....	1
Less than 10%.....	2
10% - 20%	3
21% - 30%	4
31% - 40%	5
41% - 50%	6
51% - 60%	7
61% - 70%	8
71% - 80%	9
81% - 90%	10

91% - 100% 11

**29. Roughly, what percentage of your work force belongs to a trade union?
RECORD IN RANGE**

None 1
Less than 10% 2
10% - 20% 3
21% - 30% 4
31% - 40% 5
41% - 50% 6
51% - 60% 7
61% - 70% 8
71% - 80% 9
81% - 90% 10
91% - 100% 11

30. Roughly, what is the age of your typical customer or client?

Under 30 years of age 1
30-44 years of age 2
45-54 years of age 3
55 or over years of age 4

Now we are going to ask you some questions about what you expect to happen to your business in the future.

31. In the next 10-15 years, I expect the business will be recruiting:

More employees than at present 1
About the same number of employees 2
Fewer employees 3

32. In the next 10 – 15 years, do you think the number of workers under the age of 35 will increase or decrease.

- Increase 1
- Decrease..... 2
- Stay the same 3

33. In the next 10-15 years, do you expect that once employees reach 55, they will retire.

- Yes 1
- No..... 2
- Don't know 3

Finally, a few questions to make sure we have spoken to a cross-section of employers.

34. Which of these groups best describe you? RECORD IN RANGE

- Under 30 years of age 1
- 30-44 years of age..... 2
- 45-54 years of age..... 3
- 55 or over years of age..... 4

35. RECORD SEX

- Male 1
- Female? 2

36. How long have you been working in this business? RECORD IN RANGE

- Less than 1 year..... 1
- 1 year 2
- 2-4 years 3
- 5-9 years 4
- 10-19 years 5
- 20+ years 6

Thanks for your time. Would you be interested in receiving a brief report of the results of this survey?

Record details and length of interview

APPENDIX B: Report of Survey Responses

Interviews		Total	Sydney	Melbourne	Brisbane	Adelaide	Perth
	Target	1000	220	220	200	180	180
	Complete	1006	222	222	201	181	180
	% Complete	101%	101%	101%	101%	101%	100%
	No. Required	-6	-2	-2	-1	-1	0

Refusal/Termination		Total	Sydney	Melbourne	Brisbane	Adelaide	Perth
	Refusals	821	177	195	160	149	140
	Terminations	65	18	15	6	13	13

Reason for exclusion	N/Q	Total	Sydney	Melbourne	Brisbane	Adelaide	Perth
1. No One Correct Age	N	0	0	0	0	0	0
2. Out of Quota	Q	142	64	45	5	3	25
3. Respondent not available	Q	254	30	162	11	24	27
4. Duplication	N	70	2	22	10	31	5
5. Head office interstate	N	81	10	22	24	20	5
6. No longer in business/Not a business	N	830	132	258	236	112	92
7. Not/No longer a customer	N	4	3	1	0	0	0
8. MOBILE # DO NOT CALL	N	1475	180	321	358	318	298
9. Unsuitable for interview (language...)	Q	45	22	8	2	6	7
10. Did not recruit new staff in last 12 mths	N	3756	547	1018	777	779	635
11. Self employed (Q1); Business/Not Business	N (N)	52 355	35 67	8 93	4 68	4 80	1 47

Not Suitable	(Q)	47	23	8	2	7	7
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N= Not Eligible / Not Qualified for survey 7111

Q= Qualified for survey but excluded 6623

Summary		Total	Sydney	Melbourne	Brisbane	Adelaide	Perth
	Interviews	1006	222	222	201	181	180
	Terminations	65	18	15	6	13	13
	Refusals	821	177	195	160	149	140
	Not Available/Required	444	119	215	18	33	59
	Not Eligible	6623	976	1743	1477	1344	1083
	Contacts with final result	8959	1512	2390	1862	1720	1475
	Contacted and holding	908	65	182	188	277	196
	Sample not contacted	1338	472	331	242	142	151
	Failed Sample	1287	221	347	266	255	198
	Unused Sample	4003	727	1250	442	606	978
	TOTAL SAMPLE	16495	2997	4500	3000	3000	2998

Incidence

18.6%	26.7%	20.6%	13.2%	14.4%	18.9%
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= Eligible contacts / Screened contacts

Response Rate

53.2%	53.2%	51.4%	54.8%	52.8%	54.1%
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= Ints / (Ints+Refs+Term)

Contact Rate

59.8%	52.6%	57.2%	68.3%	66.6%	55.7%
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= Contacts/Total Sample Loaded

