**AGE, GENDER AND UNEMPLOYMENT IN AUSTRALIA: A LABOR QUEUE ANALYSIS**

Timothy O. Bisping, University of Central Arkansas  
Hilde Patron, University of West Georgia

**ABSTRACT**

Employers may have preferences among workers according to their demographic characteristics, the nature of which yields a labor queue ordering. While methods exist for determining the queue order, they have yet to be applied to Australian data. We employ these established techniques to determine the labor queue ordering in Australia. Our results suggest that Australian employers generally prefer middle-aged workers, although among females, older workers are clearly preferred. Additional analysis suggests that males possess a relatively favorable queue position. Our results reveal that both age and gender play a role in forming the Australian labor queue. **JEL Classifications: J1, J7**

**INTRODUCTION**

Low fertility rates and an increase in life expectancy have led to an aging Australian population. From 1989 to 2009 the median age increased by more than five years from 31.8 years of age to 36.9.\(^1\) Barring a significant change in government policy, it is paramount for their wellbeing that older Australians remain active in the labor market for longer than the historical norm. However, employers may or may not be willing to keep them employed as long as needed. On one hand, older workers are perceived to have more experience and knowledge than their younger counterparts; on the other hand, they are often labeled as inflexible. There are in fact reasons to suspect that employers discriminate against older workers.\(^2\) If the benefits from the human capital accumulated with age outweigh the perceived costs associated with older workers then it is reasonable to expect them to remain active in employment until an older age. If the benefits are lower than the costs however, the issue of age and employment opportunities needs to be looked at more closely.

In this paper we contribute to this debate by looking at the Australian labor market with the objective to determine whether there is a labor queue ordered by demographic group. More specifically, we model employers’ preferences for workers according to their age and gender. While there are various reasons why employers might prefer certain groups of workers over others, including productivity and discriminatory considerations, in this paper we do not explore the reasons behind employers’ preferences, or whether their choices are reasonable or legitimate. Instead, we focus on whether or not a preference ordering exists, and if so, on what it looks like.

If a labor queue exists those workers at the top of the queue will be given priority when hiring, retention, and promotion decisions are made. Workers at the
bottom of the queue, the least preferred workers, will be first to be let-go and last to be hired or promoted. As a result, those workers at the top of the queue will experience lower unemployment rates and shorter spells of unemployment than those lower in the queue.

The technique we use to estimate labor queues was developed by Bisping and Fain (2000 and 2004). Their method is based on vector autoregressive estimations, impulse response analysis, and the premise that if a labor queue exists, those individuals lower in the queue will experience larger increases in the duration of unemployment as new workers become unemployed. A system of equations is first estimated. In the system the unemployment rate of each group is estimated as a function of its own past values, past values of the unemployment rates of the other groups, and various control variables. The system is then shocked and the resulting impulse response functions are used to determine the responsiveness of the various unemployment rates. The groups that, on average, experience the smallest adverse responses are placed at the top of the queue.

Even though the analysis of labor queues is not entirely new (see e.g., Reskin 1990), to our knowledge it has been mostly limited to the US labor market. Bisping and Fain (2000 and 2004) for example find that US employers prefer women to men, and white individuals to black individuals, while Bisping and Patron (2009) find that they also prefer older individuals over younger ones. We are not aware of an analysis of employer rankings in the Australian economy. Given the prominence that gender and especially age receive in labor market oriented policy discussions it seems only natural to extend the analysis of labor queues to the Australian labor market.

The rest of the paper is organized as follows. In the next section we review the evolution of unemployment in Australia and the relative position of various demographic groups in the labor market. We then explain our method and data, followed by our estimations and results. At last we conclude.

A REVIEW OF THE UNEMPLOYMENT SITUATION IN AUSTRALIA

In Australia, as in many other countries, men and women have a different experience when it comes to participating in the labor market. So do individuals in different age groups. Moreover, these experiences are not stagnant but instead exhibit significant changes over the years. For example, as shown in Figures 1 through 3, the unemployment rates of both males and females of all age groups (with the exception of females ages 60 to 64) have been declining in the last few years. From the mid 1970s through roughly the mid 1990s, however, unemployment showed an increasing trend. This has led to a revision of what is believed to be the level of unemployment normally experienced by the Australian economy, or its natural rate. According to most estimates the natural rate has gone from roughly 2% in the 1970s to about 6.5 to 7.5% in the 1990s (see Loundes 1997 and Borland and Kennedy 1998 and the literature cited therein).

