

# Participation in Labour Adjustment Assistance: The TCF Labour Adjustment Package

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## Abstract

*The 1988 sector-based industry plan for restructuring of the Australian Textiles Clothing and Footwear industries accelerated the decline of employment in the TCF sector. Many of those thrown out of work by TCF plant closures were women, older workers, and workers from non-English speaking backgrounds who would find it difficult to re-establish themselves in the labour market. The Hawke government provided a package of labour adjustment assistance designed to help the retrenched TCF workers find jobs in other industries. This paper examines the rates of participation by retrenched TCF workers in the TCF Labour Adjustment Package. Drawing on both statistical and case study evidence it explores the different take-up rates by different subgroups of retrenched TCF workers. The paper concludes by exploring the implications for labour market interventions more generally.*

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## **Introduction<sup>1</sup>**

Australian enterprises tend to use external labour adjustment to react to economic pressures (Angwin, 1993). In the early 1990s retrenchment was a favoured method of labour adjustment in Australia with some 560,000 people retrenched in 1990-91 and 547,000 in 1991-92 (ABS Cat. 6209.0). Many retrenchments were from jobs in industry sectors where the economic recession acted to accelerate the effects of structural adjustment policies. In the troubled Textiles, Clothing and Footwear industries some 25,000 jobs were lost in the four years to February 1993 due to the combined effects of the recession, import competition and the sectorial TCF Industry Plan (Webber et al, 1995). Many job losers in the TCF sector were women, older workers and workers from non-English speaking backgrounds who would face difficulty finding a new job.

On introducing plans to restructure Australian industry, the Hawke Government promised that the costs of structural adjustment would not be disproportionately borne by those directly affected by change (Hawke, 1994). The TCF Labour Adjustment Package (TCFLAP) was one initiative intended to compensate workers who lost jobs in the TCF sector, thereby spreading the burden of economic restructuring across the community. This paper examines the effectiveness of TCF LAP in reaching its target group and discusses the implications for labour market program delivery.

## **The TCF Labour Adjustment Package**

In the face of increasing globalisation of production and financial markets, the Australian Government in the 1980s adopted an accumulation strategy based on international competitiveness. The web of protection of Australian manufacturing industry that had been built up in the post-War period was progressively dismantled. The highly protected and notoriously inefficient Textile Clothing and Footwear industries were a target of the anti-protectionist forces (Capling and Galligan 1992). In November 1986 the Textile Clothing and Footwear Industry Plan was announced. It outlined progressive reductions in tariff protection and established an industry assistance scheme promoting technological, process and product innovation. It was recognised from the outset that the tariff changes would force many TCF producers out of business,<sup>2</sup> and that job losses would be substantial (IAC 1986). The TCF unions argued that the predominantly female, non-English speaking background, and ageing TCF workforce was extremely vulnerable to job loss and that their job prospects, assuming that TCF employment would not be available to them in the future, were poor indeed. To cushion

the effects of restructuring on the TCF workforce, the Hawke government introduced an industry based labour adjustment assistance package – the TCF Labour Adjustment Package (TCF LAP) – that provided support, retraining, and job placement assistance for people who lost their jobs as a result of the Industry Plan (Button 1987). The rhetoric of the labour adjustment assistance package promoted it as providing the training and support needed by retrenched workers to shift from declining TCF employment to new jobs in other sectors of the economy. The Package was not without its critics, however, who facetiously suggested that readjustment was to be “a simple matter of turning ‘middle aged female migrant machinists’ into ‘young, male mining engineers’” (Dowse 1991: 30).

The TCF LAP program structure, developed after national level negotiations between the government, TCF unions and TCF employers, replicated the basic framework previously implemented for workers displaced from jobs in the steel and other industries in the early 1980s. The Commonwealth Department of Employment, Education and Training (DEET) delivered the assistance through its local Commonwealth Employment Service (CES) network, where the program was additional to routine labour market program and job placement services. The reason for this choice of delivery mode is unclear, although the TCF unions supported a national approach because they had the capacity to monitor implementation most effectively at the national level. The TCF LAP program guidelines allowed for some administrative discretion at the regional level, which resulted in local differences in the structure of program delivery. These differences and their impact on the workers concerned are the theme of this paper. After a brief description of the characteristics of the TCF Labour Adjustment Package is a detailed analysis of the rate of participation by retrenched TCF workers. This shows that location, gender, ethnicity and skill are all factors influencing participation in TCF LAP. Between-group variations are explained by reference to personal aspirations, structural constraints and regional differences in program administration. The implementation strategies of the regional state administration are shown to be a major factor in reproducing and in transforming location based differences in the labour market and labour market structures.

The TCF LAP offered generous benefits compared to other Australian labour market programs. Depending on individual need and local availability, it offered a combination of English language and other preparatory basic education classes; vocational retraining; subsidised employment placements; relocation assistance; and counselling, support and placement services. In theory, retraining (both on and off the job) would provide the skills required for new occupations, wage subsidies would render former TCF

employees more competitive in the labour market, job placement services match displaced workers with new jobs, while mobility assistance would help them to move to jobs in new localities. The Package was available to workers who had worked in the TCF industries for 24 of the previous 36 months. It was available immediately after retrenchment, unlike other labour market programs that cannot be accessed until after a specified period searching for work. All workers retrenched from the TCF industries were eligible for assistance, including former managers and clerical staff as well as operative level workers. LAP potentially provided much greater depth of skill training than any other labour market program in Australia. At the time this study was undertaken, retrenched TCF workers could enrol in up to 104 weeks of retraining in some circumstances. This compares to an average duration of only 6-8 weeks in generally available labour market programs (DEET 1994). TCF LAP eligible retrenched workers also retained full eligibility for other labour market programs. The individual assistance was supported by specific measures to promote participation through information and advice services.<sup>3</sup> An important feature of LAP was an unprecedented level of income support for retrenched workers in retraining through the TCF 'Special Allowance', which provided non-means-tested income for trainees independent of their spouse's income. This was a measure specifically designed to attract women, especially those from non-English speaking backgrounds, into retraining. It meant that while in retraining women with a spouse in employment received an allowance equivalent (in the case of a clothing machinist) to almost 70% of pre-retrenchment take home pay. The program was clearly structured at the national level in a way intended to encourage high levels of participation.

## **Overall Participation in the TCF Labour Adjustment Package**

Despite the assistance being designed for high participation, there was in fact wide variation in participation by different groups and in different areas. To examine levels of participation in the TCF LAP, the authors accessed summary information for every retrenched TCF worker registered at the CES as TCF LAP eligible in eleven sample areas in May 1993.<sup>4</sup> The CES records provided information about the personal characteristics of TCF retrenched workers as well as details of participation in the TCF LAP and other DEET labour market programs. Of the 1640 retrenched TCF workers included in the study, 73% are women, 52% are born in non-English speaking countries, and 38% are over 45 years old. More than half had been

registered at the CES for less than a year, although 1 in 10 had been registered at CES for more than two years. Almost three quarters (74%) of retrenched TCF workers took advantage of some form of DEET labour market program assistance at some time since registering as unemployed. Percentage take-up rates for different groups are shown in Table 1, which shows that program take-up is highest by women and by people from non-English speaking backgrounds. Older workers were less likely to have used DEET programs, as were those who registered with the CES prior to mid 1991. There are also major location differences in the participation in DEET programs by retrenched TCF workers. The discussion below describes and explores these relationships, drawing on data from case studies and worker surveys, and demonstrating the importance of understanding how different groups of workers reacted to opportunities available to them under LAP.