Age people make the best contribution to the business			14.84	3	0.00	**				
Under 30 years	-1.36	0.62	4.79	1	0.03	*	0.26	0.08	0.87	-0.04
45 years or over	0.81	0.28	8.37	1	0.00	**	2.25	1.30	3.89	0.06
At any age	0.20	0.32	0.41	1	0.52		1.22	0.66	2.27	0.01
[omitted category: 30-44 years]										
The right age for a person to retire from full-time employment			2.02	6	0.92					
Under 45 years	0.96	0.84	1.30	1	0.25		2.61	0.50	13.56	0.08
45-49 years	-3.89	10.95	0.13	1	0.72		0.02	0.00	4.30E+7	-0.06
50-54 years	0.16	0.67	0.06	1	0.81		1.17	0.32	4.31	0.01
55-59 years	0.05	0.31	0.03	1	0.87		1.05	0.58	1.92	0.00
60-64 years	-0.13	0.28	0.22	1	0.64		0.88	0.50	1.52	-0.01
Missing	-5.20	18.20	0.08	1	0.78		0.01	0.00	1.71E+13	-0.06
[omitted category: 65 years or over]										
Index of preference for adventurousness vs diligence	0.16	0.12	1.68	1	0.19		1.17	0.92	1.48	0.01
Index of preference for general vs specific skills	0.13	0.12	1.19	1	0.28		1.14	0.90	1.43	0.01
Expects that, in the next 10-15 years, employees will retire once they reach 55			3.71	2	0.16					
Yes	-0.52	0.27	3.66	1	0.06		0.59	0.35	1.01	-0.02
Don't know	-0.25	0.42	0.34	1	0.56		0.78	0.34	1.79	-0.01
[omitted category: No]										
Constant	-4.09	0.74	30.78	1	0.00	**				

-2 Log Likelihood	545.49		
Goodness of fit	914.49		
Cox and Snell R ²	0.07		
Nagelkerke R ²	0.15		
Hosmer and Lemeshow goodness-of-fit chi-squared	2.24	8	0.97
Model chi-squared	69.17	31	0.00 **
N	916		

Notes:

(1)The base probability is the predicted probability (that the last job filled by someone outside the business was filled by someone aged 45 years or over) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 years-old, a small business proprietor who thinks that people 30-44 years of age make the best contribution to his business and that the right age for a person to retire from full-time employment is 65 years or over, and who scored 2 on the index of preference for adventurousness vs diligence and 1 on the index of preference for general vs specific skills, and who does not expect that, in the next 10-15 years, employees will retire once they reach 55.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

Table C2: Logistic Regression of Whether the Respondent Thinks that the Right Age for a Person to Retire From Full-Time Employment is 65 Years or over

Variable	Coefficient	Std Err	Wald	df	Sig	e ^{Coefficient}	95% CI for e ^{Coefficient}		Marginal probability
							Lower	Upper	
Base probability									0.31
Industry			8.51	6	0.20				
Scientific research	0.95	0.66	2.04	1	0.15	2.57	0.70	9.44	0.23
Technical services	-0.11	0.21	0.25	1	0.61	0.90	0.59	1.37	-0.02
Computer services	0.19	0.31	0.38	1	0.54	1.21	0.66	2.22	0.04
Marketing and business management services	-0.37	0.23	2.67	1	0.10	0.69	0.44	1.08	-0.07
Other Business Services	-0.23	0.20	1.25	1	0.26	0.80	0.54	1.19	-0.05
Other industries	0.61	0.65	0.88	1	0.35	1.84	0.51	6.60	0.14
[omitted category: Legal and accounting services]									
Not located in a capital city	-0.44	0.18	5.55	1	0.02 *	0.65	0.45	0.93	-0.08
Number of people employed in the business / 30	0.06	0.06	1.21	1	0.27	1.06	0.95	1.19	0.01
Number of vacancies filled in the last year / 5	-0.07	0.07	1.01	1	0.32	0.93	0.81	1.07	-0.02
Number of years the business has been trading / 10	-0.06	0.09	0.38	1	0.54	0.95	0.79	1.13	-0.01
Age of typical customer or client			8.11	4	0.09				
Under 30 years	0.47	0.29	2.69	1	0.10	1.60	0.91	2.82	0.11
45-54 years	0.02	0.16	0.02	1	0.90	1.02	0.75	1.39	0.00
55 years or over	1.03	0.52	3.92	1	0.05 *	2.81	1.01	7.79	0.25
Missing	-0.70	0.61	1.32	1	0.25	0.50	0.15	1.65	-0.13
[omitted category: 30-44 years]									
Respondent female	0.36	0.16	5.43	1	0.02 *	1.44	1.06	1.95	0.08
Age of the respondent / 10	0.17	0.07	5.02	1	0.03 *	1.18	1.02	1.37	0.04
Respondent's position in the business			0.68	3	0.88				
Human Resources Manager	-0.09	0.28	0.10	1	0.75	0.92	0.53	1.57	-0.02
Other Manager	-0.10	0.18	0.34	1	0.56	0.90	0.64	1.27	-0.02
Other	0.05	0.24	0.04	1	0.84	1.05	0.66	1.66	0.01
[omitted category: Small business proprietor]									
Age people make the best contribution to the business			25.98	3	0.00 **				