Another way of looking at the evolution of unemployment over time is to look at changes in the probability of being unemployed. Borland and Kennedy (1998) estimate that in 1982, for example, males (females) 35 to 44 years old had a 0.055 (0.061) probability of being unemployed. Twelve years later (in 1994-95), they had a 0.085 (0.074) probability of being unemployed. Similar increases were found for both males and females in all age groups.
Unemployment has also shown a tight link to economic activity. As expected, unemployment has been seen to rise during economic recessions and to decline during booms. The rise during recessions has been sharp while the decline during times of economic recovery has been slow, a phenomenon known as hysteresis (Borland and Kennedy 1998, Chapman and Kapuscinski 2000, Dixon and Shepherd 2001, Richardson 2006). Furthermore, unemployment has reacted significantly to aggregate demand components and more particularly to monetary and fiscal policies, investment, taxes and unemployment benefits (Trivedi and Hui 1988 and Pissarides 1991).

The unemployment rates of males and females have been relatively similar over time (see e.g., Figures 1 and 2 and the analysis in Richardson 2006). Nonetheless, male unemployment appears to have been more sensitive to economic downturns, perhaps in part due to the concentration of men in manufacturing, construction, and agricultural jobs (Loundes 1997 and Borland and Kennedy 1998). Additionally, not only has male unemployment been more sensitive to the business cycle, it has also appeared more persistent. That is, men have suffered from longer spells of unemployment.

In general, and similar to the experience in other countries, the “very young” and the “very old” appear to have been at a disadvantage in the labor market relative to “middle” age individuals. Their unemployment rates have been typically higher; especially for younger individuals (see Figures 2 and 3, and the work of Trivedi and Hui 1988, Borland and Kennedy 1998 and Richardson 2006). Furthermore, “older” workers have tended to remain in unemployment longer, have had a worse chance of regaining employment once unemployed, and a higher chance to land part-time work (Trivedi and Hui 1988, Bennington 2001, Richardson 2006).
The relative position of “older” and “very young” workers and the various gender related factors that have characterized the labor market have been officially addressed by the Australian government in various ways. Most recently, the aging of Australia’s population and the strain this can inflict on government spending led to the passing of the Age Discrimination Act of 2004 (Bennington 2001, Smith 2008, Hemingway). Prior to 2004 age discrimination was already discouraged at the state and territory level, and to a limited extent at the federal level through the Human Rights and Equal Opportunity Act of 1986, the Workplace Relations Act of 1996, and

**FIGURE 2**
**Unemployment Rates by Age and Gender**
(full lines are male rates and dashed lines are female rates)
Rates shown are 12 month averages; source: Australia Bureau of Statistics

FIGURE 3
Unemployment Rates by Age Groups
Rates shown are 12 month averages

Even though the various legal mechanisms prohibit discrimination in employment (and in other areas) regulation has not been entirely successful and discrimination still exists (Smith 2008). Encel (1999) for example, using data from New South Wales finds that there were over 400 complaints logged on the grounds of gender discrimination in employment and over 70 complaints based on age discrimination in 1995-96. In 1996-97, there were over 200 gender-discrimination and over 40 age-discrimination complaints in 1996-97. For more evidence, see Bennington (2001) and the literature cited therein.

The existence of age and gender discrimination will likely, by itself, yield a preference ordering by employers or a labor queue. The relative position of different groups in the queue however will also be determined by human capital considerations. In the next section we describe the methodology we follow to determine the ordering of the labor queue followed by the actual estimations.

METHOD AND DATA
In order to determine the labor queue ordering by age and gender in Australia, we employ the method of Bisping and Fain (2000, 2004). This method involves estimating a vector-autoregressive model containing the unemployment rates of each demographic group, as well as some macroeconomic controls. From these
estimates, impulse response functions are generated to simulate the response of each group’s unemployment rate to an adverse shock in the unemployment rate of the others. By then observing which group, on average, experiences the largest adverse impact to these unemployment rate shocks, one can determine which group is at the bottom of the queue. This revelation of the queue order stems from the notion that a adverse shock in the unemployment rate of a particular group results in a larger pool of unemployed workers and a longer duration of unemployment for those further down the queue. Essentially, it simply takes more time for groups further down the queue to find employment as they wait for the newly unemployed and more preferred groups to clear out from the pool of unemployed. In turn, those who are the least preferred by employers will experience the largest adverse impact when the pool of unemployed workers expands, due to a longer duration of unemployment. When impulse response functions are generated to simulate the response of each group’s unemployment rate to an adverse shock in the unemployment rate of the other groups, the group that, on average, experiences the largest increase in unemployment is considered to be at the bottom of the queue. Similarly, the group that experiences the smallest impact is at the top of the queue.

