

ATTACHMENT 9

‘A TRANSITION TO WORK’ A 5-STEP TRAINING PROGRAM FOR REMOTE COMMUNITIES

FROM AN INTERNAL REVIEW OF CENTREFARM ABORIGINAL HORTICULTURE’S TRAINING AND EMPLOYMENT PROGRAM FROM AN INDUSTRY PERSPECTIVE

(Based on Centrefarm’s activities in the Anmatjere region of Central Australia)

In 2007, DEEWR produced the Training Package Development Handbook. It defines competency as:

“the ability to perform particular tasks and duties to the standard of performance in the workplace.

Competency requires the application of specified skills, knowledge and attitudes relevant to effective participation in an industry, industry sector or enterprise. It covers all aspects of workplace performance and involves performing individual tasks; managing a range of tasks; responding to contingencies or breakdowns; and, dealing with the responsibilities of the workplace, including working with others. Competency requires the ability to apply relevant skills, knowledge and attitudes consistently over time, and in the required workplace situations and environments.”

Acronym	Organisation
CAHL	Centrefarm Aboriginal

	Horticulture Ltd
ABA	Aboriginal Benefits Association
ACGC	Anmatjere Community Government Council
AHPL	Ahakeye Horticulture P/L
AEDC	Anmatjere economic Development Committee
ALT	Aboriginal Land Trust
CDEP	Community Development Employment Program
CDU	Charles Darwin University
CF	Centrefarm
CLC	Central Land Council
DET	NT Department of Education & Training
DPIFM	Department of Primary Industries, Fisheries and Mining
FTE	Full Time Equivalent (jobs)
FRF	Flexible Response Fund
ILC	Indigenous Land Corporation
PET	Pre Employment Training
NGO	Non Government Organisation
OH&S	Operational Health & Safety
RAE	Remote Area

	Exemption
RTO	Registered Training Organisation
STEP	Structured Training and Employment Projects
STEPers	Structured Training and Employment Projects Employment and Related Services
TO	Traditional Owner
G ₂ G	Growing to Grow (CAHL's community farm project)

DISCLAIMER

This internal review of Centrefarm Aboriginal Horticulture's (CAHL) Training and Employment program was done to assess the effectiveness of Training and Employment undertaken in Central Australia in 2008/09. Its purpose is to assist with the development and training and employment programs in the context of CAHL's strategy.

INDEX	Page
EXECUTIVE SUMMARY	164
1. BACKGROUND	164
CENTREFARM ABORIGINAL HORTICULTURE LTD's ROLE	165
Training & employment	165
Labour Hire company	165
Learning to work	166
Sustainable communities	166
2. WHY FOCUS ON THE ANMATJERE REGION?	166
Executive summary – extract from Anmatjere Employment Action Plan	166
Employment situation (table 1)	167
3. SUMMARY OF 2008 GROUPS TRAINING-TO-WORK	170
4. KEY FINDINGS	171
4.1 Case Study: Grape harvest	173
5. CHANGES REQUIRED TO THE TRAINING AND EMPLOYMENT PROGRAM	175
6. OUTLINE OF THE PROPOSED 5-STEP PROGRAM	179
⇒ 5-Step program	179
7. COSTED 5-STEP EMPLOYMENT & TRAINING SCENARIO FOR 12 PEOPLE	182
8. 2009 ACTION PLAN & PROGRAM	183
9. TRAINING AND EMPLOYMENT: WHAT IS CAHL'S ROLE	185

Boxes	
Box 1, Strategic outcome	164
Box 2, Anmatjere Employment	167
Box 3, On-the-job training	171
Box 4, Incentives	172
Box 5, 5-Step model – training content	179
Box 6, Productivity	180
Box 7, Well-being program	181
Box 8, A pilot for training and employment	183
Tables	
Table 1, Anmatjere employment situation	167
Table 2, Hourly rate from boxes picked per day and worker productivity	175
Table 3, 2008 group costings	177
Table 4, 2008 labour-hire costings	178
Table 4b, Project support costs	182
Table 5, Costed 5-Step Employment & Training scenario	184
Table 6, Action plan: Strategies, structures and systems	185
Table 7, Action plan: Implementing training and employment program	187
Table 8, Centrefarm’s projects and activities in Anmatjere	187
Diagrams	
Diagram 1, Infrastructure to meet labour demand	168
Diagram 2, Table grape industry – harvest worker participation	174
Diagram 3, Infrastructure required	181
Diagram 4, Key players I changing employment situation	186
Map	
Map 1, Map showing Anmatjere and Warrabri	169
Attachments	
Attachment 1, John Isgar’s report	NOT ATTACHED
Attachment 2, Independent consultants report	
Attachment 3, CDU analysis	
Attachment 4, Letter from industry operator to report on productivity	

EXECUTIVE SUMMARY

Key finding

Despite many training programs over many years there has been practically no employment in the horticulture industry in the Anmatjere region, which has high un-employment levels.

The following analysis based on Centrefarm Aboriginal Horticulture Ltd (CAHL) experience in the 2008 training and employment program at Ti Tree aims to identify the reasons for this poor outcome and recommend a new approach for future training and employment programs.

Background

Employment is a strategic objective of CAHL horticulture development strategy on Aboriginal Land Trusts. Unfortunately CAHL found that no indigenous people were employed in the industry despite there being significant amounts of seasonal work available in the Anmatjere region.

This resulted in CAHL supporting and extending the training program started by DPIFM and the ACGC that was done on the Ti Tree Research Farm. An RTO was engaged to write the *Certificate 2 in Rural Operations* and the 20 week accredited course was duly successfully completed. It was not possible to deliver a residential course planned for Adelaide Bore when funding applications to upgrade facilities were not approved in time.

The Anmatjere region as a pilot program for training and employment

The *Anmatjere Employment Action Plan, 2008*, outlines significant employment opportunities in the Anmatjere region. It has an established industry with seasonal work amounting to about 80 FTE jobs, some regional infrastructure and high levels of unemployment across all industries. The report identified the need for a training centre, a labour hire company and transport before the employment potential of the region could be met.

CAHL's role as (*de facto*) labour hire company

CAHL employed the trainee/graduates and acted as *de facto* labour hire company to fill the gap between training and employment. The key finding is that the 20-week *Certificate 2 in Rural Operations* training undertaken at Ti Tree research station in 2008 did not produce job ready employees. In fact, after 26 weeks work and on-the-job training only one or two would be capable of earning a living in the industry.

While the quality of the contract, piecework e.g. picking grapes, weeding, dripper cleaning, was satisfactory there is no understanding of the difference between piecework and hourly rates. Consequently productivity was low and did not improve. This is probably attributable to work attitudes learned under a CDEP regime where low productivity is not penalized. Cultural issues and alcohol abuse could also be factors.

The fact that CAHL was breaking new ground as a labour-hire company that worked between industry and the trainee/graduates may have contributed to low productivity, i.e. there could have been management issues. Identifying work opportunities among sceptical employers was not always straightforward but will improve as a result of this project.

Training costs and program graduates productivity

The training cost per *Certificate 2 in Rural Operations* graduate was about \$22600 (inclusive of CDEP remuneration).

