

## Old is the new young in skills race

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Phil Prakash represents less than 2 per cent of the Australian workforce. The 83-year-old business process auditor clocks in five days a week at IBM's sprawling campus on Sydney's outskirts. Being in a minority – full-time office workers aged 75 or more – is irrelevant to him.

"I like challenges in life," says Prakash. "I enjoy working so I can afford travel when on vacation."

"My main inspiration is to engage my mental faculties, plus the satisfaction of seeing goals achieved and appreciated by management."

"Besides, I'm not a cranky old man, I can relate to people of all ages – I can speak the young ones' language, and pass on my knowledge and work ethic."

Given the nation is facing a human capital quandary comprising massive skills shortages across many industry sectors, combined with a dwindling pool of young workers and a growing pool of older ones, Prakash and his octogenarian peers could well be the face of the future.

A recent survey of 1 609 firms by recruiters Hudson showed 57 per cent of businesses were having difficulty finding skilled workers, up from 44 per cent in 2009. The 2010 Intergenerational Report, Australia to 2050, released earlier in the year, found that the proportion of Australia's population aged 65 and over was projected to almost double in the next 40 years. While today there are five working-aged people to every person aged 65 and over, by 2050 this ratio will fall to 2.7 people.

"Our average [worker] age at IBM is 40," says the director of human resources at IBM Australia and New Zealand, Robert Orth.

"Having said that, around half of our employees are over 40, so there is a much wider spread there. We pride ourselves on workplace diversity. What we are after foremost is talent, regardless of age."

A few years ago the computer and consultancy giant began regular workshops for the over-45s to establish their goals and aspirations – and what they required from their employer – as each birthday inched them closer towards that most feared of labels, the "mature-aged worker".

"We actually do want to hang on to our people," Orth says. "It was a classic case of don't make assumptions. If you want to know what your people need in order to keep working for you, go ask them."

Even the federal election campaign threw up ideas about how to keep workers productively employed for longer: Opposition Leader Tony Abbott pledged to pay employers \$3250 to hire unemployed baby boomers aged 50 to 65.

On the bare statistics, older workers seem to be holding their own in the office. Employment figures from the Organisation for Economic Co-operation and Development find employment rates for Australians aged 55 to 64 have steadily risen over the past decade. In 1999 it was 44.3 per cent, compared with 59 per cent last year. This is above the OECD average rate of 54.5 per cent – but compares unfavourably with New Zealand, where 72.1 per cent of those aged 55 to 64 are employed, Japan (65.5 per cent), Norway (68.7 per cent) and the United States (60.6 per cent).

After the toll of the global financial crisis, 40 per cent of people entering the workplace over the past three years have been aged over 55, according to Australian Bureau of Statistics labour force figures. More than half of those aged in their early 60s are now in the workforce, while 10 years ago, only a third of people aged 60 to 64 were working.

The figures might paint a positive picture. And yet, despite the pressure of a skills shortage, many of those at the coalface complain that fronting for a job interview with more than three decades' experience on your resume can feel like the proverbial nail in the coffin in an age when many companies consider 50 to be the new 65. Take the professional services firms, many of which have mandatory retirement ages built into the employment contracts for their partners that can be as young as 55.

And yet, PricewaterhouseCoopers acknowledges that the average age of its workforce has crept up over the past few years from 28 to 31. "This movement reflects the general trend we are seeing in the marketplace," says PwC human capital leader Sophie Crawford-Jones.

When it comes to ageism, it is perhaps predictable that one of the nation's "youngest" industries, IT, is the least friendly to grey workers.

A report released recently by the Australian Computer Society (ACS) finds IT experts aged 45-plus were more likely to be unemployed in Australia than in Canada, the UK, US and New Zealand.

"It's a tough one, because so often age is the unspoken taboo," the managing director of recruiting company Ambition Technology, Andrew Cross, says.

"No one will openly say there is discrimination – not recruitment agencies, nor their clients. And yet you hear phrases all the time like 'we want someone who is dynamic', 'a real go-getter', 'someone who can work in a fast-paced environment', 'someone with a positive attitude'. Those kinds of buzzwords are used to suggest what they really want is someone young, even if they don't come out and say it. "And yet, being young and dynamic often has nothing to do with whether a person can really get the job done."

The ACS report warns against ageism, pointing out that "employers are likely to get less value from training younger workers because they move on to other jobs more frequently than older workers."

Job mobility among those aged 20 to 24 was 25 per cent compared with 5 per cent for those in the 55 to 69 age bracket. It also finds that the average per capita income of all Australians would increase by up to 4 per cent with a 10 per cent increase in the participation rate of 55 to 70-year olds.

Aged over 40, Sandra Bateman says the recent 12 months have come as a shock to the system.

During her career, she has clocked up 12 years in sales roles for Hewlett-Packard and four years with Digital Equipment Corporation, among others. But job interviews are now often more perplexing than fun.

"This is the first time in my life I have not been accepted for every job for which I have applied," Bateman says. "I don't mean to boast, but I've always selected my positions carefully, and only recently have I needed a CV. I've applied for several positions in the last few months, where I know I am perfectly qualified, only to be told I am not a 'cultural' fit.

"Just three weeks ago, during an interview, the sales director asked me if I was aware that the IT industry is dominated by 30-something males. This was Australia's fastest growing IT company."

John Quiggin, an Australian Research Council Federation Fellow in economics and political science at the University of Queensland, predicts that, increasingly, bosses will be forced to overcome their biases against floors of bespectacled, grey-haired workers discussing knee reconstruction around the water cooler.

"Employer attitudes typically rationalise their existing hiring patterns," Quiggin says.

"If companies are forced to hire older workers, they will rediscover how good they are – suddenly they become reliable and loyal rather than rigid and inflexible."