Under 30 years	-0.06	0.22	0.08	1	0.78	0.94	0.61	1.45	-0.01
45 years or over	0.52	0.21	6.42	1	0.01 *	1.69	1.13	2.53	0.12
At any age [omitted category: 30-44 years]	0.89	0.19	21.91	1	0.00 **	2.44	1.68	3.55	0.21
Constant	-1.35	0.38	12.59	1	0.00 **				
-2 Log Likelihood	1155.86								
Goodness of fit	926.30								
Cox and Snell R ²	0.07								
Nagelkerke R ²	0.10								
Hosmer and Lemeshow goodness-of-fit chi-squared	3.63			8	0.89				
Model chi-squared	67.84			22	0.00 **				
N	928								

Notes: (1)

The base probability is the predicted probability (that the respondent thinks that the right age for a person to retire from full-time employment is 65 years or over) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 year-old small business proprietor who thinks that people 30-44 years of age make the best contribution to his business.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

Table C3 Logistic Regression of Whether an Older Candidate Having Relevant and Up-To-Date Computer Skills Would Influence the Respondent in Favour of this Older Candidate

Variable	Coefficient	Std		Wald	df	Sig	e ^{Coefficient}	95% CI for e ^{Coefficient}		Marginal probability
		Err						Lower	Upper	
Base probability										0.92
Industry				17.58	6	0.01 **				
Scientific research	4.07	10.40	0.15	1	0.70	58.68	0.00	4.21E+10	0.08	
Technical services	-0.88	0.35	6.16	1	0.01 *	0.42	0.21	0.83	-0.10	
Computer services	-0.77	0.53	2.13	1	0.14	0.46	0.17	1.30	-0.08	
Marketing and business management services	-0.58	0.39	2.23	1	0.14	0.56	0.26	1.20	-0.06	
Other Business Services	-1.32	0.33	15.62	1	0.00 **	0.27	0.14	0.51	-0.17	
Other industries	-0.54	1.11	0.24	1	0.63	0.58	0.07	5.12	-0.05	
[omitted category: Legal and accounting services]										
Not located in a capital city	-0.07	0.26	0.08	1	0.78	0.93	0.56	1.54	-0.01	
Number of people employed in the business / 30	0.11	0.08	1.90	1	0.17	1.12	0.95	1.32	0.01	
Number of vacancies filled in the last year / 5	-0.29	0.09	10.69	1	0.00 **	0.75	0.63	0.89	-0.03	
Number of years the business has been trading / 10	-0.14	0.14	1.11	1	0.29	0.87	0.67	1.13	-0.01	
Age of typical customer or client				2.26	3	0.52				
Under 30 years	-0.14	0.41	0.11	1	0.74	0.87	0.39	1.95	-0.01	
45 years or over	-0.34	0.23	2.25	1	0.13	0.71	0.46	1.11	-0.03	
Missing	-0.25	0.79	0.10	1	0.75	0.78	0.16	3.65	-0.02	
[omitted category: 30-44 years]										
Respondent female	-0.15	0.23	0.44	1	0.51	0.86	0.55	1.35	-0.01	
Age of the respondent / 10	-0.04	0.11	0.12	1	0.73	0.96	0.77	1.20	0.00	
Respondent's position in the business				16.99	3	0.00 **				
Human Resources Manager	1.18	0.47	6.47	1	0.01 *	3.27	1.31	8.15	0.06	
Other Manager	0.79	0.25	9.93	1	0.00 **	2.21	1.35	3.61	0.04	
Other	1.39	0.41	11.71	1	0.00 **	4.00	1.81	8.84	0.06	
[omitted category: Small business proprietor]										
Age people make the best contribution to the business				1.22	3	0.75				
Under 30 years	-0.21	0.30	0.49	1	0.48	0.81	0.45	1.47	-0.02	

45 years or over	0.07	0.31	0.06	1	0.81	1.08	0.59	1.97	0.01
At any age [omitted category: 30-44 years]	0.21	0.31	0.47	1	0.49	1.24	0.67	2.29	0.02
Constant	3.03	0.60	25.31	1	0.00 **				
-2 Log Likelihood	623.76								
Goodness of fit	927.34								
Cox and Snell R ²	0.06								
Nagelkerke R ²	0.11								
Hosmer and Lemeshow goodness-of-fit chi-squared	10.12			8	0.26				
Model chi-squared	56.83			21	0.00 **				
N	932								

Notes:

(1) The base probability is the predicted probability (that an older candidate having relevant and up-to-date computer skills would influence the respondent in favour of this older candidate) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 year-old small business proprietor who thinks that people 30-44 years of age make the best contribution to his business.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

Table C4 Logistic Regression of Whether an Older Candidate Being Referred and Strongly Recommended by a Reputable Employment Agency Would Influence the Respondent in Favour of this Older Candidate