Productivity for the group when employed by CAHL was about 25% after 13 weeks and about 40% after 26 weeks (piece work income earned as a percentage of labour hire costs).

A 5-Step program that has an industry focus on training and employment

To address the problems identified from its experience as a labour hire company CAHL proposes that a Welfare-to-Work program be formalized that incorporates the following 5 Steps:

Step 1. Selection and induction

- Step 2.** Week's 1-10 Pre-employment training 20 days and 20 days on-the-job (4 days per week)
- Step 3.** Week's 11-20 Vocational training skills training and on-the-job work experience (4 days per week) with on-tap Well-Being Management and on-the-job supervision, provided by labour-hire organization
- Week's 21-40 4 days / week contract work (depends on industry demand), with on-tap Well-Being Management and on-the-job supervision, provided by labour-hire organization
- Step 4.** Independently source work or through labour-hire organization
- Step 5.** Become role models, mentors and on-the-job trainers

Key changes to training program

Key features of the revised approach will be:

- Training focused on graduating students with an understanding of productivity and positive work attitudes e.g. understanding the requirements of piecework from an employer's stand point as well as the employee's responsibilities.
- Emphasis on on-the-job training;
- Worker Wellbeing program along lines of the NZ Guest Workers program.
- Key components covered in Anmatjere language

The labour hire company is expected to emerge from the Well-being program and the role of the onsite manager for Steps 2 & 3.

Positives from the labour hire experience.

An understanding of the horticulture industry's requirements for labour and how labour hire operations are structured; particularly their training approach.

The industry is keen for CAHL to develop a local labour force that can replace the contract workers that have to be imported from southern areas every year.

The experience confirmed findings of the *Anmatjere Employment Action Plan, 2008*, which included the need to:

- Plan and work on a regional basis to ensure scale of job opportunities and pool of workers for industry to draw on; and for
- Structural changes required –labour hire, transport and accommodation.

1. BACKGROUND

CENTREFARM ABORIGINAL HORTICULTURE LTD's role

CAHL charter is to:

- a. **Create regional economies on Aboriginal owned land.**
- b. **Create the capacity for people within the Aboriginal community**
- c. **To enable local Aboriginal people to participate in the created economies.**

This adds value to the Aboriginal land and increases their access to the improved wealth base.

Extracts from the Review of CAHL’s Strategy in Attachment 1 provide detailed background information on CAHL’s charter.

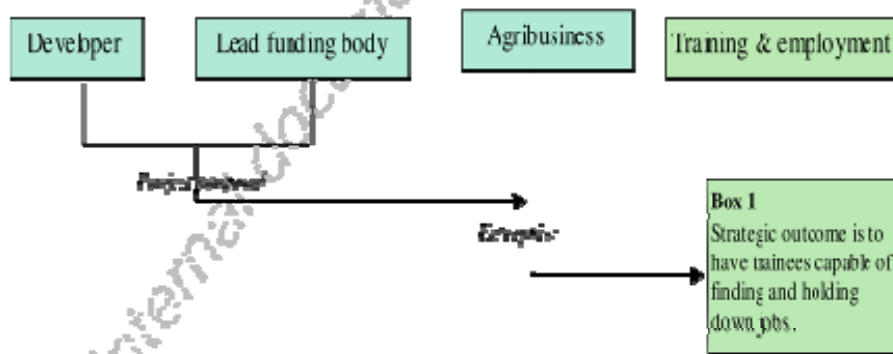
Note that this extends CAHL’s original role of land development for just horticulture to a broader objective of economic development on Aboriginal land.

CAHL sees itself as part of industry – not as an NGO type development body.

Training and employment

A training and employment plan was identified in the CLC commissioned, strategic plan, as critical. The components or pillars of the strategy are illustrated in Box 1 below.

Box 1.



CAHL’s role as developer is primarily to act as the agent for T.O’s of land with resources that have potential for economic development. The process involves desktop studies to identify areas with potential for economic development followed by negotiations with Tos mediated by the CLC. Once the Tos have given approval for development the CLC establishes a TO owned company to hold the lease over the area excised from the Aboriginal Land Trust. This company then contracts CAHL to either develop the basic infrastructure with funding sought from ABA and/or other sources, or the agri-business operator develops the infrastructure as well as enterprise component.

To-date CAHL has successfully negotiated a horticultural development on the Warrabri Aboriginal Land Trust.

CAHL actively promoted extension of the training at Ti Tree, which the Anmatjere Community Government Council and DPIFM had started. CAHL facilitated development and accreditation of *Certificate 2 in Rural Operations* by a RTO who then delivered the 20-week course using the facilities at the DPIFM Research Farm near Ti Tree.

The outcome of this training is discussed in 3, Summary of the **Ti Tree Groups’ Training-to-Work program** on page 12.

Labour Hire Company

While CAHL's role was originally seen as being the developer it has had to take on the role of a labour hire company to fill the gap between training and employment that was evident in the horticulture industry. The fact that this gap had not been filled probably explains why there has been no employment in the horticulture industry despite there being about 80 FTE jobs available in the Ti Tree area.

As a result of CAHL's initiative 15 of the graduates from the *Ti Tree Certificate 2 in Rural Operations* were employed by CAHL who has had to find employment in the industry in the Ti Tree and Ali Curung areas. Other contract jobs, such as fencing for councils, have had to be negotiated when there has been no work in the horticulture industry.

Now, with 26 weeks experience as a labour hire company, CAHL has reviewed the whole process from recruitment through to employment and derived a 5-Step program to meet the requirements of industry i.e. the emphasis has changed from course work training to course work and training on-the-job to meet industry standards. This is discussed below, under 5-step Training and Employment program on page 13.

Learning to work

While the training program has a horticulture industry focus the aim is to have individuals graduate to other jobs in mining, tourism, pastoral and the shire.

The key lesson that CAHL has learned is that the Certificate 2 training done at Ti Tree (as well as all previous training) did not qualify the trainees for work in the industry because:

- Trainees did not have a good understanding of the difference between being paid an hourly or day rate and being paid piecework rates that are the industry norm.
- CDEP work standards are generally very low compared with industry and do not provide an entry point to employment in industry.
- Meeting quality standards is a key requirement in all industries and best learned on-the-job.
- Trainees need to have a general understanding of why jobs need to be done and not do everything mechanically e.g. vine training, quality control.

These items are covered in some detail, below.

Sustainable communities

Any training will also support the community farms program; Growing to Grow (G₂G) that CAHL is currently negotiating to develop in remote areas. These farms will have a key role in development of sustainable communities.

2. WHY FOCUS ON THE ANMATJERE REGION?

This review covers CAHL's experience of training and employment in the Anmatjere region (see map on page 11) because:

- The region has significant level of development relative to other regions so that experience here could be rolled out to other regions e.g. Ali Curung

where CAHL plans to develop horticulture industry in association with agri-business.

- The 20 week training program at Ti Tree Research Farm that was followed by
- 26 weeks contract work in the local industry as CAHL employees.
- There are significant employment opportunities outside the horticulture industry that could be filled by Anmatjere that have not been taken-up (discussed immediately below)

The following extract from the *Anmatjere Employment Action Plan, 2008*, provides a useful outline of employment opportunities in the region and structural changes required to implement change to the current situation.