We estimate four vector autoregressive models concerning the labor queue ordering in Australia. Each model contains the unemployment rates of the relevant groups, the growth rate of GDP, and the growth rate of the money supply. The first model involves the unemployment rates of certain age groups in the Australian economy, without concern for gender. As is the case in each model, we follow the common practice of considering only workers who are at least 25 years of age, and only those who are aged 64 and under. Our second and third models look at this queue ordering by age for men and women separately. Finally, our last model incorporates all age groups for both genders, thus providing the means to consider the overall queue ordering by age and gender in Australia. Each model has a lag length of 3 months as is determined by the Schwartz Information Criteria. We use generalized impulses in generating our impulse response functions in order to mitigate the impact of variable ordering.

We obtain the GDP and money supply variables at the SourceOECD website, and we obtain the unemployment data at the Australian Bureau of Statistics website. All data series used in our estimation are monthly and cover the years between 1978 and 2006. The data series for the growth rates of GDP and the money supply were found to be stationary, but we estimate the model in first differences for the unemployment rates.

RESULTS

The impulse response functions resulting from our first model are presented in Figures 4-8. In this model we consider the unemployment rates of five distinct age groups, without concern for gender. Each figure presents the response of four age groups to an adverse shock in the fifth. As stated previously, those furthest down the queue will experience the largest increase in their unemployment rate due to this shock. Interpretation of these figures can admittedly be subjective when viewed separately. To minimize the impact of such subjectivity we follow the method of Bisping and Fain (2004), aggregating the results of these figures by ultimately reporting the queue ordering according each group’s average rank.
Figure 4 presents the response of each group to an adverse shock in the unemployment rate of the 25-34 age group. Here it is clear that the 35-44 age experiences the largest response to an adverse shock in the 25-34 rate. Other groups experience responses that are similar in magnitude to each other. It seems the shock
in the 25-34 age group’s unemployment rate provides only limited information concerning the queue ordering. As later results will reveal, this is not surprising given this group’s place in the queue, and the uncertainty concerning the impact of the shock in the unemployment rate of the group at the bottom of the queue. Figure 5 presents the IRFs for an adverse shock in the rate of the 35-44 age group. Here it is clear that 60-64 group experiences the smallest impact, and the 25-34 group the largest. The IRFs for an adverse shock in the unemployment rate of the 45-54 group is presented in Figure 6. Here, the 60-64 group experiences the largest adverse impact, followed by the 35-44, 25-34, 55-59 groups, respectively. The 60-64 age group once again experiences the largest impact in Figure 7, which relates the response of each group to an adverse shock in the 55-59 age group’s unemployment rate. Other groups experience nearly identical responses. Finally, Figure 8 presents the impact of an adverse shock in the unemployment rate of the 60-64 year age group. The results here suggest that the 25-24 and 55-59 age groups experience the largest adverse impact, followed by the 35-44 and 45-54 age groups.

At first glance, the conclusions from this first model are not obvious. This is due to the fact that there is no clear order favoring either the young or the old. Rather, middle-aged workers are preferred. Note that in all but one case either the 25-34 or 60-64 age groups experience the largest adverse impact, and in all but one case the 45-54 group experiences the smallest effect. The actual preference ordering is most easily demonstrated by considering the average ranks of these groups which are as follows: 25-34 age group = 2.875, 35-44 age group = 2.75, 45-54 age group = 1.625, 55-59 age group = 2.5, 60-64 age group = 2.75. These average responses imply the following queue ordering: 1) 45-54 group, 2) 55-59 group, 3 & 4) 35-44 group and 60-64 group, 5) 25-34 group. Middle-aged workers have an advantage, with the 45-54 group occupying the top spots in the queue, and the 25-34 group occupying the
bottom spot. Yet, the degree of variability in the response ordering as presented in Figures 5-8 is interesting, as is the fact that the 60-64 and 35-44 groups occupy the same spot. It would seem that the queue is less than perfectly defined by age. As will be seen in the remaining results, this is due in part to the fact that age preferences vary considerably by gender.

