

Submission of Sharon Kais, Kais Hire

Statutory Review of the Building and Construction Industry Training Fund and Levy Collection Act 1990

This submission is made by Sharon Kais, CEO of Kais Hire Pty Ltd. Kais Hire is a privately owned and operated organisation in the plant hire industry. Kais Hire offer clients and their projects wet and dry hire options, skilled labour hire and purchasing new fleet for long term hire arrangements.

1. Sharon Kais is the CEO of Kais Hire and has been a part of the civil construction industry since 2004.
2. All government and construction jobs require the project owner to pay the CTF training levy and contractors submit work in progress payments calculating man hours, costings and provision for the calculation of the levy is sometimes shown on the documents. Kais Hire is required to complete these details as a contractor on site for the Project owner when providing wet hire (machine and operator).
3. Kais Hire is categorised as a plant hire organization, providing a service to all Tier 1-3 constructing companies. Although, Kais Hire are considered as a contractor working on civil construction or resources construction contracts, Kais Hire understands that it has not been considered eligible for CTF funding as Kais Hire does not qualify or demonstrate as a primary and substantial direct involvement to projects in the WA's construction industry.
4. Kais Hire would like to know how the CTF can make the funding available to operational companies in the construction industry. Kais Hire believes it is not well known how the fund works. Kais Hire It would be good to see some more education about the industry on the fund and how to access it.
5. Kais Hire believes the CTF eligibility needs to be re-evaluated for the "operational companies" that are not being considered. Many of these companies could assist with the further development of their employees if grants and subsidies were available as they do serve the construction industry at the lower tiers.
6. Kais Hire does not have a large number of personnel to meet the criteria to undertake full-time management of apprenticeships. CTF could assist by sharing a program in this area where an apprenticeship is shared by variable groups.

7. Kais Hire who is not successful under the CTF Employer Incentive Scheme do not qualify due to the payroll threshold limitations given with the state governments jobs and skills WA (EIS). This needs to be reviewed as the payroll threshold limit is \$1m. Due to the construction industry's long hours required and the current pay rates, it is easy to exceed this value. The important part of this exercise, the \$1m threshold is not adequate in the assumptions. I feel administration costs should be deducted from the equation if you want the private sector to keep investing in the next generation.

Kais Hire payroll exceeds \$1million dollar payroll threshold. So no grant applies.

For example: Payroll of two workshop people is roughly \$3-400k, add admin roles AR AP Office \$80k each, Fleet and Workshop Management \$200k ea, Supervisor \$120k

- a. Heavy duty mechanic = \$2-300000 pyr + super
 - b. Trainee = \$105k pyr + super
8. Many companies such as Kais Hire are not eligible for CTF funding and are providing time and resources at their own cost. For example,
 - a. Giving work experience to junior students at our own cost.
 - b. Undertaking 12mth training apprenticeships for administration as we only qualify for CCI WA programs for a small reimbursement.
 - c. Mentoring Women In Civil at our cost.
 - d. Providing sponsorship and funds for CCF WA to run mentoring programs for Women In Civil at our own cost.
 - e. Providing Mentoring Wellness campaigns for the remote areas of WA in conjunction with Swans Football Club at our own cost.
 - f. Providing training and mentoring to Palyku Traditional Owner on Plant hire services and business services at our own cost.
 - g. Participating in and judging the Civil Construction Awards, has brought home how much work is being done by organisations without any benefits.
 - h. Kais Hire engages a consulting company for all mentoring, training for its staff at is own cost.

Gender diversity in the construction industry

9. Term of Reference (f) provides:

Consider the benefits of a more diverse construction workforce and assess whether First Nations people participation and gender imbalances in training are being adequately addressed under the Act.

10. In the civil construction industry women make up 13% of the workforce. There is no visible support from government to get more women into the industry unless the individual companies have targets like the larger corporate companies and organisation's (eg Georgiou).