EXECUTIVE SUMMARY from Anmatjere Employment Action Plan

The **Employment Action Plan** aims to transform the Anmatjere regional economy from one that is largely welfare based to an economy with significant seasonal work in which local Anmatjere are active participants.

To achieve such a transformation will require significant buy-in from Governments, industry and community.

The key drivers of the Action Plan are Training and Labour Hire organisations supported by transport, accommodation and communications.

Infrastructure development – extension of reticulated power, water supplies to Aileron and connecting road to the Sandover Highway – is integral to economic growth.

For Anmatjere to fill all of the jobs available they require a significant shift in their current attitudes to paid employment. A comprehensive, ongoing training and mentoring program can bring about this shift in attitudes. Changes to government policy, such as measured lifting of the RAE, could also impact trainee attitudes.

As participation by local industries in this change will be essential it will be important to tailor training and employment to their (industry) needs.

Management of the action plan will be a key to its successful implementation

1. Employment opportunities. The employment survey and analysis found that there are currently about 265 FTE job opportunities that can reasonably be filled by Anmatjere in the following industries:

Table 1, Anmatjere employment situation – November 2007		
Industry	FTE jobs	Currently filled by Anmatjere
Horticulture	78	1
Pastoral	60	22
Tourism	24	0
Arts & Crafts	5	5
Retail	15	1
Mining	10	10
Others	9	1
Total Industry	201	40
Local Government	29	21

Other Government	36	28
All others	1	1
Total Government	66	50
TOTAL EMPLOYMENT	267	90

3. Industry focus. Local experience in the mining and horticulture industries has shown that it is essential to get support of industry at all levels if meaningful employment outcomes are to be achieved.

Structural gaps that will need to be addressed

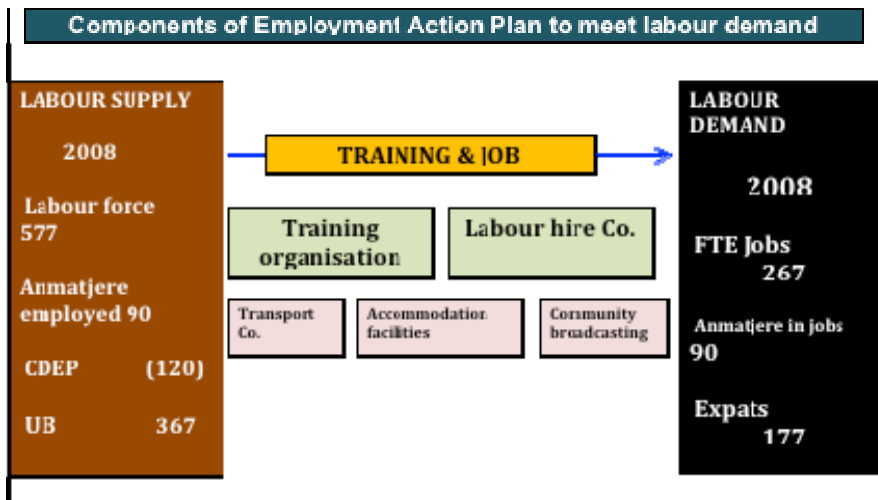
4. Training. A fully resourced training facility is required that can provide a generic pre vocational program that focuses on life skills as well as skills training relevant to local industries.

Box 2. Anmatjere employment	
Elsewhere in the report it is estimated Labour supply in 2008 as:	
Labour force	577
Anmatjere employed	90
CDEP	120

Labour-hire Company. Local experience has also shown that placement directly from training in to a job is the key to successful employment outcomes.

Supporting infrastructure requirements include a bus service that workers can use to commute to and from work; accommodation on site for those who cannot commute daily; and a community based media organisation, which includes radio that can be used as a communication and extension tool.

Diagram 1: Infrastructure to meet labour demand



Supporting programs required

6. Mentoring. Experience from the CLC/Newmont mine training program has found mentoring (at work as well as in the community) is a particularly important support service given the cross-cultural nature of intended training programs.

Government programs and policies

7. Remote Area Exemption. Lifting the RAE is expected to make a significant difference to the attitudes of prospective trainees to take on training if the alternative is work for the dole.

8. CDEP. At this stage CDEP would appear to be the only avenue through which trainees could be paid for attending training.

9. Government support. Government and industry investment in infrastructure will be essential for growth in the following areas if long-term employment outcomes are to be achieved:

Infrastructure:

Electricity	Extend power grid to Pine Hill Horticulture blocks and Aileron for services to mining industry
Road works	Extend roads from Pine Hill blocks to Sandover Highway
Water supplies	To Aileron from Ti Tree basin to meet growth requirements resulting from mining.

Community infrastructure:

Training hub	required for pre vocational training and industries skills
Broadcasting facility	a local facility is required for communication and extension

Economic support infrastructure:

Accommodation	Transient workers from other communities will require temporary accommodation.
Transport	Transient workers will require transport.

Map 1 Showing Location of the Anmatjere and Ali Curung (Warrabri ALT) regions:

CAHL's experience is based on facilitating the 20 week *Certificate 2 in Rural Operations* training program held at the Ti Tree research farm that was completed in 2008, followed by 26 week period when it employed most of the trainees to do contract work on local farms and communities. During the latter period CAHL acted as a *de facto* labour hire company that also provided transport to and from work (see Box 3, below – Case Study for details).

- This group of trainees emerged over about one year through a DPIFM/ACGC CDEP training program based on the Ti Tree Research Farm.
- The group was, apparently, self selected under the CDEP program.
- Resources were provided via CDEP and DPIFM
- Certificate 2 in Rural Operations was developed and accredited for this group
- Training was done on Ti Tree Research farm by a RTO
- Contract pruning on local farms was topped up by CDEP wages.
- Mentoring was done by the RTO who did the training and (separately) by Centrefarm staff.

CAHL employed the graduates and found contract work for them on local farms as well as communities.

The work has included:

- Fencing;
- Housing R & M e.g. cleaning and painting
- Contract horticulture jobs e.g. weed chipping, vine training, cleaning drippers, and picking grapes.

Following completion of 13 weeks and 26 weeks full time employment CAHL received payments under the Job Seeker Account.

In view of the comments made later in this review it is important to summarize CAHL's part in the development and delivery of the training program.

As outlined under **1. Background**, above, training and employment is one of the pillars of CAHL's strategy. CAHL therefore saw it as important to play an active role in this area. Of particular concern was that only one or two Anmatjere were employed when there were about 80 FTE jobs in the horticulture industry in the Anmatjere region.

CAHL wrote a proposal for funding a training program modelled on the successful CLC/Newmont Mines training program. This was work-shopped with funding bodies (DEWR, ICC, and DET) and other stakeholders. The aim was to determine which funding body could fund the different components of the proposed residential program using the (deserted) Adelaide Bore community's facilities.

The only resources that came from these negotiations were from DET with the FRF and in kind support from DPIFM to use their facilities and staff on the research farm. CAHL made the decision to go ahead with the DPIFM/ACGC group using the DPIFM facilities. This meant that the course could not be residential i.e. students were bused in from Pmara Jutunta for all course work.