FIGURE 7
Response of Each Group’s Unemployment Rate to Shock in the 55-59 Age Group

FIGURE 8
Response of Each Group’s Unemployment Rate to Shock in the 60-64 Age Group
Table 1 presents summary results for our model which includes the age group unemployment rates for males only. For the sake of brevity, rather than include 5 figures to describe these results, we include one table which contains the response of each group, each group’s average rank, and the implied labor queue ordering. Here it is clear that middle-aged men are preferred to all other groups. The 45-54 age group occupies the top spot in the queue, and the 60-64 and 25-34 groups occupy the bottom two spots. This table demonstrates a clear preference by employers for middle-aged workers, even more so than the results presented in Figures 5-9.

**TABLE 1**

**24 MONTH RESPONSE - MALES**

<table>
<thead>
<tr>
<th></th>
<th>Shock in</th>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>25-34</td>
<td>35-44</td>
<td>45-54</td>
<td>55-59</td>
<td>60-64</td>
</tr>
<tr>
<td><strong>Response</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25-34</td>
<td>--</td>
<td>0.120687</td>
<td>0.075808</td>
<td>0.065035</td>
<td>0.090466</td>
</tr>
<tr>
<td>35-44</td>
<td>0.170707</td>
<td>--</td>
<td>0.072736</td>
<td>0.044186</td>
<td>0.074561</td>
</tr>
<tr>
<td>45-54</td>
<td>0.126560</td>
<td>0.094904</td>
<td>--</td>
<td>0.041260</td>
<td>0.055203</td>
</tr>
<tr>
<td>55-59</td>
<td>0.165048</td>
<td>0.128393</td>
<td>0.105222</td>
<td>--</td>
<td>0.042790</td>
</tr>
<tr>
<td>60-64</td>
<td>0.221169</td>
<td>0.109098</td>
<td>0.182570</td>
<td>0.137279</td>
<td>--</td>
</tr>
<tr>
<td><strong>Average Rank</strong></td>
<td>2.75</td>
<td>2.25</td>
<td>1.25</td>
<td>2.50</td>
<td>3.75</td>
</tr>
<tr>
<td><strong>Implied Ordering</strong></td>
<td>45-54, 35-44, 55-59, 25-34, 60-64</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TABLE 2**

**24 MONTH RESPONSE - FEMALES**

<table>
<thead>
<tr>
<th></th>
<th>Shock in</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>25-34</td>
<td>35-44</td>
<td>45-54</td>
<td>55-59</td>
<td>60-64</td>
</tr>
<tr>
<td><strong>Response</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25-34</td>
<td>--</td>
<td>0.196871</td>
<td>0.232318</td>
<td>0.070971</td>
<td>0.063666</td>
</tr>
<tr>
<td>35-44</td>
<td>0.285728</td>
<td>--</td>
<td>0.185146</td>
<td>0.083013</td>
<td>0.029518</td>
</tr>
<tr>
<td>45-54</td>
<td>0.192628</td>
<td>0.109468</td>
<td>--</td>
<td>0.026554</td>
<td>0.000726</td>
</tr>
<tr>
<td>55-59</td>
<td>0.139614</td>
<td>0.084561</td>
<td>0.036200</td>
<td>--</td>
<td>0.016151</td>
</tr>
<tr>
<td>60-64</td>
<td>0.066084</td>
<td>0.061444</td>
<td>-0.021690</td>
<td>-0.021350</td>
<td>--</td>
</tr>
<tr>
<td><strong>Average Rank</strong></td>
<td>3.75</td>
<td>3.50</td>
<td>2.25</td>
<td>2.00</td>
<td>1.00</td>
</tr>
<tr>
<td><strong>Implied Ordering</strong></td>
<td>60-64, 55-59, 45-54, 35-44, 25-34</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
We present our results for female age groups in Table 2. Here we find results that are strikingly different from those of previous models. In this case the labor queue is clearly ordered by age, with the oldest group being the most preferred, and the youngest group being the least preferred. This deviates substantially from the result for men, as well as the results from our first model. Interestingly, these results when considered together with the results for males, help explain the results presented in Figures 5-8. Recall that for men the middle-aged group is preferred, and that for women, the older age group is preferred. These two distinct orderings lead to distorted results when men and women are not separated, as was the case in the first model. For example, the preferred status of older women offsets the lower status of older men to make their overall position a tie for the third spot in the queue. Similarly, the preferred status of middle-aged men, combined with a third place position of middle-aged women, allows the middle-aged group to maintain the top position in the queue when the data is not disaggregated by gender. Similar scenarios could be presented for the other groups.