### *Gender Differences*

Women were clearly more likely than men to use DEET assistance (78% of women compared to 66% of men). Further, the rates among different gender and background groups demonstrates that the take-up of assistance by women is higher regardless of country of birth. We found no evidence to suggest that men are less likely to take up DEET programs because they find it easier than women to find work. Rather, we attribute the greater participation by women to the combined effects of the TCF Special Allowance, the gender segregation of the Vocational Education and Training system, and the different attitudes of men and women to retraining.

The incentive provided by the TCF Special Allowance was an important factor in the different rates of take-up by men and women. The TCF Allowance was available to retrenched workers who had a spouse in employment and was not means tested against the spouse's income. While both women and men could access the allowance, women more often than men had a spouse in employment. Their greater use of the allowance partly explains why women (and in particular women from NESB background) have high rates of participation in this program, the reverse of the general pattern of lower participation by women and NESB women in labour market programs in Australia (Australia 1993b; Junor et al. 1994).

In a retraining system that replicates the occupationally specific gender segregation of the labour market (Pocock 1988) the higher participation by women partly reflects the wider range of full time basic vocational retraining courses that appeal to women – in particular, clerical and hospitality courses. Vocational retraining in male dominated occupations has historically concentrated on apprenticeship and other on-the-job retraining modes,

so there are fewer full-time pre-service vocational options for adult males. In some areas DEET provided special courses for TCF workers through tendering arrangements, but these too tended to be in 'women's' occupations due to the greater numbers of women TCF retrenched workers registered at CES.

**Table 1.** TCF Retrenched Workers Participation in any DEET Labour Market Program Since Registering at CES

Characteristic	Non-Participants	Participants	Total	% Take Up
<b>Gender/ B'ground</b>				
NESB Women	137	517	654	79.1
NESB Men	66	130	196	66.3
ESB Women	124	412	536	76.9
ESB Men	87	167	254	65.7
<b>Age group</b>				
Under 25 years	46	120	166	72.3
25 – 34 years	108	281	389	72.2
35 – 44 years	99	370	469	78.9
45 – 54 years	96	344	440	78.2
Over 55 years	65	111	176	63.1
<b>CES Registered</b>				
Before 30/6/1991	158	371	529*	70.1
1/7/1991 onward	255	854	1109*	77.0
<b>Location</b>				
Adelaide, SA	63	81	144	56.3
Bankstown, NSW	49	117	166	70.5
Colac, VIC	6	24	30	80.0
Bendigo, VIC	36	38	74	51.4
Geelong, VIC	37	154	191	80.6
Lower Hunter, NSW	27	185	212	87.3
Mount Gambier, SA	23	51	74	68.9
Newcastle, NSW	12	90	102	88.2
Petersham, NSW	38	129	167	77.2
Preston, VIC	75	206	281	73.3
Springvale, VIC	48	151	199	75.9
<b>TCF Occupation</b>				
Managers & Prof.	15	25	40	62.5
Office & Clerical	4	28	32	87.5
TCF trades	44	58	102	56.9
Machinists (C& F)	118	414	532	77.8
Machine Operator(T)	38	89	127	70.1
Pressers/Labourers	5	18	23	88.3
TCF Occ. not given	190	594	784	75.8
<b>Total</b>	<b>414</b>	<b>1226</b>	<b>1640</b>	<b>74.8</b>

\* two missing observations

Finally, men and women have different attitudes to retraining. In survey interviews, men were more likely than women to say that they were 'not interested' in retraining, although it is also true that more said they were not interested in retraining in the locations where less support was available to them. Men seem more concerned that retraining provide them with specific employment outcomes, while women would more often pursue educational objectives. It seems too that men are more committed in the short term to finding work, as demonstrated by their greater likelihood to say they were actively searching for work whilst in retraining. Women tended to suspend their active job search when in retraining. Men were also more likely than women to access a wage subsidised work placement. Training institution staff thought that men were less willing than women to view their unemployment as related to a personal skill deficit and so were less interested in retraining. According to TAFE teachers, men who have literacy problems are less willing than women to acknowledge this weakness and begin a basic education course. Furthermore, teachers say that while many women blossom in basic education classes, men sometimes become defensive and are uncomfortable in the female dominated environment. On the other hand, many men possessed a trade or technical expertise in a TCF specific occupation, and were disinclined to retrain in a lower skill or lower status field. Women who did not take up DEET assistance fell into three groups – highly skilled women who found work quickly and shunned assistance; women who turned to a domestic role, especially younger women who temporarily suspended their labour force participation to start a family; and those who experienced specific impediments to participating in DEET courses because of domestic responsibilities. It is strange that the retraining system proved to be less flexible than TCF employers when it came to accommodating women's domestic responsibilities. In rural areas especially, the full-time working hours in the TCF were organised to enable women to be home in time to pick their children up from school. Few retraining providers timetable classes in a manner that facilitates participation by women with school age children.

There are, then, substantial gender differences in the availability of and attitudes to retraining. The Vocational Education and Training (VET) structure provides retraining that replicates gender segmented occupational groupings, and this shapes the participation of men and women in retraining. The higher rate of take-up of TCF LAP compared to other labour adjustment programs partly reflects women's greater interest in pursuing adult education and retraining, as well as the impact of the TCF Allowance. Previous retrenchment studies, which often report widespread lack of interest in retraining by retrenched workers, tend to focus on the experiences of men

in trade or semiskilled occupations (Curtain 1987), who in this study too had low participation rates.

### *English language ability*

The use of DEET assistance by people born in non-English speaking countries is higher than that of native English speakers (75% compared to 70% of the sample in metropolitan areas). Many TCF workers born in non-English speaking countries had English language difficulties despite being long term Australian residents and saw value in improving their English proficiency for occupational purposes. Language training was also a desirable end in itself, regardless of future employment prospects. Older women from NESB backgrounds in particular greatly valued the opportunity to attend English language training.<sup>5</sup> The TCF LAP provided generous assistance for people in need of English as a Second Language courses, enabling them to study up to 52 weeks of English with income support – an attractive option compared to the shorter language courses offered to other CES clients. The TCF Allowance encouraged greater participation, especially in the locations where ethnic community and/or retraining provider networks provided information about the allowance and its provisions. Taking up language retraining was encouraged by CES staff in some areas, not only because English language proficiency improves employability, but also because language classes are relatively easy to administer, with well established providers and well recognised assessment criteria.

### *Age*

Participation in assistance tended to concentrate in the 35–44 and 45–54 age groups. Few retrenched workers in the over 55 age group took up DEET labour market program assistance. Younger people had lower participation in DEET programs, presumably because they found it easier to find work. The TCF Special Allowance was also a factor here. Many older workers who lost jobs in the TCF found themselves too young to qualify for a pension, but could not obtain unemployment benefits because they exceeded the admissible value of assets. This especially disadvantaged those NESB workers who had saved to purchase residential property for future use by their children. For people in this predicament, TCF Allowance was the only income support available but receiving it required continuous enrolment in retraining. Nevertheless, despite their status as unemployed, some older workers felt that the CES actively discouraged their participation, although others simply were not interested or felt too old to cope with the demands of study.



### *Time registered at CES*

People who first registered at CES in the first half of 1992 had the highest rate of take-up of DEET assistance. This coincided with:

- (i) the release of an internal DEET review of the operation of the early years of the TCF LAP package which found a very low (29%) take-up rate, and which led to the establishment of the TCF union- based Contact Officer positions and greater emphasis on program delivery;
- (ii) deepening recession and worsening unemployment, which made it more difficult for former TCF workers to find a job in any field. TCF retrenchment activity intensified in the aftermath of the May 1991 Economic Statement that accelerated the rate of tariff reductions in the TCF industries. The negative repercussions of this for recruitment further reduced the opportunities for TCF retrenched workers to find work with another TCF firm;
- (iii) substantial increases in the volume of labour market program activity, as a counter-cyclical response to the increasing unemployment rate, which effectively increased the range and number of labour market program options available to retrenched TCF workers.