Certificate 2 in Rural Operations course was successfully delivered by an experienced RTO (CDT) who also delivered the CLC/Newmont Mine program. There were 17 graduates of which 2 already had jobs.

4.KEY FINDINGS

The following findings have been interpreted from John Isgar's report at Attachment 2 and the independent consultant's report at Attachment 3.

While the 15 trainees from the Ti Tree training program were able to meet industry skills standards after onsite training, their daily output did not improve. Consequently they did not earn an adequate daily wage. (see item 11 below).

Box 3:

Case study: On-the-job training:

Centrefarm was confronted by inadequacies in the Cert II program when the graduates could not meet industry standards for training vines. The problem was solved by industry allocating a staff member to train the group over 4 days. However it cost Centrefarm significant penalties as it had to pay the trainer's wages as well as its 15 labour hire staff.

Lessons learnt:

1. The industry can provide on-the-job training.
2. This required a close working relationship with the farm manager.
3. We need to structure training to include on-the-job training by industry.

2. This meant that after 26 weeks work with on-the-job training and mentoring none of the trainees were job ready. Their immediate lack of skills was rectified on the job by Industry within a few days but time management and other personal skills were shown to need long-term attention. Alcohol misuse was a significant issue at times.

This experience as a labour hire company has shown that while industry can meet skills training needs the greatest risk from the employer’s point of view is around individuals’ personal behaviours’ and attitudes to work.

The role of mentors needs to be revised to ensure that it meets the needs of employer and employee.

The risk resulting from alcohol misuse needs to be addressed at all stages of the welfare to work process through a formalized program.

The key conclusion reached is that there should be less time on course work and more on the job training. This is borne out by the fact that industry recruits a group of individuals, often without any experience, and gets them working after about 2 days training on harvesting various crops.

5-Step Training and Employment program

Based on this experience CAHL proposes a 5-Step program over 40 weeks:

- Step1. Recruitment, selection and Induction
- Step2. Pre-employment training (10 weeks)
- Step3. Vocational (30 weeks)
- Step4. Individuals independently find jobs
- Step5. Selected individuals become mentors and leaders

8. The approach to be used in each stage will be based on our recent experience and research of successful New Zealand labour-hire program; research will be commissioned into behavioural aspects relating to employment. (See 6. Outline of the proposed 5-Step Program, on page 19, below)

9. Regional services e.g. training and labour hire, transport, accommodation and communications, will be key factors in long-term success of employment programs.

Indicative costs and benefits (job-ready trainees)

Current group (see costings Table — below)	\$
Cost per trainee (20 trainees/20 week course)	22635
Transitioning cost per job-ready-worker (21-46 weeks)	16351
Total cost training to job readiness (46 weeks)	38986

Box 4:

Incentives

The question of whether incentives should be related to cash or other rewards needs to be investigated. Family groups being paid in a ‘lump sum; also requires research

11. Productivity from
Employers perspective (see costings Table — below)
- | | |
|--|--------------------|
| (Contract income / contract expenses) | |
| After 13 weeks contract employment | 22% |
| After 26 weeks contract employment | 37% |
| b) Employees perspective (earnings per hour) | \$4-\$10/hr |

12. Unfortunately this has not been a positive work experience for this group. Wages from work have been low and not been an incentive to get off CDEP or welfare. In part this can be attributed to the work program being a pilot with CAHL staff having to find continuous work in a number of locations. This emphasizes the importance of making employment a positive experience with rewards that suit each individuals needs.

13. It also highlights the need for CAHL to have a presence in the area e.g. through AHPL or similar organization.

14. The requirement to locate funding from a multiplicity of government programs is an impediment to timely development and execution of any strategy that overlaps a range of departments and programs.

5. Case study. Grape harvest contract.

In November December '08 CAHL arranged for the labour hire company contracted to provide pickers for the table grape harvest at Territory Grapes Farms to take on 12 of the trainees that had completed the Ti Tree training course. There were about 100 other pickers from about 6 nationalities contracted to the labour hire company at the same time.

The arrangement with the labour hire company was that the \$4.50 and \$4.00 / box (dependant on packaging) would be paid to CAHL in a consolidated cheque that paid the Anmatjere at piecework rates. The reason being that CAHL managed the food and supplies of the workers and needed to deduct \$25 per week from each pay to cover some of the cost

As is standard in the industry the other pickers paid their own way to Alice Springs, as well as their food and a nominal rate for onsite accommodation. CAHL paid transport to and from Pmara Jutunta as well as the latter costs on behalf of the Anmatjere group.

The industry provided two days training on commencement for which the pickers get paid piece rates while they learn on the job.

The Anmatjere were placed in groups of three in each of the 4 larger groups that were supervised independently of each other: after one day of on the job training.

CAHL would like to acknowledge the support and encouragement provided by Territory Grape Farm throughout the process.

Findings

1. **Skill levels were not an issue.** The Anmatjere group was found to only need training for one day i.e. their skills level met industry standards.

Productivity was poor. While the skill levels of the Anmatjere group met industry standards, no member of the group picked more than 17 boxes in a 10 hour day, which equates to about \$77 / day or about \$8/hour. This compared with a median of about 45 boxes / day.

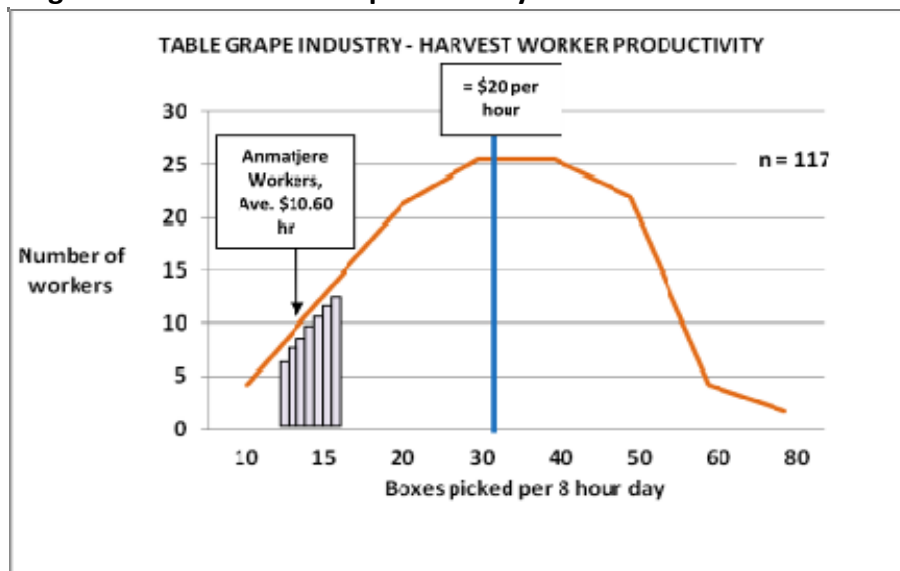
[The industry apparently sets their payment per box to equate to \$20/hour for the average worker.]