Variable	Coefficient	Std		Wald	df	Sig	e ^{Coefficient}	95% CI for e ^{Coefficient}		Marginal probability
		Err						Lower	Upper	
Base probability										0.82
Industry				2.22	6	0.90				
Scientific research	0.54	1.08	0.25	1	0.62	1.71	0.21	14.17	0.07	
Technical services	0.15	0.26	0.34	1	0.56	1.17	0.70	1.96	0.02	
Computer services	0.06	0.41	0.02	1	0.89	1.06	0.47	2.38	0.01	
Marketing and business management services	0.01	0.28	0.00	1	0.98	1.01	0.59	1.72	0.00	
Other Business Services	-0.18	0.25	0.49	1	0.48	0.84	0.51	1.37	-0.03	
Other industries	4.45	6.61	0.45	1	0.50	85.28	0.00	3.63E+7	0.18	
[omitted category: Legal and accounting services]										
Not located in a capital city	-0.12	0.22	0.30	1	0.58	0.89	0.58	1.36	-0.02	
Number of people employed in the business / 30	-0.03	0.07	0.13	1	0.71	0.97	0.85	1.12	0.00	
Number of vacancies filled in the last year / 5	0.00	0.09	0.00	1	0.97	1.00	0.85	1.19	0.00	
Number of years the business has been trading / 10	-0.10	0.11	0.82	1	0.37	0.90	0.73	1.13	-0.02	
Age of typical customer or client				2.58	3	0.46				
Under 30 years	0.22	0.38	0.33	1	0.57	1.24	0.59	2.62	0.03	
45 years or over	-0.11	0.19	0.36	1	0.55	0.89	0.62	1.29	-0.02	
Missing	1.33	1.04	1.64	1	0.20	3.80	0.49	29.34	0.13	
[omitted category: 30-44 years]										
Respondent female	0.36	0.19	3.39	1	0.07	1.43	0.98	2.10	0.05	
Age of the respondent / 10	-0.13	0.09	1.78	1	0.18	0.88	0.73	1.06	-0.02	
Respondent's position in the business				7.27	3	0.06				
Human Resources Manager	0.39	0.36	1.21	1	0.27	1.48	0.74	2.98	0.05	
Other Manager	-0.01	0.21	0.00	1	0.97	0.99	0.66	1.48	0.00	
Other	0.82	0.34	5.61	1	0.02 *	2.26	1.15	4.44	0.09	
[omitted category: Small business proprietor]										
Age people make the best contribution to the business				10.30	3	0.02 *				
Under 30 years	-0.78	0.25	9.97	1	0.00 **	0.46	0.28	0.74	-0.14	

45 years or over	-0.19	0.26	0.54	1	0.46	0.83	0.50	1.38	-0.03
At any age [omitted category: 30-44 years]	-0.33	0.24	1.81	1	0.18	0.72	0.45	1.16	-0.05
Constant	2.20	0.48	21.33	1	0.00 **				
-2 Log Likelihood	833.95								
Goodness of fit	915.35								
Cox and Snell R ²	0.04								
Nagelkerke R ²	0.06								
Hosmer and Lemeshow goodness-of-fit chi-squared	5.60			8	0.69				
Model chi-squared	36.69			21	0.02 *				
N	933								

Notes:

(1) The base probability is the predicted probability (that an older candidate being referred and strongly recommended by a reputable employment agency would influence the respondent in favour of this older candidate) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 year-old small business proprietor who thinks that people 30-44 years of age make the best contribution to his business.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

Table C5 Logistic Regression of Whether an Older Candidate Being Easier to Dismiss Once Employed Would Influence the Respondent in Favour of this Older Candidate

Variable	Coefficient	Std		Wald	df	Sig	e ^{Coefficient}	95% CI for e ^{Coefficient}		Marginal probability
		Err						Lower	Upper	
Base probability										0.17
Industry				0.96	6	0.99				
Scientific research	-5.26	10.39	0.26	1	0.61	0.01	0.00	3.67E+6		-0.17
Technical services	0.15	0.28	0.28	1	0.60	1.16	0.67	2.00		0.02
Computer services	0.13	0.42	0.09	1	0.76	1.14	0.50	2.58		0.02
Marketing and business management services	0.02	0.30	0.00	1	0.96	1.02	0.57	1.82		0.00
Other Business Services	-0.02	0.28	0.01	1	0.93	0.98	0.56	1.69		0.00
Other industries	-5.30	10.90	0.24	1	0.63	0.01	0.00	9.40E+6		-0.17
[omitted category: Legal and accounting services]										
Not located in a capital city	0.24	0.24	1.03	1	0.31	1.27	0.80	2.02		0.04
Number of people employed in the business / 30	0.01	0.09	0.02	1	0.90	1.01	0.85	1.19		0.00
Number of vacancies filled in the last year / 5	-0.05	0.10	0.28	1	0.60	0.95	0.77	1.16		-0.01
Number of years the business has been trading / 10	-0.23	0.13	3.12	1	0.08	0.80	0.62	1.03		-0.03
Age of typical customer or client			2.46	3	0.48					
Under 30 years	0.54	0.36	2.30	1	0.13	1.72	0.85	3.47		0.09
45 years or over	0.06	0.21	0.09	1	0.77	1.06	0.71	1.61		0.01
Missing	0.34	0.66	0.26	1	0.61	1.41	0.38	5.17		0.05
[omitted category: 30-44 years]										
Respondent female	-0.29	0.21	1.88	1	0.17	0.75	0.49	1.13		-0.04
Age of the respondent / 10	-0.30	0.11	7.98	1	0.00 **	0.74	0.60	0.91		-0.04
Respondent's position in the business			3.21	3	0.36					
Human Resources Manager	-0.50	0.41	1.50	1	0.22	0.61	0.28	1.35		-0.06
Other Manager	-0.36	0.23	2.43	1	0.12	0.70	0.45	1.10		-0.05
Other	-0.40	0.32	1.51	1	0.22	0.67	0.36	1.27		-0.05
[omitted category: Small business proprietor]										
Age people make the best contribution to the business			1.54	3	0.67					
Under 30 years	0.09	0.26	0.12	1	0.73	1.10	0.66	1.83		0.01