People who had been registered with CES for the longest time were the least likely to have taken advantage of DEET program assistance. This is counter to the expected result, since these people should have been offered additional assistance as they reached the status of long term unemployed.<sup>6</sup> The reasons for their lower participation are unclear, but it may be that the same barriers that prevented them from finding a job also prevented them from taking up assistance.

### *Former TCF Occupation*

People previously employed in more highly skilled occupations and in the TCF trades are the least likely to have accessed any DEET labour market programs, while those who formerly held office and clerical jobs were the most likely to use assistance. This partly reflects gender differences, since TCF occupations are themselves gender segregated. Skilled tradespeople are not inclined to retrain to lower skill or lower status jobs, and many found work relevant to their skills quite quickly. Clerical and office workers, in contrast, could see the benefits of retraining and already possessed skills that enabled them to access a wide range of skill enhancement programs. They possessed skills that were less industry specific compared to other TCF retrenched workers. They could also competently access course infor-

mation and negotiate course admission. Clerical workers frequently used LAP in constructive and career enhancing ways.

### *Location*

This study of the TCF LAP implementation considered the operation of the adjustment package in eleven locations across three states – New South Wales, Victoria and South Australia. It included urban regions, provincial cities and rural towns. These were the metropolitan locations of Marrickville and Bankstown (NSW); Preston and Springvale (Vic), and an area of Adelaide (SA); the provincial cities of Newcastle (NSW) and Geelong (Vic); and the rural towns of the lower Hunter region (NSW), Mount Gambier (SA) and Camperdown and Castlemaine (both Victoria). None were areas where the TCF industry was the main employer in the town, although in Preston, Marrickville and Geelong the industry was historically a major manufacturing employer. In Newcastle, Mount Gambier and Castlemaine most TCF retrenched workers had worked in the one large textile mill; while in the lower Hunter and Camperdown the retrenched workers were women who had worked in clothing factories. In the urban areas in Victoria and New South Wales the retrenched workers were predominantly from non-English speaking backgrounds and included those with a long work history in Australia as well as more recent migrants.

Different areas had vastly differing overall rates of participation. Cases studies of LAP delivery in each area<sup>7</sup> showed that the program took on different characteristics in each area, resulting in different rates of participation. These are summarised below, dividing the locations into provincial, metropolitan and lastly rural areas.

### *Provincial Cities*

The highest rates of take-up are recorded in the two provincial centres of Newcastle in New South Wales and Geelong in Victoria. In both areas DEET invested considerable resources in the administration of LAP through designated staff who acted as information providers to groups, as case managers to individual retrenchees, and as liaison workers with local education and retraining providers. DEET directed additional resources to LAP in the face of extremely poor employment prospects for retrenched workers in these provincial cities in 1991/92. According to the retrenched workers involved in this study, there were simply no vacancies in Geelong or Newcastle at that time. In both the Newcastle and Geelong regions, DEET staff involved in delivering the LAP keenly promoted participation. In both

cases DEET and retraining providers worked in cooperation to develop retraining strategies and generate course options.

### *Metropolitan Locations*

Retrenched workers in the larger cities are generally thought to have more vacancies available to them and therefore would be expected to be less reliant on labour adjustment assistance. In fact the take up rates vary dramatically between urban locations, showing the importance of local program delivery and the underlying pressure exerted by economic conditions. The decline in TCF employment was more pronounced in Melbourne, where there were fewer TCF vacancies, than in Sydney where turnover created some flows into TCF jobs. Retrenched TCF workers in metropolitan Melbourne and Sydney had often worked in small firms and had not benefited from a managed retrenchment process. Urban, predominantly non-English speaking background TCF workers therefore often did not know about LAP through official channels in the first instance, and for this group the quality of the information available to them after retrenchment was critical in determining whether or not they took up DEET assistance. Some CES offices managed to organise information sessions in community languages, while others relied on bilingual counter staff to provide information. But people from non-English speaking backgrounds more often depended on community networks to find out about the LAP, so the quality of community networks in a locality were important to the overall participation rates in urban areas. The informal and formal community networks in the Preston area in particular circulated advice about how to access the TCF special allowance, and this generated additional CES registrations and course placements. Despite long careers in the Australian workforce, many former TCF workers had poor spoken English and only rudimentary familiarity with the written word. This presented a significant barrier to finding work, even if vacancies existed. In Preston, the CES generated sufficient language course places to meet the demand for retraining, while in other urban areas there were fewer TCF LAP dedicated courses, forcing TCF retrenched workers to wait for a course place in generally available language courses.

### *Rural Areas*

The rates of participation in DEET assistance in rural areas vary with the characteristics of the local community and its labour market. Local community networks are important, and relationships forged in the workplace tend to persist, influencing the penetration of the assistance package. In each

of the rural areas except the lower Hunter Valley, the closure that resulted in TCF retrenchments left the area without TCF employment, so workers had no prospect of returning to their previous occupation without relocating. But with the exception of some younger retrenched workers, the rural TCF workers showed little interest in moving – they had families and friends in their town and children at school. Importantly, housing they owned or were paying off was almost impossible to sell except at a substantial loss. The rural workers had little interest in accessing services outside their immediate environment. Therefore labour market interventions needed to be very sensitive to the local idiosyncrasies. The extent to which jobs outside the TCF exist in the town also seems important to the take-up of training. Mount Gambier and Castlemaine each had large employers that supplied a steady trickle of vacancies in high turnover manual (men's) jobs, while former clothing workers in Camperdown and the Hunter area seemed to have few realistic re-employment options.

There are substantial differences between the different areas, which show that location is an important factor in the take-up of assistance. Differences in program delivery mechanisms appear to partially explain differences in rates of take-up of the TCF LAP.

### *Comparative Analyses of the Take up of Assistance*

Gender, country of birth, age, length of time registered at the CES, former TCF occupation and location are each important determinants of whether or not a retrenched TCF worker took up assistance under the TCF Labour Adjustment Package. But simple relationships between personal characteristics and participation fail to address more complex questions. For example, is location still important after local differences in the characteristics of retrenched workers are taken into account? Multivariate analyses explore further the extent to which the differences persist when considered together.

The relative influence of different characteristics of the retrenched TCF workers on the take-up of DEET assistance was examined using multivariate logistic regression analysis.<sup>8</sup> The outcome variable in each analysis was dichotomous – whether or not any form of DEET labour market program assistance had been used at any time since CES registration. The analysis included gender/ethnicity groupings, age group, TCF occupation, location and date registered at CES as predictors of participation in any form of DEET assistance since registering with the CES. This analysis (Appendix 1) suggests that when considered in combination, location, age and the date of CES registration are the only statistically significant determinants of the rate of participation in the LAP and shows that:

- Women from non-English speaking backgrounds appear to be more likely to take up assistance than other groups after factors such as age and occupation are taken into account. However, the effects for gender/background grouping and job category just fail to reach significance.
- Age remains important, with higher take-up by the 35-44 age group and lower take-up by the over 55 group.
- The lower take-up by former TCF tradespeople is pronounced, although overall, former TCF occupation is not a significant factor. This, we believe, reflects the gender segregation in TCF occupations.
- Location is important, with substantial differences between areas.
- People who first registered with the CES prior to 1/7/91 were less likely to have taken up assistance.