Anmatjere workers clustered in the bottom quartile. The graph below illustrates that all of the Anmatjere workers are in the bottom quartile of the group contracted to harvest grapes for Territory Grape Farms when one would expect them to be spread across at least the first 3 quartiles.

The reasons for poor productivity are thought to be:

1. A lifetime of CDEP employment, which does not set productivity standards.
2. Cultural issues.
3. No understanding of the difference between piecework and hourly rates.

Diagram 2: Harvest worker productivity



Note: These figures were derived from discussions with Territory Grape Farms management.

We are satisfied that they provide a reasonable estimate of the situation and can provide a basis for developing the next stage of the training and employment program.

Table 2: Hourly rate from boxes picked per day and worker productivity (numbers of people for boxes picked)

Boxes per day	10	17	20	30	40	50	60	80	
number of workers	4	13	21	26	26	22	4	2	117
Hourly rate - \$	6.3	10.6	12.5	18.8	25.0	31.3	37.5	50.0	

Diagram 2 and Table 2, both above show that the group were only about 25 % productive for the first 13 weeks that they were employed by CAHL rising to about 50% after 26 weeks (which included the 9 day grape harvest period).

Discussions with the individuals as well as report from an independent consultant indicate the there are a number of issues in addition to those listed above that could contribute to the poor outcomes from grape harvest, as well as the other work done during the 26 week period when they were employed by CAHL.

These include problems related to alcohol, being away from home/family, humbug for money and peer pressure.

Conclusion:

The key conclusions to be drawn from this experience are:

1. No member of the group was job ready by industry standards in spite of the 20-week training at a cost of about \$25000 per trainee.
2. Industry provides on the job training at no cost to either the trainee or the government.
3. However industry does expect any applicant to be job ready i.e. willing and able to work under industry conditions.

Future training must take these findings in to consideration in the design of any curriculum.

5.CHANGES REQUIRED TO TRAINING AND EMPLOYMENT PROGRAM

1. CAHL needs to formalize WELFARE TO WORK activities as a single, recognized program.

Currently a disparate group of training organisations, which are not responsible for finding employment for students, are driving the program.

6. The emphasis should be on making trainees job-ready through a lengthy period (quite possibly 40 +weeks) of on-the-job training in industry the reason being that:

- Experience has found that certified training (course work) is not as effective as on-the-job training by industry in developing a number of skills e.g. vine training, pruning; piece work vs. hourly rates.

- On-the-job training is more likely to instil skills such as time management, inter-personal skills and other self disciplines required to work in industry.

7. The transformation from welfare to work in industry requires changes to individuals' behaviours and attitudes to work – it is much more than skills training. Experience in meeting industry standards is essential and, as stated above, could take up to one year + of on-the-job training and Well-being management/mentoring.

4. Special care needs to be placed on the recruitment process to ensure that, as far as possible, only individuals interested in employment are taken on.

8. Funding needs to be directed to Steps 1-3 of the following 5-Step program based on Centrefarm's experience from training through to employing graduates for 40 weeks i.e. to Step 3;

Step1. Recruitment and selection

Step2. Residential (where possible) pre-employment training (10 weeks)

Step3. Vocational training (up to 40 weeks)

Step4. Independent sourcing of jobs

Step5. Becoming Mentors

(See 6. **Outline of the Proposed 5-Step Program** on page ... below)

1. The structural changes – training, labour hire and transport companies – identified in the *Anmatjere Employment Action Plan, 2008*, must be in place to achieve the Welfare-to-Work transformation objectives.

2. There needs to be an over arching program that supports trainees from selection through training and in employment such as the NZ Horticulture industry's pastoral care program (See Step 5, Becoming Mentors / Pastoral Carers / Well-Being Managers on Page...).

COSTINGS

Labour hire and program support costs

Tables 3 and 4 below have been drawn-up to identify costs of putting 20 trainees through *Certificate 2 in Rural Operations* referred to above and the costs to labour hire of employing the graduates from this training program.

CAHL took on the role of Labour-hire Company to fill the gap between training and employment. It is not its intention to continue in this role.

It is important to note that while CAHL has made every effort to obtain accurate figures on each of the line items in these tables, they have been subject to interpretation. However, we are confident that the results provide a sound basis

for testing the effectiveness of the training and identify what changes might be required to improve outcomes from future training and employment programs.

Table 3: Cost of for 20 week *Certificate 2 in Rural Operations* training program for 20 trainees held at Ti Tree Research farm in 2008, and cost per trainee.

Table 3: 2008 GROUP COSTINGS	Pre-Employment	
	Selection	Training
Participants	20	17
INCOME		
Selection ex CLC	13562	
Capital Vehicle - Troopy ex Fa-HCSIA		22000
Wages ex CDEP		144000
Transport		12000
Meals		20000
Uniforms & Safety equipment		8000
Training materials - STEPers		27000
DET FRF revenue for RTO		138240
Total Income	13562	371240
EXPENSES		
Selection	13562	
Capital Vehicle - Troopy ex Fa-HCSIA		22000
Wages ex CDEP *		144000
Transport		12000
Meals		20000
Uniforms & Safety equipment		8000
RTO Costs		138240
Training materials		27000
Total expenses	13562	371240
Training cost per graduate		\$22,635

Summary: 20 week training program	\$
Cost of 20 week training program	371240
Cost per graduate	22635 - inclusive of CDEP remuneration
Cost per graduate	13562 - exclusive of CDEP remuneration

The costings in Tables 4 and 4a, below, are for the period when CAHL employed the graduates from the Ti Tree training program. The piecework income was derived from contracts on local farms (picking grapes, weeding etc) as well as work on local CAHL projects funded through ABA. The expenses component includes all direct

costs as well as an estimate for supervisors' wages. Note that industry would not pay transport and meals and charge for accommodation.

Table 4: LABOUR HIRE – 21 to 46 weeks			
2008 GROUP	21 – 33 weeks	34 – 46 weeks	
Participants	14	12	TOTAL
INCOME			
Piece Work / contract labour income	18000	28900	46900
Total income	18000	28900	46900
EXPENSES			
Supervisors wages	12087	9670	21757
Wages paid inc. on costs	57127	58968	116095
Transport	5760	4608	10368
Meals	7200	5760	12960
Sub Total Expenses – LABOUR HIRE	82174	79006	161180
Surplus / deficit	-64174	-50106	114280
PRODUCTIVITY	22%	37%	29%
ADD BACKS:			
Centrefarm projects providing employment	21000	18000	39000
Job seeker account	17000	8000	25000
Revised surplus / deficit	-26174	-24106	-50280
PRODUCTIVITY	68%	69%	69%

Table 4a: PROJECT DEVELOPMENT COSTS			
Centrefarm employment & training coordinator @ 50% inc. on costs & TA	22500	18000	40500
Mentoring via STEPers (estimate)	8626	8626	17251
Other materials	11000	5000	16000
Sub total Project development costs	42126	31626	73751
Productivity subsidy per worker (no add backs)	\$4,584	\$4,168	\$9,937
per week	\$382	\$347	\$414
Productivity subsidy per worker (with add backs)	\$1,870	\$2,009	\$4,372
per week	\$156	\$167	\$182
TOTAL EXPENSES	\$124,300	\$110,632	\$234,931
	Training	OTJ \$	Project Dev. Costs
Per graduate	\$22,635	\$16,351	\$20,429

TOTAL per individual	\$59,415		
-----------------------------	-----------------	--	--

Labour hire	%
Productivity without Centrefarm and JSA wages support	29
Productivity with Centrefarm and JSA wages support	68

6. OUTLINE OF THE PROPOSED 5-STEP PROGRAM

The following 5-Step program follows a review of the training and employment outcomes after 18 weeks work following graduation from the *Cert 2 in Rural Operations* course that was run at Ti Tree.