### TABLE 3

**24 MONTH RESPONSE - COMBINED**

<table>
<thead>
<tr>
<th>Shock in</th>
<th>F25-34</th>
<th>F35-44</th>
<th>F45-54</th>
<th>F55-59</th>
<th>F60-64</th>
<th>M25-34</th>
<th>M35-44</th>
<th>M45-54</th>
<th>M55-59</th>
<th>M60-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>Response</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F25-34</td>
<td>--</td>
<td>0.11696</td>
<td>0.15414</td>
<td>0.03910</td>
<td>0.02924</td>
<td>0.30093</td>
<td>0.15228</td>
<td>0.08424</td>
<td>0.13342</td>
<td>0.03700</td>
</tr>
<tr>
<td>F35-44</td>
<td>0.22383</td>
<td>--</td>
<td>0.10903</td>
<td>0.05511</td>
<td>0.00008</td>
<td>0.26984</td>
<td>0.16335</td>
<td>0.09079</td>
<td>0.08541</td>
<td>0.05270</td>
</tr>
<tr>
<td>F45-54</td>
<td>0.16978</td>
<td>0.07482</td>
<td>--</td>
<td>0.01540</td>
<td>0.01679</td>
<td>0.16262</td>
<td>0.11952</td>
<td>0.07930</td>
<td>0.08517</td>
<td>0.04000</td>
</tr>
<tr>
<td>F55-59</td>
<td>0.14688</td>
<td>0.07469</td>
<td>0.01513</td>
<td>--</td>
<td>0.00167</td>
<td>0.10404</td>
<td>0.05567</td>
<td>0.05092</td>
<td>0.05285</td>
<td>0.13466</td>
</tr>
<tr>
<td>F60-64</td>
<td>0.07992</td>
<td>0.07024</td>
<td>0.03568</td>
<td>0.02882</td>
<td>--</td>
<td>0.00707</td>
<td>0.02311</td>
<td>0.07979</td>
<td>0.03474</td>
<td>0.02263</td>
</tr>
<tr>
<td>M25-34</td>
<td>0.09662</td>
<td>0.00814</td>
<td>0.02546</td>
<td>0.00766</td>
<td>0.03482</td>
<td>--</td>
<td>0.12222</td>
<td>0.04336</td>
<td>0.06479</td>
<td>0.07234</td>
</tr>
<tr>
<td>M35-44</td>
<td>0.08350</td>
<td>0.00160</td>
<td>0.07406</td>
<td>0.01520</td>
<td>--</td>
<td>0.11815</td>
<td>0.09710</td>
<td>--</td>
<td>0.04088</td>
<td>0.04075</td>
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<tr>
<td>M45-54</td>
<td>0.04402</td>
<td>0.00373</td>
<td>0.03334</td>
<td>0.01322</td>
<td>0.02510</td>
<td>0.11815</td>
<td>0.09710</td>
<td>--</td>
<td>0.04088</td>
<td>0.04075</td>
</tr>
<tr>
<td>M55-59</td>
<td>0.08554</td>
<td>0.00844</td>
<td>0.10519</td>
<td>0.03165</td>
<td>0.00666</td>
<td>0.14758</td>
<td>0.12550</td>
<td>0.08011</td>
<td>--</td>
<td>0.01824</td>
</tr>
<tr>
<td>M60-64</td>
<td>0.11871</td>
<td>0.00771</td>
<td>0.10712</td>
<td>0.09503</td>
<td>0.01394</td>
<td>0.22986</td>
<td>0.12593</td>
<td>0.15104</td>
<td>0.13597</td>
<td>--</td>
</tr>
</tbody>
</table>

| Average Rank | 7.67 | 7.89000 | 5.39 | 4.67 | 2.33 | 4.17 | 4.06 | 2.77 | 4.50 | 6.56 |
| Implied Ordering | F60-64,M45-54, M35-44, M25-34, F55-59, F45-54, Mg0-64, F25-34, F35-44 |