One feature of logistic regression is that it enables the probability of an individual taking up assistance to be calculated. The data presented in Appendix 1 shows that a 48-year-old woman from a non-English speaking background who worked as a machinist in the town of Geelong has quite a high probability of taking up assistance, calculated at .87. For a 37-year-old man from an English speaking background who was formerly employed in a TCF trade in Adelaide, the corresponding probability is .48. Thus, the woman in Geelong is almost twice as likely to have accessed DEET assistance.

### *Exploring location differences*

Location exerts the greatest influence on the rate of take-up of LAP. Additional analyses aimed to comprehend the importance of location and to understand the relationship between location and other factors, examining first the impact of the different compositions of retrenched TCF workers in each area, then the impact of the local conditions.

### *Differences in the Composition of the Retrenched Population*

DEET and retraining provider staff often attributed local differences in the rate of take-up of assistance to differences in the demographic characteristics of the retrenched workers in each location. For example, low take-up in one area might have been due to a relatively high proportion of older retrenchees, who were approaching retirement age and not interested in retraining. Similarly, areas with more non-English speaking background retrenched workers might have higher take-up because of the appeal of English language classes. The magnitude of the different rates of take-up by different subgroups in different areas can be demonstrated via a cross-

tabulation of gender/background take-up in each area, as in Table 2, which shows that NESB women seem slightly more likely to take up the TCF LAP assistance in all areas except Springvale, while the take up by ESB women is variable. NESB men have lower take-up in all areas except Springvale, where take up is higher than average. ESB men have low take-up in all areas except Adelaide.

**Table 2.** Comparative Rates of Take Up of Assistance: Gender/Background and Location

Location	Total	Percentage Take-Up of DEET Assistance			
		NESB Women	ESB Women	NESB Men	ESB Men
Adelaide	56.3	57.1	58.0	37.5	59.6
Bankstown	70.5	75.8	50.0	59.1	—
Camperdown*	80.0	—	79.3	—	—
Castlemaine**	51.4	—	—	—	50.0
Geelong	80.6	87.5	77.8	—	73.9
Hunter	87.3	—	88.2	—	88.6
Mt. Gambier	68.9	—	77.1	—	57.9
Newcastle	88.2	100.0	85.0	85.7	84.8
Petersham	77.2	80.9	92.9	62.2	66.7
Preston	73.3	80.7	63.4	68.4	50.0
Springvale	75.9	75.2	75.0	80.4	62.5

No percentage given where the number of cases is less than 10.

\* Colac CES Office; \*\* Bendigo CES Office

As well as different gender-background mixes in different areas, location differences can also be partially explained by different age compositions in different locations. Thus, an area with a higher proportion of older re-trenched workers may have a different rate of take-up than a location with more younger people in the retrenchee group. There are significant age differences in the rates of take-up in some areas, but overall take-up is higher in the middle age groups. The wide within-group and within-location variations in the rate of participation in DEET labour market programs can be demonstrated by referring to Appendix 2, which summarises the results of a series of subgroup multivariate logistic regression analyses.

That the rates of take-up of DEET assistance differ markedly for different subgroups in the TCF retrenchee population has already been shown in the bivariate comparisons, but multivariate analyses show that there are also significant within group differences. For the subgroup of NESB women, the oldest (55+) age group has high participation rates. They also have

higher take-up rates in the Preston area, but not in any location other than Preston. NESB men have lower rates of take-up in the 35–44 age group. Take-up by ESB women varies considerably across different locations and age groupings. Further, the locations with lower overall take-up rates appear also to be the ones where ESB women are less inclined to use DEET assistance. Men from ESB backgrounds generally have low take-up rates, but not in Adelaide. To further examine the impact of differences in the composition of the local group of retrenched workers on take-up, a revised version of the simple model included interaction terms for the gender/background by location and the age by location interaction. When these interactions were taken into account, the effects of personal characteristics no longer appeared to be important determinants of take-up,<sup>9</sup> but location remained a strong and significant effect. Overall then, some of the differences in participation between locations can be attributed to differences in the composition of the retrenched population in each place, and the different propensity of each subgroup to use DEET assistance. Even so, location remains a major factor in determining the rate of take-up of the DEET assistance over and above the effects of different gender/background and age compositions of retrenched workers in particular areas.

### *Labour Market Conditions*

Location differences can be partly explained by the differences in the characteristics of retrenched workers in different areas, but that is not sufficient to explain the overall effect of location on participation. Because participation in a labour market program is related to the perceived likelihood of finding a job, the characteristics of the local economic conditions and local labour markets<sup>10</sup> would be expected to influence participation. A further series of statistical models was estimated in an attempt to measure these effects. Firstly, analysis by State – Victoria, New South Wales and South Australia – since each State in Australia exerts considerable economic influence, shows that take-up is lower in South Australia than elsewhere. Analysis by region – urban, provincial, rural – showed that take-up is higher in the provincial cities than elsewhere. But the large within-state and within-region variation renders these results of little import. Further analyses included different measures of unemployment and the size of the labour force participation, both for natural and small area labour markets,<sup>11</sup> none of which gave a significant result. This suggests quite strongly that simple variations in unemployment level and labour force size do not predict the location based differences in the take-up of the TCF LAP, remembering that the unemployment rate was high in all areas at the time of the study. Clearly an understanding of local labour market conditions needs be more sophis-

licated than simply including unemployment or rates in a statistical model.<sup>12</sup> Case studies show that the number of accessible vacancies in the local labour market is important to program delivery. Participation is higher where there are few TCF specific vacancies, and lower in areas where there is a level of job turnover sufficient to create a supply of vacancies in manual or other unskilled work. So there is a higher propensity to take up retraining as the options for finding work diminish. Participation was also higher in areas with few vacancies because in these places DEET worked harder to recruit TCF workers into retraining.

### *Class and Cultural Differences*

The characteristics of *groups* of retrenched workers as well as their gender, age and ethnicity in part determined the methods the local DEET officials choose to manage the program. In Castlemaine, for example, workers passively accepted that they would be laid off and re-employed in time. In the same area older workers would not take a job in preference to an unemployed son or nephew. The lack of interest in retraining here could be said to reflect a local understanding that the allocation of jobs was not related to worker skills, but rather to positions in the local social hierarchy. We note too that the experiences of workers before retrenchment had an impact on attitudes to LAP and retraining – in Castlemaine and Hunter there were unresolved workplace issues that continued into retrenchment, affecting the take-up of retraining courses; and in Mount Gambier, Newcastle, and Petersham the degree of anger at the injustice of the tariff policies and the pattern of closures they caused affected the way people viewed LAP. In Petersham the workers as a group focused on court action to obtain redundancy entitlements, and showed less interest in retraining. By the same token, the Newcastle workers' insistence on viewing retraining as an 'entitlement' reflects their local tradition of labour organisation and community support, which extended to their making more demands of DEET for retraining services. Clearly, participation was greater where DEET staff harnessed community based and personal networks to promote the program, and poorer when implementation either failed to take account of group issues, or actively worked to break down the worker networks so the retrenched could be managed on an 'individual' basis. These effects seem to us to constitute a locality effect that exists independent of the characteristics of individuals within the location.



### *Gender and Ethnicity Issues*

Gender and ethnicity are important to participation. Gender and ethnic differences display spatial variation and the rate of take-up depended partly on how local program administrators responded to difference. In both rural Camperdown and in the Hunter Valley, the English speaking background women working as machinists had always juggled their domestic and work roles, and after retrenchment they had few options within the constraints of their domestic responsibilities. In both towns these women participated in retraining only after strenuous encouragement – from a community based Skill-link program worker in Camperdown, and from DEET and former workplace leaders in the lower Hunter. In Castlemaine women were perceived to be taking jobs from younger men if they worked at all, and this is mirrored in their participation. Similarly with ethnicity. In some places DEET responded to the high proportion of NESB retrenchees by providing bilingual staff and/or harnessing the skills of local bilingual community workers.