Note that a theme running through all 5 Steps will be the support provided through a Well-being program to be developed. See Step 5, page 22.

The key test as to whether graduates are job-ready is that they can seek work and when employed get themselves to work on time and do a full day's work that meets industry standards.

6.1, 5-STEP PROGRAM

Step 1. Induction and selection.

CAHL needs to be involved in this process to ensure that students are capable of the work and have a positive attitude to employment.

At this stage it is proposed that a CAHL staff member will visit communities and meet with family groups to identify potential trainees. The aim will be to have family members understand the aims of the training and the responsibilities that work places on each trainee. It will also provide information on CAHL's

development goals for that region and how this will benefit people living in the area.

CAHL will need to develop appropriate materials for these consultations.

Trainees will be selected from the group identified during these consultations.

Step 2. Pre-employment training

The aim is to do this on site at Adelaide Bore for the Anmatjere region i.e. residential component to get trainees accustomed to work programs and living together in quarters.

[As the Ali Curung training centre will not have accommodation facilities for the first few years residential training will not be possible in that region.]

OH&S and other components of the original *Certificate 2* courses will be included as required.

Box 5:

Formal training subjects to cover:

1. Piece work vs. hourly rate
2. Time management – getting to work on time
3. Communal living – keeping facilities clean etc.
4. Nourishing food
5. \$\$ Management / saving
6. Core modules must be in

At this stage a 10-week for 2 days per weeks (20 days) pre-employment training program coupled with on-the-job vocational training for 2 days per week (20 days) is proposed. Understanding the difference between being paid an hourly rate and piecework rates i.e. relating output to income earned, will be an important component of the curriculum. CDU have been engaged to advise on a revised curriculum to address these issues. A key conclusion coming from the independent consultant's report will requirement to have core modules in language.

Funding issues need to be clarified for the different steps.

Step 3. Vocational training

As outlined above none of the trainees are considered to be job ready despite having done 18 weeks work. This has resulted in CAHL staff spending far more time than could be justified by a labour-hire company. (See Table 4 for costs incurred by the labour hire component and project support costs that are not included in labour hire)

Box 6:

The grape-picking contract provided an example of workers' inability to manage time leading to low productivity per worker (<\$8/hr).

Trainees easily reached industry quality standards after 1 day of

Table 4 illustrates the productivity of the 2008 group of trainees. Productivity was measured by the Income/costs ratio for 2*13 week periods when employed by CAHL. Productivity of individual pickers was low. (See box 6, right.)

training but few were able to harvest more than about 17 boxes per day which was about 50% of other workers of whom the best picked 80 boxes per day.

There are 2 key factors to be taken into consideration when delivering Step 3.

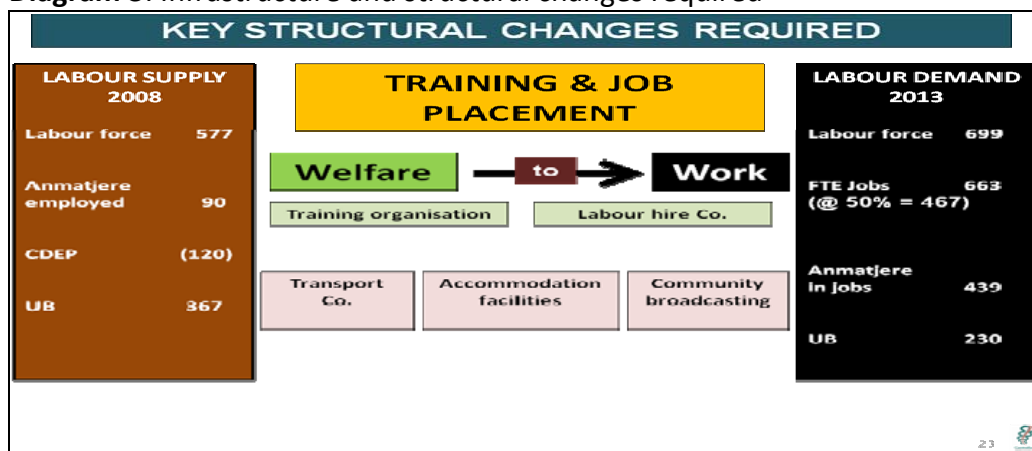
- Social and other issues that are outside work. It is CAHL’s view that issues outside work are the greatest risk from a labour hire company’s point of view. It is to address the social issues in a practical on-the-job way. CAHL intends to establish a pastoral care program (called a Wellbeing program) similar to that used in New Zealand’s horticultural industry. See Step 5, below).
- A combination of course work and on-the-job training with the latter being the main focus. Refer to the CDU report at Attachment 4 for details of the revised curriculum.

Step 4. Individuals independently find jobs

It is only when individuals are able to seek work for themselves that they are considered to be job ready. However, the success of employment will depend on there being a regional transport and other services. In some areas workers will be able to commute on a daily basis but in others they will need to live on site for lengthy periods.

Diagram 3, below, from the *Anmatjere Employment Action Plan, 2008*, identified transport, labour hire and communication services as essential to meet employment goals for that region.

Diagram 3: Infrastructure and structural changes required



The need for these services raises the question of scale to make them viable. At the current level CAHL has had to step in to fill the gap. Feasibility studies will be needed to determine at what level they would be viable.

Step 5. Becoming mentors/pastoral carers (Well-being managers)

The aim is to have individuals who have been through the program and have appropriate experience and attitudes take on the Pastoral Care/mentoring program to be developed by CF. Our view is that only Anmatjere who have been through the first 4 steps can be effective in dealing with cultural components of a Wellbeing program.

The New Zealand pastoral care program makes the following points:

- Pastoral care must be relevant to all of the stakeholders –employers, employees, community
- Each situation, usually on farm, is negotiated separately.
- The key to successful outcomes includes:
 - ⇒ Successful leaders emerging from the program
 - ⇒ Working with individual employers so that they see participation as an investment— not a welfare program.
 - ⇒ Summary of the NZ pastoral care program under their headings follows:
 - ⇒ Pre-arrival – The NZ program actually interviews and selects individuals in their villages.
 - ⇒ On-arrival – Wages and money management are explained in detail; hours worked; accommodation; access to services.
 - ⇒ Good communication – This is a key issue. Needs language skills
 - ⇒ Liaison and leadership – Key to good relations between employer and employees. Cultural understanding important.
 - ⇒ Accommodation - suitable accommodation essential; cultural issues taken in to consideration
 - ⇒ Food – Nourishing food essential otherwise they will not cope with long periods of physical work.
 - ⇒ Transport – Important to have this clarified at the start.
 - ⇒ Engaging with community—includes sport; religion.