45 years or over	-0.05	0.30	0.03	1	0.86	0.95	0.53	1.70	-0.01
At any age [omitted category: 30-44 years]	-0.32	0.30	1.20	1	0.27	0.72	0.41	1.29	-0.04
Constant	0.03	0.50	0.00	1	0.95				
-2 Log Likelihood	729.32								
Goodness of fit	910.16								
Cox and Snell R ²	0.04								
Nagelkerke R ²	0.07								
Hosmer and Lemeshow goodness-of-fit chi-squared	6.70			8	0.57				
Model chi-squared	38.51			21	0.01 *				
N	933								

Notes:

(1) The base probability is the predicted probability (that an older candidate being easier to dismiss once employed would influence the respondent in favour of this older candidate) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 year-old small business proprietor who thinks that people 30-44 years of age make the best contribution to his business.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

Table C6 Logistic Regression of Whether the Availability of Subsidised Employer Superannuation Contributions for Employing an Older Candidate Would Influence the Respondent in Favour of this Older Candidate

Variable	Coefficient	Std		Wald	df	Sig	e ^{Coefficient}	95% CI for e ^{Coefficient}		Marginal probability
		Err						Lower	Upper	
Base probability										0.41
Industry				5.39	6	0.50				
Scientific research	0.69	0.63	1.21	1	1	0.27	1.99	0.58	6.81	0.17
Technical services	0.29	0.21	1.97	1	1	0.16	1.34	0.89	2.01	0.07
Computer services	0.45	0.31	2.11	1	1	0.15	1.56	0.86	2.86	0.11
Marketing and business management services	0.38	0.22	3.04	1	1	0.08	1.46	0.95	2.23	0.09
Other Business Services	0.24	0.20	1.42	1	1	0.23	1.27	0.86	1.87	0.06
Other industries	-0.26	0.71	0.13	1	1	0.72	0.77	0.19	3.13	-0.06
[omitted category: Legal and accounting services]										
Not located in a capital city	0.27	0.17	2.49	1	1	0.11	1.32	0.94	1.85	0.07
Number of people employed in the business / 30	-0.01	0.06	0.06	1	1	0.81	0.99	0.88	1.11	0.00
Number of vacancies filled in the last year / 5	-0.20	0.07	7.27	1	1	0.01 **	0.82	0.71	0.95	-0.05
Number of years the business has been trading / 10	-0.01	0.09	0.01	1	1	0.91	0.99	0.83	1.18	0.00
Age of typical customer or client				2.26	3	0.52				
Under 30 years	0.32	0.28	1.26	1	1	0.26	1.37	0.79	2.38	0.08
45 years or over	0.02	0.15	0.02	1	1	0.88	1.02	0.76	1.37	0.01
Missing	-0.51	0.55	0.84	1	1	0.36	0.60	0.20	1.78	-0.12
[omitted category: 30-44 years]										
Respondent female	-0.53	0.15	12.14	1	1	0.00 **	0.59	0.44	0.79	-0.12
Age of the respondent / 10	-0.23	0.07	9.39	1	1	0.00 **	0.80	0.69	0.92	-0.05
Respondent's position in the business				4.34	3	0.23				
Human Resources Manager	-0.14	0.27	0.28	1	1	0.60	0.87	0.51	1.47	-0.03
Other Manager	-0.24	0.17	2.11	1	1	0.15	0.78	0.56	1.09	-0.06
Other	0.15	0.23	0.41	1	1	0.52	1.16	0.74	1.81	0.04
[omitted category: Small business proprietor]										
Age people make the best contribution to the business				0.67	3	0.88				
Under 30 years	-0.13	0.21	0.38	1	1	0.54	0.88	0.59	1.32	-0.03

45 years or over	0.05	0.21	0.06	1	0.81	1.05	0.70	1.58	0.01
At any age [omitted category: 30-44 years]	-0.09	0.19	0.20	1	0.66	0.92	0.63	1.34	-0.02
Constant	0.86	0.37	5.41	1	0.02 *				
-2 Log Likelihood	1204.81								
Goodness of fit	929.83								
Cox and Snell R ²	0.06								
Nagelkerke R ²	0.08								
Hosmer and Lemeshow goodness-of-fit chi-squared	5.95			8	0.65				
Model chi-squared	55.30			21	0.00 **				
N	932								