Given that there are obvious gender differences in the Australian labor queue ordering, it is necessary to consider the overall ordering when all gender/age groups are included in the same model. These results are presented in Table 3. One caveat concerning the interpretation of this model is that some IRFs show a negative response, especially for the responses between genders. There are several possible
interpretations of this, such as the two groups may serve as substitutes. Even so, a
negative response should only be experienced by those groups at the top of the queue,
as experiencing a decrease in unemployment due to an increase in the rate another
group demonstrates a strong preference for the group experiencing the decrease.
However, given the difficulty in determining the relevance of “more negative”
responses in this context, we treat all groups with a negative response as sharing the
top spot in the queue for a particular shock. When this is done Table 3 yields clear
results that are quite consistent with the previous two models. We see that middle-
aged men are still the preferred group among men, and that older females are still the
preferred group among women. Other aspects of each gender’s ordering are
reasonably similar to the results of the first two models as well. However, some
interesting gender issues are revealed in these results. In general, it appears as though
males tend to occupy more of the favorable spots in the queue. The only exceptions
to this appears to be that employers’ strong preference for older females helps them
maintain the overall top spot in the queue, and employer’s unfavorable treatment of
older men causes them to fall below all but the two lowest ranked female age groups.
With the exception of these two extremes, employers prefer men to women in this
labor queue analysis.

CONCLUSION

An examination of Australian unemployment data suggests that disparities
may exist in the labor force experience of men relative to women, and in the
experience of older workers relative to younger cohorts. Differences in both the
magnitude of race/gender unemployment rates, and in the responsiveness to these
rates relative to macroeconomic fluctuations, suggest that employers may have
preferences among these groups when making employment decisions. These
employer preferences can give rise to a labor queue ordering.

While there are established methods for determining the ordering of a
national labor queue, we know of no study that examines this issue for Australia. In
this paper we employ the methods previously applied to data for the United States in
order to discern the labor queue ordering for Australia. We find that a queue by age
and gender does exist in Australia. Specifically, among men, middle-aged workers
are preferred to all other groups. Among women, however, employers have a clear
preference for older workers. In fact, the preferences are ordered strictly from oldest
to youngest. These results make it clear that a labor queue does exist by age for both
genders. In order to complete our analysis we examine preference ordering by gender
and age. When all age/gender categories are included in our model, we find that in
most cases men generally hold a more favorable position in the queue, with the
exception of the eldest group of females who maintain the top position in the queue,
and the eldest group of males who are ranked below some younger females.

The ordering of the labor queue found here is a result of employers’
preferences by age and gender. While our method does not reveal why employers
favor certain groups, several possible explanations exist. For example, it is possible
that employers prefer older to younger women because they have more experience
and are therefore more productive. It is also possible that employers prefer middle
aged men to other men because of their mix of experience, flexibility, and learning
capabilities that may make them more productive than older and younger men. Life
cycle aspects of labor force attachment may also play a role in forming employer
preferences for both men and women. However, in both cases, it is possible that subjective considerations such as age and gender discrimination play a role in employers’ preferences. However, more research is needed to uncover the reasoning behind the labor queue orderings found in this study.

Finally, although there are laws against discrimination in place, our research shows that employer’s preferences are not the same across different age and gender groups. The question remaining is whether these preferences are based on economic, or discriminatory factors. If in fact age or gender discrimination exists – and there is need for further research to determine if this is the case—public policy should concentrate on educating employers about the benefits of productivity over age and gender considerations, on educating workers of their rights, and on investigating and prosecuting violators of discrimination laws.

REFERENCES


ENDNOTES


2. Age discrimination is palpable in the discussions that led to the adoption of the Age Discrimination Act 2004, and the previously enacted anti-discrimination acts in the various states and territories. For a discussion of the evolution and passing of these acts, see Bennington (2001), Smith (2008), and Hemmingway.

3. Gender and age gaps in unemployment rates are not uncommon. See, for example, Azmat et al. (2004) for an analysis of age and gender gaps in unemployment rates in OECD countries.