Box 7:

Well being program

Case study: NZ pastoral program supports workers in the industry – see Step 5. Left, for outline of program.

CF intends to develop and implement a pastoral care program similar to the one put in place by the horticulture industry in New Zealand.

Workers from pacific Islands are interviewed in their villages and those selected are then supported from departure, though immigration, transport to work, on-site living arrangements and training through the contract period.

7. COSTED 5-STEP EMPLOYMENT & TRAINING SCENARIO for 12 people (see CDU Analysis in Attachment 3 for detail)

Table 5, below shows a total program cost for 12 individuals at \$554042. If 75% success is achieved it will cost \$61560 per job-ready worker, at 50% success the cost will be \$92340. Funding for this project needs to be secured from **Industry** for remuneration

derived from piece-work, DEEWR for STEPers, STEP and Job Seeker, FaHCSIA for CDEP, DET / CDU for FRF for RTO funding and ILC for the CAHL coordinator (amortized across 4 groups of 12).

See attachment 5 for detailed costings of the 5-Step Employment & Training Scenario.

Table 5. Centrefarm Employment & Training Scenario - Jan 2009		Pre Employment Training (PET) Classroom & On - The - Job								TOTALS	
		0 - 5 weeks	6 - 10 weeks	11 - 15 weeks	15 - 20 weeks	21 - 25 weeks	26 - 30 weeks	31 - 35 weeks	36 - 40 weeks		
Productivity Vs industry average while 'On-the-job'		70	60	30	40	30	20	10	0	84	
INCOME		TOTALS									
Pre Employment Training (PET) in Classroom: to happen concurrently with Vocational Engagement: transitional training											
STEP 1 - Selection & Induction											
Subtotal STEP 1		13562	13562	0	0	0	0	0	0	13562	
STEP 2 - Pre employment Training concurrent with STEP 3 - Vocational Engagement (2 days of each per week)											
Subtotal STEPS 2 & 3		190680	47670	47670	47670	47670	0	0	0	190680	
On-The-Job transitional training: to happen concurrently with PET Classroom training											
STEP 3 continued- Vocational Engagement (2 days per week until 20 week mark) and On-The-Job training (4 days per week from week 20 week until week 40)											
Subtotal STEP 3		284856	21324	23172	25020	26868	44316	46194	48042	49890	284856
TOTAL INCOME		488098	82556	70842	71690	74538	44316	46194	48042	49890	488098
EXPENSES		TOTALS									
Pre Employment Training (PET) in Classroom: to happen concurrently with Vocational Engagement transitional training											
STEP 1 - Selection & Induction											
Subtotal STEP 1		13562	13562	0	0	0	0	0	0	13562	
STEP 2 - Pre employment Training concurrent with STEP 3 - Vocational Engagement (2 days of each per week)											
Subtotal STEPS 2 & 3		211140	54819	52107	52107	52107	0	0	0	211140	
On-The-Job transitional training: to happen concurrently with PET Classroom training											
STEP 3 continued- Vocational Engagement (2 days per week until 20 week mark) and On-The-Job training (4 days per week from week 20 week until week 40)											
Subtotal STEP 3		325340	39204	37356	35508	33660	48675	46827	44979	43131	329340
TOTAL EXPENSES		554042	107585	89463	87615	85767	48675	46827	44979	43131	554042
GROUP SURPLUS / DEFICIT		-64944	-25029	18611	14925	-11229	-4329	-633	3063	6759	-64944

Box 8. USING ANMATJERE AS A PILOT FOR TRAINING AND EMPLOYMENT IN REMOTE AREAS

The under employment in the Anmatjere region with its established industries that could employ over 100 local people present a challenge for all involved in the region's development. From CAHL's standpoint we see that addressing and, hopefully, solving the issues here will provide a model that can be rolled out to other areas e.g. Ali Curung where there is significant potential for development of horticulture.

As outlined under point 2, above on page 8, the Anmatjere region has:

- About 265 FTE jobs of which about 90 are filled by local Anmatjere.
- Of the 90 jobs held by Anmatjere about 50 are in government (local, NT and Commonwealth); and
- Of the 215 jobs in industry about 80 are in horticulture, none of which are taken up by Anmatjere.

The *Anmatjere Employment Action Plan, 2008*, also identified the need for structural changes at the regional level to support take-up of employment opportunities by Anmatjere. The relevance of these structural changes can also be assessed and relevance to other regions decided.

Other regions where the pilot for training and employment could be rolled out include:

- Mutijulu and Kings Canyon where there are exciting opportunities for employment in the tourist industry
- The West MacDonnell ranges and Hermannsburg where further tourism development is proposed.
- Ltyeytye Apurte (Santa Teresa) and Utopia where horticulture development is planned.

Labour-hire Company

The fact that in Anmatjere there is an industry with jobs that can be filled by local Anmatjere people makes it a real-life situation. This real-life situation can be used to test issues that impacts employment in these remote areas. The region has the job opportunities and local labour force - all it needs is a mechanism to match them up to achieve the employment outcomes constantly put forward as required by government policies. With background information available for the Anmatjere region all training and employment programs can be monitored and changed as required to meet KPIs.

There is obviously the need for a labour-hire company with an industry focus that was identified, in the *Anmatjere Employment Action Plan, 2008*. The labour hire company will need to be based in the region.

8. 2009 ACTION PLAN AND PROGRAM

This review has identified a range of issues that need to be addressed at a number of levels – individual employees, employers, government including shire, NT and Commonwealth, and local industry. These can be broadly summarized under the headings below in table 6.

With the infrastructure identified in the *Anmatjere Employment Action Plan* – training, labour hire, transport, communications – the region provides the opportunity to work through the complex interaction of cultural and government

issues raised by *Dillon and Westbury, 2007*. The cultural issues influencing attitudes to employment on the one hand (see page 57) and the multiplicity of government departments resulting in “policy incoherence” on the other (page 63) means that CAHL with its limited resources has little chance of achieving the employment outcome that is generally assumed that accredited training was provided.

Table 6: Action plan – strategies, structures and systems

ACTIVITY	ACTION
<p>STRATEGIC</p> <p>Engage with industry. The need to engage with industry to gain their support is a key to raising employment levels. Experience has shown that industry is prepared to cooperate but needs a structure to work with. Centrefarm has to show that it is part of industry and not an NGO.</p> <p>Regional economy. Focus on development of a regional economy that can provide work, local networks and resources.</p> <p>Welfare-to-work. Promote welfare-to-work attitudes in the community. It is essential that CDEP work standards be raised so that bad work habits learned are eliminated. Productivity has to become the goal of any program.</p>	<p>CAHL will initiate discussions and meetings with industry to develop a mechanism that industry can work through.</p> <p>CAHL will raise this at the next AEDC meeting to develop an action plan.</p> <p>This is a policy issue well outside CAHL’s scope of operations. CAHL will need to discuss with relevant stakeholders.</p>
<p>STRUCTURE</p> <p>Business structure. Establish a business structure that can develop and manage local resources e.g. Ahakeye Horticulture P/L become the local body through which business is developed and operated also provide vehicle for CAHL’s presence.</p> <p>Labour-hire company. Establish a labour-hire company that provides a shop front that industry can work through. This needs to be done with relevant government agencies as it will probably have carriage of training leading to employment.</p>	<p>CAHL to progress discussions with NTU and CLC to incorporate overarching company that can represent Anmatjere TO’s; also involve AHPL directors.</p> <p>CAHL to do a business plan.</p>
<p>SYSTEMS</p> <p>Wellbeing program. Develop and implement an industry based Wellbeing program that includes mentoring. Important that it is industry based but resourced by government programs.</p> <p>5-Step program. Develop and implement a 5-Step Training and Employment program that has relevant KPIs</p> <p>Information system. Establish an information system that supports all aspects of training and employment. This should be in language and supports other components of the Training-to-Employment strategy</p>	<p>CAHL proposes to take current group of employees to NZ in March to work and experience how their program operates.</p> <p>CAHL to write documentation with KPIs.</p> <p>CAHL to action.</p>

Table 7: Activities and action required to implement the proposed revised training and employment program.

