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SB

BY: ATSiA

SUBMISSION TO THE HOUSE OF  
REPRESENTATIVES  
STANDING COMMITTEE ON ABORIGINAL  
AND TORRES STRAIT ISLANDER AFFAIRS

*Inquiry into the high level of involvement of  
Indigenous juveniles and young adults in the criminal  
justice system.*

Prepared by Asset Planning Services NSW 2460  
on behalf of Aboriginal Connections Pty Ltd

## EXECUTIVE SUMMARY

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This submission identifies a proposal for Aboriginal Connections Pty Ltd (AC) in Kempsey NSW and how it aims to address the issues in the terms of reference, that is, by providing sustainable employment for Indigenous people in and around the Kempsey region.

The Frame & Truss and Kitchen & Cabinet (FTKC) manufacturing plant proposed will provide employment opportunities for Indigenous unemployed youths, apprentices, trainees and trades people in Kempsey. As the business grows employment opportunities will extend to Indigenous people throughout regional NSW.

AC strongly believes that by providing this opportunity it will offer alternatives for unemployed youths and others that may be influenced by others to engage in unlawful activities.

The company requires funding of \$1.62 million to establish the manufacturing plants. This does not include site cost as the proposed site is owned by the parent company. The Business Plan attached outlines the proposal in detail.

The terms of reference points addressed in this submission are:

- How the development of social norms and behaviours for Indigenous juveniles and young adults can lead to positive social engagement.
- Any initiatives which would improve the effectiveness of the education system in contributing to reducing the levels of involvement of Indigenous juveniles and young adults with the criminal justice system.
- The effectiveness of arrangements for transitioning from education to work and how the effectiveness of the 'learn or earn' concept can be maximised.

Kempsey has been identified as being in the highest disadvantaged band in a 2007 report entitled "Dropping Off the Edge - mapping the distribution of disadvantage in Australia", by Professor Tony Vinson in February 2007. This report was also presented to Parliament House, Canberra in February 2007. The report highlighted the features of disadvantaged areas and ranked them accordingly.

Recurring features of highly disadvantaged areas are:

- Unemployment / long-term unemployment
- Early school leaving / Year 12 incomplete / lack qualifications
- Low family income
- Limited computer use / internet access
- Criminal convictions / imprisonment
- Disability / sickness support
- Child mistreatment

The following ranking identifies Kempsey in the highest disadvantage band.

- BAND 1: Bonalbo (2469), Brewarrina (2839), **Kempsey (2440)**, Lightning Ridge (2834), Tingha (2369), Windale (2306)
- BAND 2: Bowraville (2449), Casino (2470), Deepwater (2371), Menindee (2879), Urunga (2455), Wellington (2820)
- BAND 3: Armatree (2831), Coraki (2471), Harrington (2427), Nambucca Heads (2448), Tweed Heads (2485), Walgett (2832)
- BAND 4: Forster (2428), Kurri Kurri (2327), Toukley (2263), Weston (2326), Woodenbong (2476), Wilcannia (2836)
- BAND 5: Boggabilla (2409), Claymore (2559), Koorawatha (2807), Lake Cargelligo (2672), South West Rocks (2431), Tenterfield (2372)
- BAND 6: Ashford (2361), Bourke (2840), Broken Hill (2880), Diamond Head (2443), Iluka (2466), Inverell (2360), Mt. Druitt (2770), Sawtell (2452), Taree (2430), Warrawong (2502)

The report says 'Australia needs some good examples of sustained, effective intervention to strengthen highly disadvantaged Communities' and 'recommends that the Commonwealth undertake demonstration projects and nominates possible sites:' one of which is 'NSW: Bowraville – **Kempsey**'.

AC addresses the first three points of disadvantage listed above by providing up to 27 new jobs, training and income in the FTCK plant proposal. The flow on effect is that other measures of disadvantage may disappear or diminish when people are gainfully employed.

## **BACKGROUND**

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Aboriginal Connections Pty Ltd was created as an independent company in 2003, wholly owned by Guri Wa Ngundagar Aboriginal Corporation (GWNAC). AC is a registered business in New South Wales and is overseen by a Board of Directors. The day to day operations are managed by a General Manager with a staff of administrative officers, tradespersons, apprentices and trainees.

Two of the three board members are Indigenous Australians and of the 47 employees, 76% are Indigenous.

AC has operated for the past six years specialising in the construction of public housing, schools and other state and federal government capital works projects. AC also builds for the private sector market. The company is strongly focused on providing training and employment for Indigenous Australians. AC's mission is to unite effective quality training outcomes with the construction of quality housing for both the Indigenous and mainstream building markets.