11. Kais Hire provides funds for the mentoring program for Women in Civil just to be acknowledged in the construction industry but does not access any CTF funding – all effort is voluntary.
12. The mentoring program wasn't getting off the ground until Kais Hire got involved. Kais Hire worked effortlessly with CCFWA showcasing construction companies on Women in Civil and how their companies were working towards changing this percentage.
13. Women in civil program:– there are mixed roles and the ones who were educated seemed to do ok, but some female engineers struggled to get respect from male engineers. For those not as highly qualified, truck drivers and excavator operators felt unappreciated.
14. For women, the industry culture is a barrier. However, it is better now than it used to be. Women in their 20s are not finding some of those negative toxic issues experienced by others in the past. The workforce is becoming more diverse and greater education is occurring. One issue is that the industry may not be willing to place a woman in a small team and others have targets and ratios for the engagement of women in their workforce.
15. Women are still struggling, however. Sexual harassment still occurring. In the past women weren't allowed on site as men needed to stay on point on the job. Since recognition of equality has grown in some projects there's been plenty of trouble with some male workers commenting on issues to do with toilets, and women needing more time and facilities due to menstruation – so some older men have no respect for these requirements and some of that has carried through the industry. Today, sites are finding ways to work together.
16. In many cases people's personal upbringing affects who is applying to work. Kais is seeing more males applying for traditionally female roles.
17. Kais has taken on a trainee in the office undertaking a Certificate I in Business Administration and receives a wage incentive of approximately \$3500 from CCI WA over the term of the traineeship period. This has provided an opportunity for a young female to get a start in the industry.
18. An important aspect to consider is the opportunity for people to undertake work experience where they can identify a pathway, so they don't take on roles they won't enjoy. Many are attracted by high wages without considering if the role is something they will enjoy or be physically able to do.
19. As an example, there were women going to BHP to take on heavy duty fitters work and found they were able to mentally take on the role but physically couldn't do the job and had already signed the apprenticeship contract.
20. BHP took on male and female Qantas staff stood down during COVID into their mining sector, but for many the roles didn't align as it was not really the work they expected.
21. Women don't always like heavy work, even though they think they might, and some men don't want to work with teams of women who can't pull their weight.

22. 20 years ago, when Sharon started Kais Hire, she was told that women in the industry were as “Good as an ashtray on a motorbike” and “what would you know about the industry”. I don’t get spoken to in that manner now.

First Nations Diversity

23. Kais Hire is doing their bit with the creation of Munganya, a company created in partnership with a remote community Palyku, in the Pilbara.
24. Munganya has been a difficult project to get off the ground. The Palyku community is very remote. Sharon Kais is believed to be the first woman who has gone into a Joint Venture with a remote community, involving traditional owners. The Palyku people live a very traditional life and have critically limited education opportunities.
25. There are no training resources in Nullagine, so Kais Hire takes resources up to the community to train participants on country.
26. Kais Hire is training Walter Stream, a traditional owner of the Palyku community and is a 50% partner in Munganya, and his daughter, on how to run the business. The partnership between Walter Stream and Kais Hire is challenging. Walter is not educated in business but is educated in Heritage and cultural awareness. Together we forge a partnership to bring unity of two cultures with education, financial backing and low risk to transpire trust to our clients to engage in our business. Walter wants to empower his people to enter into contracts and opportunities, but we lacked time, money, training and resources due to the remoteness of his people.
27. Kais was assisting with a project in the community to upskill people to get a driver’s license, machinery tickets, first aid tickets etc. The Palyku people were very nervous about coming to the city, they also don’t like to stay in hotels, eat the city food and are scared of sickness brought back to their community.
28. From a First Nations people’s perspective there are two stories. Kais Hire has experience with two Indigenous businesses. One business involved the Noongar community, and Kais Hire saw racism experienced from non-indigenous businesses and other indigenous communities. Being Perth-based, the Noongar community is viewed as having access to greater educational opportunities, housing and employment. However, they do not receive royalties from the government that regional and remote communities do. The Noongar culture does not seem to be well respected by other indigenous groups. Sharon’s business partner had found he did not get respect in business negotiations unless Sharon was with him to do the negotiation. As a result, the project and the company struggled even though they were the traditional owners.
29. Change is happening with many project tenders; local content is preferred and / or a percentage of local indigenous workers and/or indigenous businesses as a target. However, we are finding companies black cladding or falsifying the percentage to win the work.
 - a. The government needs to stream more processes to prove indigenous companies must be compulsory assessed and approved and regulated.