Notes:

(1) The base probability is the predicted probability (that the availability of subsidised employer superannuation contributions for employing an older candidate would influence the respondent in favour of this older candidate) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 year-old small business proprietor who thinks that people 30-44 years of age make the best contribution to his business.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

Table C7: Logistic Regression of Whether Legal Penalties for Age Discrimination Would Influence the Respondent in Favour of an Older Candidate

Variable	Coefficient	Std		Wald	df	Sig	e ^{Coefficient}	95% CI for e ^{Coefficient}		Marginal probability
		Err						Lower	Upper	
Base probability										0.24
Industry				3.08	6	0.80				
Scientific research	0.03	0.71	0.00	1	0.96		1.04	0.26	4.19	0.01
Technical services	0.30	0.23	1.62	1	0.20		1.34	0.85	2.12	0.06
Computer services	0.14	0.34	0.16	1	0.69		1.15	0.59	2.25	0.03
Marketing and business management services	0.30	0.24	1.55	1	0.21		1.34	0.84	2.14	0.06
Other Business Services	0.09	0.22	0.17	1	0.68		1.10	0.71	1.70	0.02
Other industries	-0.49	0.82	0.35	1	0.55		0.61	0.12	3.05	-0.08
[omitted category: Legal and accounting services]										
Not located in a capital city	-0.12	0.20	0.37	1	0.55		0.89	0.60	1.31	-0.02
Number of people employed in the business / 30	0.04	0.06	0.36	1	0.55		1.04	0.92	1.17	0.01
Number of vacancies filled in the last year / 5	-0.02	0.08	0.05	1	0.83		0.98	0.85	1.14	0.00
Number of years the business has been trading / 10	-0.05	0.10	0.26	1	0.61		0.95	0.78	1.16	-0.01
Age of typical customer or client				0.59	3	0.90				
Under 30 years	0.00	0.32	0.00	1	1.00		1.00	0.54	1.87	0.00
45 years or over	0.03	0.17	0.03	1	0.86		1.03	0.74	1.43	0.01
Missing	-0.48	0.66	0.53	1	0.47		0.62	0.17	2.26	-0.08
[omitted category: 30-44 years]										
Respondent female	-0.06	0.17	0.11	1	0.74		0.94	0.68	1.31	-0.01
Age of the respondent / 10	-0.31	0.08	14.14	1	0.00 **		0.73	0.62	0.86	-0.05
Respondent's position in the business				3.42	3	0.33				
Human Resources Manager	0.05	0.30	0.03	1	0.85		1.06	0.59	1.90	0.01
Other Manager	-0.03	0.19	0.02	1	0.88		0.97	0.67	1.41	-0.01
Other	0.38	0.25	2.32	1	0.13		1.46	0.90	2.37	0.07
[omitted category: Small business proprietor]										
Age people make the best contribution to the business				6.92	3	0.07				
Under 30 years	0.21	0.22	0.99	1	0.32		1.24	0.81	1.89	0.04

45 years or over	0.13	0.23	0.31	1	0.57	1.14	0.72	1.79	0.02
At any age [omitted category: 30-44 years]	-0.48	0.23	4.16	1	0.04 *	0.62	0.39	0.98	-0.08
Constant	0.13	0.41	0.11	1	0.74				
-2 Log Likelihood	1026.98								
Goodness of fit	937.81								
Cox and Snell R ²	0.04								
Nagelkerke R ²	0.06								
Hosmer and Lemeshow goodness-of-fit chi-squared	2.55			8	0.96				
Model chi-squared	40.53			21	0.01 **				
N	932								

Notes:

(1) The base probability is the predicted probability (that legal penalties for age discrimination would influence the respondent in favour of an older candidate) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 year-old small business proprietor who thinks that people 30-44 years of age make the best contribution to his business.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

Table C8: Logistic Regression of Whether an Older Candidate Attracting a \$4000 Package of Financial Assistance for Six-Months Employment Would Influence the Respondent in Favour of this Older Candidate