The manufacturing plants will create up to 27 new permanent employment opportunities in the region and be the first Indigenous owned and operated plant in NSW. The emphasis will be on training and employing Indigenous youths and the mature aged long term unemployed.

The short term goals of AC are to expand the business to include FTKC manufacturing plants. The longer term goals of the company are to develop a business model that can be duplicated in regional areas with staff that are trained

and mentored in the Kempsey Plant. AC's vision is that in 20 years time the company will have trained and employed the majority of Indigenous Australian building tradespersons in the region.

The model of the manufacturing plant is expected to be duplicated in other regional centres across NSW based on the demand for new constructions. The desired outcome is that these plants will be owned by community organisations in the regions and see qualified youths return to their communities after being trained. It is proposed to set up the regional plants utilising the expertise of former apprentices and trainees who have been mentored in all aspects of owning and operating a business of this size.

AC believes this proposal fits into the Government's policy to 'Close the Gap...'. AC is already proving to be a great success with its high Indigenous employment levels and substantial quality construction works. Importantly, our capacity to compete in the mainstream is proof that AC provides quality work whilst training Indigenous youth and delivers on time to stand on equal footing with other construction companies. We now need to take advantage of the opportunities that exist to expand on that success and integrate the FTKC plants into the AC model for advancement of Indigenous capabilities.

## **TERMS OF REFERENCE**

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The terms of reference are addressed as follows:

- How the development of social norms and behaviours for Indigenous juveniles and young adults can lead to positive social engagement.

AC was originally established by GWNAC under the Aboriginal Community Development Program:

- To meet the needs of strong Indigenous involvement, development and job outcomes;
- Provide high quality building services to meet Indigenous housing needs; and
- Create a successful community owned enterprise that generated jobs and career pathways for its apprentices and trainees and develop pride for the community.

GWNAC believed that providing employment and training pathways for Indigenous youth and long term unemployed people in Kempsey would offer optimism and direction to those people. It also believes that social norms, such as to have a career path, engage in life-long learning, contribute to society in a positive way, earn a living, support a family and live in a healthy and stable environment is something that Indigenous people are striving to achieve for themselves.

The FTKC project will create up to 27 new positions. The project will produce training and employment pathways to long term employment because the positions are ongoing and will allow trainees to become multi skilled in the construction industry. Trainees will have the opportunity to remain within Aboriginal Connections or join other building firms as skilled workers who hold nationally accredited certificates.

- Any initiatives which would improve the effectiveness of the education system in contributing to reducing the levels of involvement of Indigenous juveniles and young adults with the criminal justice system.
- The effectiveness of arrangements for transitioning from education to work and how the effectiveness of the 'learn or earn' concept can be maximised.

The service delivery model is a training model where trainees will be mentored in all aspects of the Aboriginal Connections building activities. This will take place in the form of off the job training by registered training organisations as well as on the job training on real projects as well as working in the new manufacturing plants.

There are over 300 frame and truss plants known of nationally. There are many more kitchen and cabinet plants nationally but numbers are not readily available as some are not separately identified because they are part of a larger enterprise. Once qualified and experienced, the trainees can transition to any state or territory because they will hold nationally accredited course qualifications.

The plants will build community capacity by providing employment and training opportunities for those who would otherwise be unable to find employment within their own community of Kempsey. The services of Aboriginal Connections will be expanded and all staff involved in building and trades positions will benefit from the diversification and expansion of trade disciplines. The community and wider community will benefit because the increased investment of locally produced products from the manufacturing plants will return profits to the community.

This in turn means that Aboriginal Connections will reinvest profits by creating further new jobs, and installing more equipment and infrastructure. In the longer term, Aboriginal Connections intends to recreate additional plant manufacturing models in areas such as Dubbo and Moree to provide trades training opportunities for Indigenous people in other regional NSW centres.

The project positions will also be available to apprentices/trainees who have been retrenched by other firms affected by the global economic crisis or other reasons. Apprentices/trainees will continue with their off the job training through registered training organisations and encouraged to expand their skills and certification by being trained in different sectors of the Aboriginal Connections business.

## APPENDICES

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1. Aboriginal Connections Frame and Truss and Kitchen and Cabinet Manufacturing Plants Business Plan

Appendix A MITEK Process for Frame and Truss Production

Appendix B Aboriginal Connections Completed Projects

Appendix C Aboriginal Connections Works in Progress

Appendix D AC Profit and Loss Statements for past three years

Appendix E FTCK Income and Expenditure Projection Statements for three years