30. Acciona held an indigenous company's forum. It is understood that once targets are met there is no further requirement to engage indigenous workers and from their organisations can do what they like and employ who they want. There is no transparency on the percentage or targets relating to where organisations are at with indigenous employment and local content. In some instances, organisations state they have already met their targets and the projects have yet to commence. One example was that the organisation had met their targets by ordering uniforms and stationery from indigenous companies and have therefore 'met' their quotas. This caused a lot of upset from the local indigenous people.
31. Roy Hill conducted an indigenous forum for indigenous organisations spanning from Newman to Hedland. These groups get access to royalties and trusts. A lot of these groups are cultural, and not educated in the western sense. All moneys paid are held in Trust. There is a lot of disputation between the groups as the Perth-educated Indigenous representatives or their businesses will usually get the work as they are at considered to be more educated and adaptable, and so give more options for funding, training etc.
32. Fortescue Metals Group Limited (FMGL) offers Traditional Owners the option to buy in on machinery for their projects and give a certain amount of income for each of the traditional owners. However, they do not monitor their ability to manage the contract, the machinery, the business and all the responsibilities that come with business and taxes. Sharon Kais recently met with FMGL to point out the downfalls of the system.
33. New treaties and new tenders will now name the language groups as first priority in getting preference to work and target percentages. Kais Hire finds themselves in the position of being the voice between resource companies such as Roy Hill and Fortescue to translate for cultural persons who find they are unable to speak for themselves.
34. 'Black cladding' is occurring in the resources sector within some organisations. Blackcladding is a practice of a non-indigenous business entity or individual taking unfair advantage of an indigenous business entity for the purpose of gaining access to otherwise inaccessible indigenous procurement policies or contracts.

Other activities to address issues in the construction industry

35. Kais Hire provides funding to Swan Districts Football Club to run development days - focusing on health, wellbeing, football, mentoring. Sharon has paid \$20,000 of her own money to support this initiative that contributes to positive outcomes for the community.
36. As a part of the building and construction industry, Kais Hire has staff that require training, mentoring, have mental health issues, and like many companies are short staffed. To address some of the training requirements, Kais Hire have hired someone to provide upskilling training for staff at a cost of \$1300 per week with no additional support.
37. More generally, Kais Hire regularly take on trades assistants to get them upskilled for employment in the industry. They are taught how to operate machines, service a machine, and work with people in the industry. These workers can then apply for a pre-apprenticeship or apprenticeship elsewhere. Kais Hire looks at this as a community service to get these people started in the industry and do it at their own expense.

38. As Kais Hire is categorised as a plant hire organisation, they don't employ full-time workshop staff and they are unable to take on an apprentice unless they have a full-time heavy plant machinist to supervise the apprentices.

Conclusion

1. As to the matters of discrimination and harassment - we need education in schools, homes, communities, and work experience to bring self-worth for families who don't have a full family supporting them.
2. Racial issues will continue to be in the industry for some time until education is broader. Cultural awareness training is important for every organisation to make a change.
3. Kais Hire would have appreciated some monetary assistance in its efforts to improve diversity in the civil construction industry.
4. Kais Hire requests the funding government agencies to be reassessed on the limitations of payroll thresholds.
5. Kais Hire would like the operational companies to be included in the CTF processes for grants and subsidies.