Variable	Coefficient	Std		Wald	df	Sig	e ^{Coefficient}	95% CI for e ^{Coefficient}		Marginal probability
		Err	Err					Lower	Upper	
Base probability										0.46
Industry				9.51	6	0.15				
Scientific research	0.28	0.62	0.20	1	0.66	1.32	0.39	4.46	0.07	
Technical services	0.46	0.20	5.00	1	0.03 *	1.58	1.06	2.36	0.11	
Computer services	0.42	0.30	1.91	1	0.17	1.52	0.84	2.75	0.10	
Marketing and business management services	0.14	0.21	0.42	1	0.52	1.15	0.76	1.74	0.03	
Other Business Services	0.02	0.19	0.02	1	0.90	1.03	0.70	1.50	0.01	
Other industries	1.25	0.71	3.12	1	0.08	3.49	0.87	13.94	0.29	
[omitted category: Legal and accounting services]										
Not located in a capital city	0.43	0.17	6.36	1	0.01 *	1.54	1.10	2.16	0.11	
Number of people employed in the business / 30	0.00	0.06	0.00	1	0.97	1.00	0.90	1.11	0.00	
Number of vacancies filled in the last year / 5	-0.12	0.07	2.92	1	0.09	0.89	0.78	1.02	-0.03	
Number of years the business has been trading / 10	-0.05	0.09	0.27	1	0.61	0.96	0.81	1.13	-0.01	
Age of typical customer or client			2.60	3	0.46					
Under 30 years	0.41	0.28	2.08	1	0.15	1.50	0.86	2.60	0.10	
45 years or over	-0.06	0.15	0.15	1	0.70	0.94	0.71	1.26	-0.01	
Missing	-0.12	0.50	0.06	1	0.81	0.89	0.33	2.37	-0.03	
[omitted category: 30-44 years]										
Respondent female	-0.32	0.15	4.63	1	0.03 *	0.73	0.54	0.97	-0.08	
Age of the respondent / 10	-0.29	0.07	15.68	1	0.00 **	0.75	0.65	0.86	-0.07	
Respondent's position in the business			0.84	3	0.84					
Human Resources Manager	0.10	0.26	0.15	1	0.70	1.11	0.66	1.86	0.03	
Other Manager	0.04	0.17	0.07	1	0.79	1.05	0.75	1.45	0.01	
Other	0.20	0.23	0.80	1	0.37	1.23	0.78	1.92	0.05	
[omitted category: Small business proprietor]										
Age people make the best contribution to the business			2.90	3	0.41					
Under 30 years	-0.14	0.20	0.47	1	0.49	0.87	0.58	1.30	-0.03	

45 years or over	-0.06	0.20	0.07	1	0.78	0.95	0.63	1.41	-0.01
At any age [omitted category: 30-44 years]	-0.31	0.19	2.74	1	0.10	0.73	0.50	1.06	-0.08
Constant	1.21	0.36	11.09	1	0.00 **				
-2 Log Likelihood	1238.38								
Goodness of fit	933.58								
Cox and Snell R ²	0.05								
Nagelkerke R ²	0.07								
Hosmer and Lemeshow goodness-of-fit chi-squared	19.93			8	0.01 *				
Model chi-squared	51.93			21	0.00 **				
N	932								

Notes:

(1) The base probability is the predicted probability (that an older candidate attracting a \$4000 package of financial assistance for 6 months employment would influence the respondent in favour of this older candidate) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 years-old, and a small business proprietor who thinks that people 30-44 years of age make the best contribution to his business.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

Table C9: Logistic Regression of Whether an Older Candidate Being an Active Volunteer Would Influence the Respondent in Favour of this Older Candidate

Variable	Coefficient	Std		Wald	df	Sig	e ^{Coefficient}	95% CI for e ^{Coefficient}		Marginal probability
		Err						Lower	Upper	
Base probability										0.59
Industry				4.60	6	0.60				
Scientific research	0.24	0.66	0.13	1	0.71	1.27	0.35	4.59	0.06	
Technical services	0.02	0.21	0.01	1	0.93	1.02	0.68	1.53	0.00	
Computer services	0.25	0.31	0.65	1	0.42	1.29	0.70	2.39	0.06	
Marketing and business management services	-0.08	0.21	0.16	1	0.69	0.92	0.61	1.39	-0.02	
Other Business Services	0.03	0.19	0.02	1	0.89	1.03	0.70	1.51	0.01	
Other industries	1.97	1.06	3.41	1	0.06	7.14	0.89	57.48	0.32	
[omitted category: Legal and accounting services]										
Not located in a capital city	0.28	0.18	2.50	1	0.11	1.32	0.94	1.87	0.07	
Number of people employed in the business / 30	-0.03	0.05	0.26	1	0.61	0.97	0.87	1.08	-0.01	
Number of vacancies filled in the last year / 5	-0.12	0.07	3.33	1	0.07	0.88	0.78	1.01	-0.03	
Number of years the business has been trading / 10	-0.09	0.09	0.99	1	0.32	0.92	0.77	1.09	-0.02	
Age of typical customer or client			7.16	3	0.07					
Under 30 years	0.69	0.31	4.96	1	0.03 *	1.99	1.09	3.65	0.15	
45 years or over	0.10	0.15	0.43	1	0.51	1.10	0.82	1.48	0.02	
Missing	-0.62	0.49	1.59	1	0.21	0.54	0.21	1.41	-0.15	
[omitted category: 30-44 years]										
Respondent female	-0.23	0.15	2.29	1	0.13	0.80	0.59	1.07	-0.06	
Age of the respondent / 10	-0.23	0.07	9.86	1	0.00 **	0.80	0.69	0.92	-0.06	
Respondent's position in the business			4.31	3	0.23					
Human Resources Manager	0.29	0.27	1.17	1	0.28	1.34	0.79	2.28	0.07	
Other Manager	-0.12	0.17	0.51	1	0.47	0.89	0.64	1.23	-0.03	
Other	0.24	0.23	1.02	1	0.31	1.27	0.80	2.01	0.06	
[omitted category: Small business proprietor]										
Age people make the best contribution to the business			1.99	3	0.57					
Under 30 years	-0.28	0.21	1.89	1	0.17	0.75	0.50	1.13	-0.07	