### *Program Delivery*

TCF LAP implementation differed from place to place. This is demonstrated by the location differences in use of assistance by different groups. Women are in general favourably disposed to retraining and the TCF Special Allowance provided a strong financial incentive for married women to take up assistance, yet the variable rates of participation by ESB women suggest barriers in some places. Secondly, we know that one reason for older people not taking up retraining was that some were told by CES that they were too old to retrain. If this attitude was prevalent in some locations and not others, it would also result in location differences in participation. Overall take-up of LAP also increased after mid-1991, coinciding with the allocation of additional resources to promote participation. The increased take-up by NESB women (who were targeted for the promotion effort) after that date adds credence to the view that improved program delivery strategies increased participation rates. Importantly, qualitative information about differences in program delivery strategies broadly correspond in magnitude and direction to the differences in participation rates.

To test the hypothesis that local differences in LAP delivery mechanisms were determinants of the take-up of assistance, we defined in a further multivariate statistical model two variables to represent location-based program delivery differences. The first is the number of TCF LAP clients registered at CES in each area, taken as a measure of the relative priority the TCF LAP might be accorded in the regional allocation of DEET staff

resources. The second – a ‘quality of delivery’ variable – is a variable developed to test the hypothesis that program delivery was a key determinant of take-up. It was generated from case study data by scoring (yes/no) for the presence or absence of 38 different aspects thought to have resulted in higher utilisation of the program. These aspects included program delivery by DEET as well as the capacities of local retraining providers to accommodate the TCF retrenched (Appendix 3). A new logistic regression model substituted these two new program variables for location. This analysis, the results of which are summarised in Appendix 3, demonstrates that as the number of TCF retrenched registered with CES in an area increases, the less likely they are to take up assistance; but as the number of desirable program delivery characteristics increases, so does the likelihood that retrenched workers will take up assistance.<sup>13</sup>

In summary, the program implementation strategies adopted in particular CES offices are not independent of the characteristics of the local labour market or the characteristics of the retrenched population. Differences in delivery of the TCF LAP assistance, which resulted in different rates of participation, reflect the particular characteristics of the local labour market; the overall approach of local DEET officials; and the characteristics of retrenched TCF workers, including their employment history and social networks. Therefore, the national TCF LAP program, designed for more or less uniform implementation, took on different characteristics in different areas, producing divergent outcomes in terms of participation rates, as it adapted to the character of the local area.

## **Conclusion**

This paper began by describing the population of TCF retrenched workers in eleven locations. It showed that the overall rate of take-up of DEET assistance by retrenched workers is quite high, over 70% of those registered at the CES. Analysis demonstrated that participation in the program varies between groups, between locations and between groups within locations, producing a diverse range of participation rates. Location was shown to be the dominant influence on program take-up, although location differences partly reflected the differences in the demographic composition of the retrenched population in each place and were shaped by the unique characteristics of the local labour markets. Not only is participation shaped by the characteristics of the retrenched workers, but also by the strength of their personal networks, their shared history, and the way they perceived the LAP assistance. We explored how the style of program delivery is itself in part shaped by the characteristics of the local labour market and the relative

sophistication of community service networks, especially amongst retraining providers. Crucially, these results show that differences in program delivery by the regional administration of the Federal Government are an important force creating observed location differences. In the TCF LAP program the areas where special support is provided for retrenched workers have higher rates of take-up of assistance than other areas. The important implication of program delivery differences is that they produce different patterns of participation by different groups of workers in different areas. This fact draws attention to the uniqueness of local labour markets, and the need for policy to be sensitive to local labour market differences.

State-sponsored labour market program activity improves labour market outcomes for individual workers (Couch 1992; OECD 1990), but assistance does not reach all workers equally. English speaking background men and non-English speaking background women took up the TCF LAP assistance at different rates, had different rationales for participating, and then participated in quite different program profiles. The uneven impact of labour market programs on labour market outcomes – that is, on who gets jobs – will inevitably transform the local division of labour. Understanding this process seems critical to evaluating the long-term impact of state intervention in the labour market. Uneven participation rates demand further investigation of the process and impact of selection on how labour market programs differentially advantage or disadvantage particular groups of workers. From the perspective of evaluating the employment outcomes of labour market program participation, this study calls for greater attention to how selection creates bias. Currently, Australian labour market policy, as contained in *Working Nation* (Australia 1994), is based on research that is oblivious to the impact of selection on outcomes. On a positive note, the higher take-up rate in the TCF LAP by NESB women is strong evidence that specific targeting through incentives such as the TCF Special Allowance can be effective in attracting groups regarded as difficult to engage.

Wide variation in the characteristics of local labour markets and their unique divisions of labour demand a reassessment of methods used for the delivery of retrenchment assistance. Taylor (1986b) recognised the importance of regional differences in redundancy experiences and cautioned against centralised policy responses. Responses to redundancy need to be specific to the particular situation. This is a point taken up by Curtain (1991), who argued that Australia's reliance on delivering labour adjustment assistance through the 'inflexible' Commonwealth Employment Service was out of step with current practice in the United States, Canada and Europe and a possible cause of the low participation rates in labour adjustment assistance. The Australian Government's Green Paper on employment policy *Restor-*

*ing Full Employment* also lamented that the inflexibility and complexity of labour market program delivery inhibited local innovation; and noted that 'ultimately the success of the CES in placing people in jobs will depend on whether labour market programs and services are relevant to local needs' (Australia 1993a: 155). The positive implication of this study is that flexible, cooperative and responsive Vocational Education and Training structures not only improve outcomes in terms of program take-up, but also reach the targeted groups better. It shows that even within the context of a national program there is the capacity for considerable local flexibility. Logically these observations apply not just to the LAP, but to all labour market programs. However, the data presented here also suggest that the national CES delivered program is perhaps not the most equitable method of delivering services to retrenched workers. The considerable location based variability in the characteristics of the retrenched workers, in their work histories and group allegiances, suggest a model that provides services for the retrenched workers from a particular closure *as a group*, rather than to individuals as CES clients.

## Notes

- 1 This paper is developed from the TCF Labour Adjustment study conducted by the authors for the Department of Employment Education and Training's Office of Labour Market Adjustment (Webber et al. 1995). The support of OLMA is gratefully acknowledged. The OLMA is not responsible for the views expressed here, which are the authors' alone.
- 2 The combined effect of the industry plan, the economic recession, and productivity improvements (stemming from both restructuring in existing firms and the elimination of less efficient firms), in the context of a demand deficient environment, resulted in the loss of some 25,000 full and part-time jobs between 1988 and 1992 (Webber et al. 1995). The majority of job losers were women, many of them from non-English speaking backgrounds, reflecting the composition of the industry's workforce.
- 3 Theoretically all the people included in this study should have known about their TCF LAP program entitlement, since records were drawn from the CES database of eligible retrenchees. To inform workers about the adjustment program, DEET and the TCF Union-based program workers provided pre- and post-retrenchment information sessions and sent information to workers through bulk mail-outs. CES counter staff told eligible workers about the program when they came to register as looking for work. A continuing concern for this analysis is non-registration. In some urban areas the number of workers retrenched is not accurately known, so the proportion that used the CES is also not known.
- 4 Privacy Act requirements were observed during the data access and analysis.