ACTIVITY	ACTION
Training Re-write curriculum 5-Step program developed	CDU appointed to do revise CDU to write training component
Communication Core modules to include an overview in language Well being program (= NZ pastoral care program) Revive the BRACS program	CAHL to appoint consultant CAHL to write guidelines and content; also materials for induction and meetings with families CAHL and AEDC
Employment Labor hire company to be established Industry participation	CAHL to write Business Plan CAHL to approach Grape growers Assoc
General Anmatjere EDC AHPL CDCP standards, Welfare-to-work	CAHL to put items on agenda for the next meeting. CLC, NTU discussions Policy level. Too hard!

9. TRAINING AND EMPLOYMENT: WHAT IS CAHL'S ROLE?

Diagram 4, below, illustrates the high-risk environment in which CAHL is trying to change the employment situation in remote communities.

The diagram illustrates that the activities connecting government programs, communities and industry.

It highlights the dominant role of welfare programs in communities to the exclusion of industry. The government-industry space is also undeveloped.

CAHL needs to assess whether it wants to be involved and, if so, how it should position itself and on what terms. The question: is this an area for an NGO rather than industry?

Or

AHPL take on a broader economic development role including running a labour hire organization.

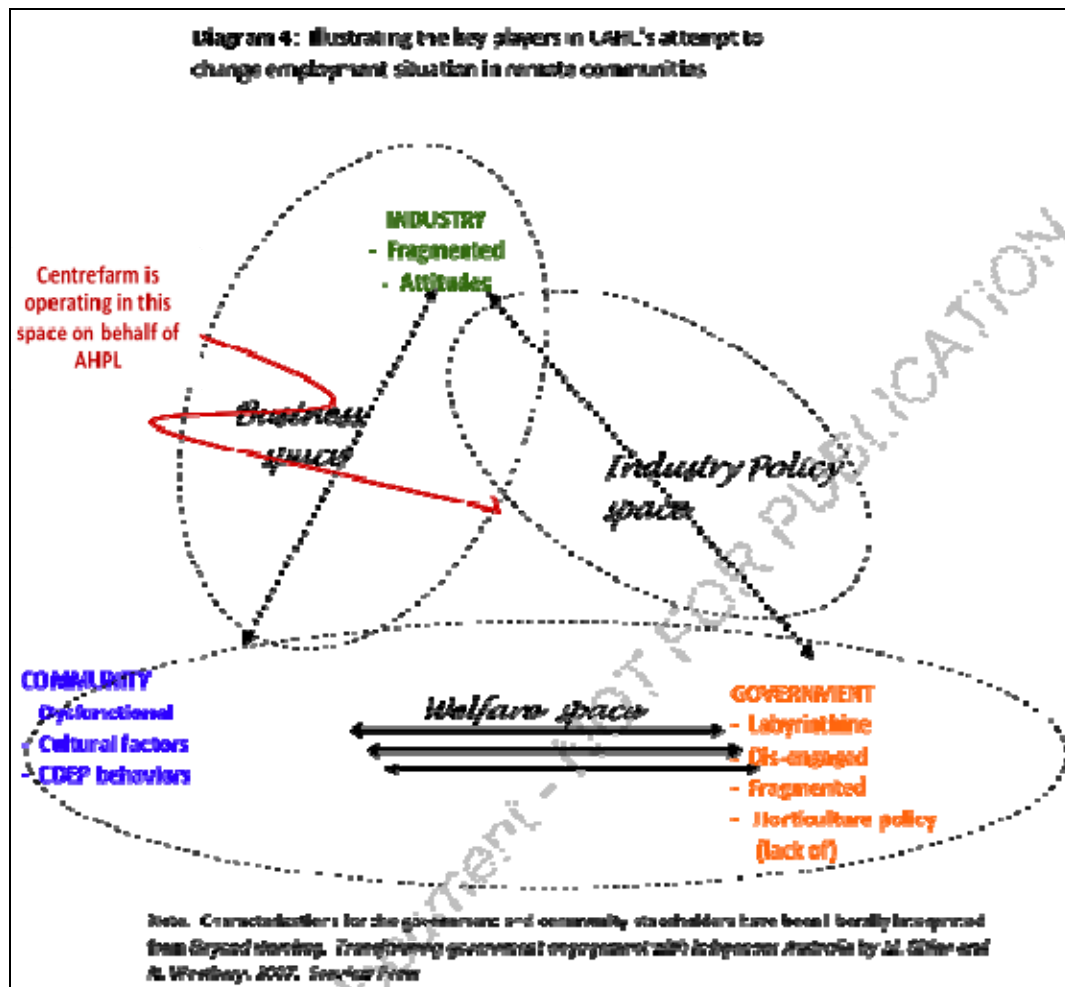


Table 8, below, summarizes CAHL's involvement in the Anmatjere region. Functions range across developer, JV partner (as AHPL's agent), trainer and employer. This raises question of what is the appropriate structure(s) to meet these varied goals. At present CAHL is the agent for Ahabeye Aboriginal Horticulture Ltd (AHPL) which receives all funding. The possibility of incorporating a single over-arching holding company is being discussed with CLC and NTU lawyers.

Unfortunately timing for any changes are not under CAHL's control e.g. purchase of a farm that could influence agenda's for the region, particularly with respect to training and employment.

Table 8: Summary of CAHL’s projects and activities in the Anmatjere region

1. Pine Hill block negotiations—ILC, TOs, CLC & industry	1. ILC. Negotiations and business plan on behalf of Pine Hill TOs to develop 100 hectare block.	1. Joint Venture negotiations/discussions with industry. - Pine Hill block - 6 Mile Bush tucker farm	1. Training program facilitated.
2. 6 Mile community garden development	2. Lobbying for power supply to Pine Hill area.	2. Canvass local industry to employ Anmatjere	2. Employer [Labor hire co] seeking contract work from industry and government.
3. 6 Mile Bush Tucker farm	3. Funding for 6 mile projects		3. Transport for employees to and from work sites
4. Adelaide Bore training farm			
5. Infrastructure—power to Pine Hill			
6. Member of AEDC & Water Advisory committee			