45 years or over	-0.07	0.20	0.11	1	0.74	0.93	0.62	1.39	-0.02
At any age [omitted category: 30-44 years]	0.00	0.19	0.00	1	0.98	1.00	0.69	1.45	0.00
Constant	1.63	0.37	19.19	1	0.00 **				
-2 Log Likelihood	1212.16								
Goodness of fit	928.81								
Cox and Snell R ²	0.05								
Nagelkerke R ²	0.06								
Hosmer and Lemeshow goodness-of-fit chi-squared	2.96			8	0.94				
Model chi-squared	43.31			21	0.00 **				
N	932								

Notes:

(1) The base probability is the predicted probability (that an older candidate being an active volunteer would influence the respondent in favour of this older candidate) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 year-old small business proprietor who thinks that people 30-44 years of age make the best contribution to his business.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

Table C10: Logistic Regression of Whether an Older Candidate Having Become Unemployed in the Last Month, while a Younger Candidate had been Unemployed for 12 months or more, Would Influence the Respondent in Favour of this Older Candidate

	Coefficient	Std		Wald	df	Sig	e ^{Coefficient}	95% CI for e ^{Coefficient}		Marginal probability
		Err						Lower	Upper	
Base probability										0.61
Industry				3.38	6	0.76				
Scientific research	-0.16	0.64	0.07	1	0.80	0.85	0.24	2.95		-0.04
Technical services	-0.12	0.21	0.31	1	0.58	0.89	0.59	1.34		-0.03
Computer services	-0.30	0.31	0.94	1	0.33	0.74	0.41	1.35		-0.07
Marketing and business management services	0.11	0.22	0.24	1	0.62	1.11	0.73	1.71		0.03
Other Business Services	-0.03	0.20	0.02	1	0.90	0.98	0.66	1.43		-0.01
Other industries	-0.78	0.64	1.46	1	0.23	0.46	0.13	1.62		-0.19
[omitted category: Legal and accounting services]										
Not located in a capital city	0.07	0.17	0.18	1	0.67	1.08	0.77	1.52		0.02
Number of people employed in the business / 30	-0.04	0.06	0.51	1	0.47	0.96	0.86	1.07		-0.01
Number of vacancies filled in the last year / 5	0.01	0.07	0.04	1	0.85	1.01	0.89	1.16		0.00
Number of years the business has been trading / 10	-0.04	0.09	0.19	1	0.66	0.96	0.81	1.14		-0.01
Age of typical customer or client				4.11	3	0.25				
Under 30 years	0.32	0.29	1.16	1	0.28	1.37	0.77	2.45		0.07
45 years or over	0.11	0.15	0.52	1	0.47	1.11	0.83	1.50		0.03
Missing	-0.72	0.49	2.18	1	0.14	0.49	0.19	1.26		-0.18
[omitted category: 30-44 years]										
Respondent female	-0.05	0.15	0.10	1	0.75	0.95	0.71	1.28		-0.01
Age of the respondent / 10	-0.23	0.07	10.21	1	0.00 **	0.79	0.69	0.91		-0.06
Respondent's position in the business				5.97	3	0.11				
Human Resources Manager	0.35	0.27	1.70	1	0.19	1.42	0.84	2.42		0.08
Other Manager	0.10	0.17	0.37	1	0.54	1.11	0.80	1.54		0.02
Other	0.55	0.24	5.29	1	0.02 *	1.73	1.08	2.76		0.12
[omitted category: Small business proprietor]										
Age people make the best contribution to the business				6.52	3	0.09				

Under 30 years	0.01	0.21	0.00	1	0.95	1.01	0.67	1.54	0.00
45 years or over	-0.24	0.20	1.41	1	0.23	0.79	0.53	1.17	-0.06
At any age [omitted category: 30-44 years]	-0.45	0.19	5.72	1	0.02 *	0.64	0.44	0.92	-0.11
Constant	1.47	0.37	15.50	1	0.00 **				
-2 Log Likelihood	1207.83								
Goodness of fit	934.43								
Cox and Snell R ²	0.04								
Nagelkerke R ²	0.06								
Hosmer and Lemeshow goodness-of-fit chi-squared	11.89			8	0.16				
Model chi-squared	40.17			21	0.01 **				
N	933								

Notes:

(1) The base probability is the predicted probability (that an older candidate having become unemployed in the last month, while a younger candidate had been unemployed for 12 months or more, would influence the respondent in favour of this older candidate) for a person who is in the base category, that is, a person who: works in a legal and accounting services business located in a capital city, that has 35 employees, filled 7 vacancies in the last year, has been trading for 15 years, and whose typical customer or client is 30-44 years of age; and who is a male, 40 years-old, and a small business proprietor who thinks that people 30-44 years of age make the best contribution to his business.

(2) Missing data was treated by listwise deletion

** Significant at the 0.01 level

* Significant at the 0.05 level