- 5 Perhaps the strongest indicator of the value of language classes is that survey interviewers were frequently shown Language Proficiency Certificates, which are kept with other important papers such as Australian Citizenship documents.
- 6 This data relates to 1993, before the introduction in Australia of the 'Jobs Compact' that guarantees a job or retraining placement to people who are unemployed for more than 18 months.
- 7 An extensive interview program focused on program delivery and formed the basis of local area case studies. These are summarised in Appendix 4.
- 8 See Appendix 1 for a brief explanation of multivariate logistic regression analysis.
- 9 This 'interaction' model is not shown, but interested readers may obtain full details from the authors.
- 10 Each 'location' is in fact a loosely bounded geographical area defined by proximity to particular offices of the Commonwealth Employment Services. Thus the area is within a local labour market as defined by DEET (1993). The limitations of definitions of local labour markets are recognised.
- 11 From figures published by DEET (1993).
- 12 No measure of vacancy rates by location was available to the study, nor did the analysis look at the overall labour force participation rate, as proposed by Bagguley et al. (1990).
- 13 The analysis also confirms the earlier findings relating to participation and personal characteristics and it shows the effect for date of CES registration is not significant, consistent with our view that this is effectively a measure of program delivery.

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## Appendix 1

### Multivariate Logistic Regression

Multivariate logistic regression models generate parameters that can be interpreted in a manner similar to multiple regression. Conventionally, if the regression parameter (B) has a probability (P) of occurring by chance of less than 0.05, then the associated variable is said to be a statistically significant predictor of the rate of take-up of assistance. The value of B (or more precisely  $\exp(B)$ ) provides a measure of the magnitude of the effect of that variable on the probability of accessing assistance. To interpret the model, the probability of an individual taking up DEET assistance can be calculated as:

$$\text{Prob (DEET assistance)} = 1/(1 + e^{-z}), \quad \text{where } z = B_0 + B_1X_1 + B_2X_2 + B_3X_3 \dots$$

#### Model Parameters – Simple ‘Location’ Model Logistic Regression Output

Variable	B	SE	Wald	df	p	R	Exp(B)
<b>GENDER X B'GROUND</b>			<b>7.7750</b>	<b>3</b>	<b>0.0509</b>	<b>0.0310</b>	
NESB Women	0.3243	0.1207	7.2132	1	0.0072	0.0531	1.3830
NESB Men	-0.1444	0.1444	0.9994	1	0.3174	0.0000	0.8655
ESB Women	-0.0749	0.1204	0.3870	1	0.5339	0.0000	0.9278
ESB Men	-0.1050	0.1420	0.5468	1	0.4596	0.0000	0.9004
<b>AGE</b>			<b>12.976</b>	<b>4</b>	<b>0.0114</b>	<b>0.0519</b>	
under 25 years	-0.0419	0.1642	0.0650	1	0.7987	0.0000	0.9590
25-34 years	-0.0230	0.1134	0.0411	1	0.8394	0.0000	0.9773
35-44 years	0.2554	0.1138	5.0414	1	0.0247	0.0405	1.2910
45-54 years	0.2228	0.1157	3.7094	1	0.0541	0.0304	1.2496
more than 55 years	-0.4134	0.1478	7.8217	1	0.0052	-0.0561	0.6614
<b>OCCUPATION</b>			<b>12.324</b>	<b>6</b>	<b>0.0551</b>	<b>0.0132</b>	
Managers and Prof's	-0.2578	0.3233	0.6357	1	0.4253	0.0000	0.7728
Office and Clerical	0.8155	0.4870	2.8038	1	0.0940	0.0208	2.2604
TCF Trades	-0.6065	0.2228	7.4074	1	0.0065	-0.0541	0.5453
Machinists	-0.1016	0.1654	0.3770	1	0.5392	0.0000	0.9034
Machine Operators	-0.0476	0.2169	0.0482	1	0.8262	0.0000	0.9535
Pressers etc	0.1001	0.4608	0.0471	1	0.8281	0.0000	1.1052
Non -TCF Occupations	0.0979	0.1495	0.4286	1	0.5127	0.0000	1.1028
<b>SAMPLE AREA</b>			<b>62.971</b>	<b>10</b>	<b>0.0000</b>	<b>0.1524</b>	
Adelaide	-0.7732	0.1788	18.692	1	0.0000	-0.0950	0.4615
Bankstown	-0.4242	0.1934	4.8117	1	0.0283	-0.0390	0.6543
CVIC -Colac	0.6097	0.4434	1.8909	1	0.1691	0.0000	1.8399
CVIC -Bendigo	-0.8476	0.2517	11.342	1	0.0008	-0.0711	0.4285
Geelong	0.2602	0.1873	1.9299	1	0.1648	0.0000	1.2972
Hunter	0.9403	0.2169	18.801	1	0.0000	0.0953	2.5608
Mount Gambier	-0.2707	0.2498	1.1744	1	0.2785	0.0000	0.7628
Newcastle	0.8347	0.2961	7.9485	1	0.0048	0.0567	2.3041
Petersham	0.0401	0.2017	0.0396	1	0.8423	0.0000	1.0409
Preston	-0.1870	0.1632	1.3128	1	0.2519	0.0000	0.8295
Springvale	-0.1824	0.1934	0.8899	1	0.3455	0.0000	0.8332
Registered pre 1 July '91	-0.1706	0.0705	5.8507	1	0.0156	-0.0456	0.8432
Constant	0.9915	0.1414	49.157	1	0.0000		

Note: With the classification rule set at an optimal .65, the model accurately predicted the outcome in 75% of cases. (-2 log likelihood = 1719.51, with a model Chi-square of 130.30, df = 24, p 0.0001).

This model provides a more than adequate fit to the data. The strength of this simple multivariate model is that the magnitude of the effects remain relatively stable in a range of slightly altered specifications, increasing the confidence that can be placed in its results.

## Appendix 2

### Participation in Deet Programs Summary Sub-Sample Analyses

Subgroup	Significant Effects in Multivariate Model
NESB Women	Lower for those registered before 1 July 1991
NESB Men	None
ESB Women	Higher for 35-44 and 45-54 age groups, lower for 55+ ages Higher in the Hunter, lower in Adelaide, Bankstown, Bendigo
ESB Men	None
Under 25 years old	Higher in the Hunter
25-34 years old	Lower for ESB women. Higher in the Hunter, lower in Bendigo, Geelong
35-44 years old	Lower for NESB men. Lower for Springvale
45-54 years old	Lower for people registered before 1 July 1991
Over 55 years old	Higher for NESB women
Reg before 1 July 1991	Lower for Bankstown and Bendigo
Reg after 1 July 1991	Higher for NESB Women. Higher for 35-44 and 45-54 age groups Higher in Geelong and Newcastle, lower in Adelaide
Adelaide	None
Bankstown	Lower for those registered before 1 July 1991
Colac	None
Bendigo	Higher for those less than 24 years old
Geelong	Higher for 35-44 age group
Hunter	Higher for those less than 24 years old
Mount Gambier	None
Newcastle	None
Petersham	None
Preston	Higher for NESB women. Higher for 35-44 age group
Springvale	None



### Appendix 3

#### Participation in Deet Programs Program Implementation Model

**The Access Variable:**

The access score tests the hypothesis that program delivery is a major determinant of program utilisation. It was generated from case study data by scoring 1 for the presence and 0 for the absence of aspects of delivery thought to result in higher utilisation of the program. It is expressed as a percentage of the possible score in each location to adjust for the absence of NESB retrenched workers in rural locations. Hunter & Newcastle and Bankstown & Petersham areas are each within a single DEET administrative region and are grouped in together in this analysis.

The items used to generate the access score are:

Course Take-up: vocational counselling; long or short term view of occupational prospects; broad or narrow view of vocational options; encouragement for remedial or pre-vocational courses; general encouragement for retraining; focus on optimal utilisation of LAP entitlements.

Course Provision: range of options for ESB's, NESB's, language courses; mixed language and vocational streams; special courses for TCF clients unable to access TAFE training.

Access to Mainstream Courses: local TAFE providers; range of TAFE options; range of other Labour Market Programs; commitment of local TAFEs to retraining programs; whether TAFE provided counselling and pastoral care.

Program Administration: retraining options provided at retrenchment; sensitivity to retrenchment experiences; effort to eliminate gaps in training; strategies to reintroduce workers to formal education; sensitivity to women's travel/work patterns; liberal definition of 'work readiness'.

Liaison: active, frequent liaison between DEET and training providers; focus on program improvement; personal interactions with TCF workers in retraining.

Eligibility and Allowances: 'Client centred' interpretation of LAP guidelines; use of local discretionary power; encourage uptake of TCF Special Allowance.

(See Webber, Weller and O'Neill (1996) for more detailed discussion of program delivery differences.)

Access scores are:

Location	Access Score	TCF Workers Registered with CES (size)
Hunter	94.4	212
Newcastle	94.4	106
Preston	88.5	281
Geelong	72.9	193
Springvale	72.9	199
Mount Gambier	39.7	74
Bankstown	26.6	167
Petersham	26.6	167
Adelaide	18.9	144
Camperdown	17.2	30
Castlemaine	16.1	74

**Program Implementation Model  
Logistic Regression Output**

Variable	B	SE	Wald	df	p	R	Exp(B)
<b>GENDER x B'GROUND</b>			9.7726	3	0.0206	0.0452	
NESB Women	0.3352	0.1104	9.2153	1	0.0024	0.0625	1.3982
NESB Men	-0.1489	0.1355	1.2084	1	0.2716	0.0000	0.8616
ESB Women	0.0202	0.1068	0.0359	1	0.8498	0.0000	1.0204
ESB Men	-0.2065	0.1283	2.5924	1	0.1074	-0.0179	0.8134
<b>AGE</b>			12.4886	4	0.0141	0.0493	
under 25 years	-0.0354	0.1601	0.0488	1	0.8251	0.0000	0.9653
25-34 years	-0.0757	0.1109	0.4662	1	0.4947	0.0000	0.9271
35-44 years	0.2759	0.1114	6.1354	1	0.0132	0.0473	1.3177
45-54 years	0.1944	0.1140	2.9097	1	0.0880	0.0222	1.2146
more than 55 years	-0.3592	0.1445	6.1838	1	0.0129	-0.0476	0.6982
<b>OCCUPATION</b>			13.1411	6	0.0408	0.0248	
Managers and Profs	-0.3165	0.3150	1.0098	1	0.3150	0.0000	0.7287
Office and Clerical	0.8713	0.4786	3.3135	1	0.0687	0.0266	2.3899
TCF Trades	-0.6223	0.2195	8.0369	1	0.0046	-0.0571	0.5367
Machinists	0.0188	0.1610	0.0137	1	0.9070	0.0000	1.0190
Machine Operators	-0.1200	0.2119	0.3209	1	0.5711	0.0000	0.8869
Pressers etc	0.0822	0.4552	0.0326	1	0.8567	0.0000	1.0857
Non -TCF Occupations	0.0865	0.1465	0.3490	1	0.5547	0.0000	1.0904
Registered pre 1 July '91	-0.1181	0.0649	3.3117	1	0.0688	-0.0266	0.8886
Size	-0.0038	0.0015	6.5931	1	0.0102	-0.0498	0.9962
Access	0.0161	0.0028	32.2241	1	0.0000	0.1278	1.0162
Constant	0.6675	0.2326	8.4836	1	0.0036		

Note 1: With the classification rule set to 5, this model accurately predicts the outcome in 74.3% of cases. (-2 log likelihood = 1749.82; Model Chi-square of 100.032, df = 16, p 0.0001).

## Appendix 4

### Summary of Location Case Studies Provincial Cities

Newcastle: The rate of take-up in the Newcastle area approaches 90% of all retrenched TCF workers in the area who registered with the CES. The local DEET administration here had experience of large scale retrenchments, having dealt with steel industry retrenchments in Newcastle in the 1980s. DEET ran comprehensive information sessions for retrenched workers both before and after retrenchment. Retrenchments from the large National Textiles Mill flowed in three waves to ease the shock to the labour market, and to enable the orderly delivery of assistance. DEET strongly encouraged all retrenched TCF workers in the region to enrol in an introductory 'Options' course immediately after being retrenched, ensuring that they could make the initial post-retrenchment adjustments in a supportive environment. The Options course helped with job search

skills and set aside time for actual job search, so that by the end of the eight-week course each retrenched worker had a realistic view of job prospects. Further education options were also explored in the options course. DEET, working with local retraining providers, generated a rotating 'calendar' of pre-vocational and vocational retraining courses so that retrenched workers could plan a personalised program over a one or two year period. The strong personal networks between retrenched workers were also a factor that promoted retraining participation, and former union shop stewards adopted an advocacy role to promote access to the package. In Newcastle there appears to be a tradition of community support that is unique to the locations involved in this study. DEET and the local multi-campus TAFE provider, the Hunter Institute of Technology, developed a partnership involving regular liaison and consultation to effectively manage the LAP and to maximise the options available to retrenched workers. Newcastle is the only area in this study where DEET and TAFE created opportunities for retrenched workers to plan toward career objectives. A considerable number of retrenchees in the Hunter region eventually went on to tertiary level studies as a result of their TCF LAP experiences.

Geelong: The rate of take-up in Geelong had been poor up until late 1991. This situation was reversed with the establishment by DEET of a special LAP Unit, which was situated in an accessible shopfront rather than the overcrowded CES Office. Its first task was to inform TCF retrenchees in the area about their LAP entitlements. Many retrenchees had already been unemployed for a considerable time so the Unit conducted retrospective information sessions, provided whenever possible to groups of retrenchees who had previously been co-workers. Some attempt was made to use the worker's personal networks to promote take-up and the DEET staff worked with local community based workers to identify and recruit eligible former TCF workers. Information sessions included a walking tour of the local TAFE College where former TCF workers in retraining would talk about the benefits of LAP. These efforts were specifically designed to break down any apprehensions the retrenched workers may have had about returning to formal education. The TAFE College provided a 20-week introductory 'Options' course that included job search skills, literacy and numeracy assessments and exploration of career and further retraining options. However, few retrenched TCF workers in Geelong possessed the educational prerequisites needed to access mainstream accredited TAFE courses in an area where there is a strong demand for TAFE course places. The LAP unit therefore used extensive tendering to generate a range of retraining options similar to those provided in the Hunter Region. The apparent absence of articulation to higher levels of study in the Geelong area though resulted in some individuals participating in a series of retraining courses that repeated at similar skill level.

### *Metropolitan Locations*

Petersham: In the inner Sydney suburb of Petersham there was not as extensive a promotion of the LAP as in the provincial cities. In fact, there has never been an extensive promotion of the TCF LAP package by DEET in the South West Sydney region. One large closure in the area resulted in a long legal battle by the retrenched workers in support of their redundancy claims, and their preoccupation with this issue worked against participation in retraining. The relatively high rate of take-up in Petersham is contrary to case study evidence and could be attributed to the local policy of calling in all TCF retrenchees for a formal language proficiency assessment (which counts as a DEET placement in this analysis); to the commitment of individual workers at the local CES; or to the direct intervention of the Union liaison worker who was based nearby.

Springvale: Springvale is an outer Melbourne suburb. Staff at the CES are experienced with labour adjustment assistance because they manage a similar assistance package designed for retrenched automotive assembly workers. As there are many small closures in the Springvale area that are not notified to the union or the CES, retrenchees are often informed about the TCF LAP by the vigilance of CES counter staff. But the direct service

staff at Springvale not only know about the package: staff there are also bilingual and can communicate the benefits of the package to the predominantly migrant clientele. In addition, the local Springvale Community Aid and Advice Bureau, which employs many bilingual workers from different ethnic backgrounds, employed a full-time worker to recruit TCF LAP eligible retrenched workers through contact with ethnic community groups. There was also a state funded Skill-link worker supporting retrenched workers in the locality. In contrast to other locations, NESB men have higher than expected take-up rates in Springvale. This might be explained by the proximity of the male-dominated automotive LAP, which in effect generated additional retraining options for men from the TCF industries. It is also possible that the predominantly SE Asian retrenched population in the Springvale area has different attitudes to retraining, and therefore different rates of take-up compared to other NESB groups. Language study at the local language centre is an attractive option for TCF retrenched workers with English language literacy difficulties. To access vocational courses though, the retrenched workers have to travel to a TAFE college in a neighbouring suburb, where, as in Geelong, access is competitive and many TCF retrenched workers cannot compete.

**Preston:** The Preston area was the centre of clothing and footwear production in Melbourne. Here there were many small size clothing firms and widespread closures due to the severity of the recession in Victoria. The retrenched clothing workers were mostly women from non-English speaking backgrounds. During 1993 the CES worked with local community agencies, especially ethnic community agencies, to increase awareness of LAP entitlements. The local TAFE college and a local private retraining provider competed to recruit retrenched TCF workers from the community, take them to the CES to register, and enrol them in language classes. This resulted in more TCF LAP registrants at the CES and generated retraining activity, explaining the higher than average participation by NESB women. Preston therefore has a large number of TCF LAP clients registered with the CES, mostly older women from NESB backgrounds who have worked as machinists for many years. The overall take-up rate in Preston is reduced by the comparatively low take-up by ESB retrenched workers. There are no special classes for ESB retrenched workers in the Preston area, due to their relatively small numbers, so they either pursued a personalised program or relied on generally available labour market programs.

**Bankstown:** As with Petersham, the take-up rate in Bankstown may be inflated by the practice of calling in all TCF retrenched workers for a language assessment, or by the frequent invention of the union-based TCF contact officer. There was little promotion of the program to retrenched workers and from survey data we know that there was a low rate of CES registration (a precondition for assistance). The high participation rate needs then to be understood in the context of a low recognition of eligibility. Despite the high proportion of SE Asian retrenched workers in Bankstown, the study did not find any evidence of community based information dissemination strategies of the type promoted in the Victorian urban areas. The retrenched TCF workers in the Bankstown area often had to wait long periods for access to retraining courses because here DEET did not use tendering to generate additional retraining places for TCF LAP clients. Long waiting times cause insecurity for former TCF workers who do not know when a course place might become available to them. This clearly worked against retraining participation.

**Adelaide:** With few people retrenched from the TCF industries compared to the total number of people unemployed in Adelaide, DEET in South Australia opted for a centralised LAP administration, with a LAP Contact Officer in central Adelaide who provided information and advice to all TCF retrenched workers. Information sessions were provided at the time of retrenchment as they are in other areas, and these were followed up by written communications. Options courses were provided when a sufficient number of names appeared on a central waiting list. There are no contact officers at local CES Offices, so retrenched TCF workers had to negotiate assistance with CES counter staff who were generally unfamiliar with LAP provisions. Apart from Options courses, the onus

remained on retrenched workers to demonstrate a commitment to retraining by organising their own courses. The structure requires that retrenched workers possess English language literacy and a high level of negotiation skills. As would be expected, the overall rate of take-up is low and native English speakers have a higher take up rate than NESB retrenchees.

### *Rural Areas*

**Lower Hunter Valley:** The lower Hunter Valley is part of the Hunter Region of DEET and enjoyed the same enthusiastic program implementation strategies as the Newcastle area. Take up approached 90% of retrenched workers as it did in Newcastle. Hunter also had strong community networks, but here former supervisors and leading hands continued to look after 'their girls' – advocating on their behalf at CES and generally encouraging LAP participation. While a rotating sequence of retraining courses was provided in a similar fashion to the Newcastle area, only one course was available in any of the lower Hunter towns at any one time. The retrenchees were disinclined to commute between towns, and many had domestic responsibilities that made commuting impossible. Thus many Hunter workers participated in the retraining course closest to home, regardless of its content.

**Camperdown:** The take-up rate in the country Victorian town of Camperdown was high due to the activities of a community based support worker funded by the state Skill-link program who created a support network amongst the retrenched clothing workers, and advocated on their behalf at CES. She strove to empower the group to make choices about their future. The support worker held the group together by organising weekly get-togethers at which she developed the group's motivation to lobby for a retraining course in Camperdown. After approaching DEET in the nearest large town, an Options course was eventually provided – four months after retrenchment. In the small town of Camperdown there were only barely sufficient retrenchees to warrant providing a special retraining course, so there was considerable social pressure for all to participate. If too many people had decided not to retrain, the numbers would not have been sufficient for DEET to agree to provide a course at all.

**Mount Gambier:** The Mount Gambier retrenchees had all worked at the local mill, and most had expected life-long employment there. When the mill closed (unexpectedly for most workers, despite persistent rumours), DEET provided comprehensive information sessions, and the local networks ensured that all knew about their retraining entitlements. But the initial information was not followed by provision of retraining courses. The DEET sponsored 'Options' course did not begin until four months after the closure, and by that time people had either found work, organised their own retraining through TAFE, or drifted out of the labour force. While the CES provided a service, it was not pro-active in the way of some other locations, despite the large number of retrenchments in a fairly small labour market. There is a different philosophy here – one retraining program coordinator said that one reason for the low participation rate was that 'no-one is forced to retrain in South Australia'. The lower participation in retraining might also reflect the availability of unskilled jobs. The local timber industry has low skill jobs and a high employee turnover, so there was a steady stream of vacancies the TCF retrenchees could potentially access. The overall take-up figures for Mount Gambier conceal wide gender-based differences in the type of assistance used – many men used relocation assistance or wage subsidised job placements, while women usually took up retraining.

**Castlemaine:** The relatively low rate of take up of the TCF LAP by workers from the Castlemaine Woollen Mill has multiple causes. It was partly due to the worker's erroneous belief that they would be re-employed when the Mill reopened. Another issue was group differences that existed amongst the retrenched workers: differences that could be traced back to long-standing rivalries in the Mill, and that effectively split the workers into two

opposing camps. Any retraining would have had to accommodate these differences. Options courses were offered by the local Skillshare, but were not well attended. A Skill-link worker from nearby Bendigo could not negotiate a supporting role for himself with the Castlemaine workers in the way the Camperdown worker had done. There is no CES Office in Castlemaine, but the adjoining centre of Bendigo services the area. Castlemaine residents tend not to access services in Bendigo, and one observer noted that few former Mill workers owned a car reliable enough to allow them to commute to Bendigo anyway. Some retrenched workers enrolled in part-time courses at the local Continuing Education Centre, suggesting that take-up would have been greater if the package was offered locally through the accepted local community networks.