

TE ARA MAHI PROPOSALS FOR REVIEW

Date:	06 September 2019	Priority:	Medium
Security classification:	In Confidence	Tracking number:	BR 0678 19-20

Action sought		
	Action sought	Deadline
Hon Shane Jones Minister for Regional Economic Development	Agree to the recommendations outlined in this briefing	11/09/2019
Hon Grant Robertson Minister of Finance		11/09/2019
Hon Phil Twyford Minister of Transport		11/09/2019
Hon David Parker Minister for Trade and Export Growth		11/09/2019
Fletcher Tabuteau Parliamentary Under-Secretary to the Minister for Regional Economic Development	Note the contents of this briefing	11/09/2019

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
David van der Zouwe	Head of Investment	Privacy of natural persons		✓
Nathan Grennell	Programme Director	Privacy of natural persons	Privacy of natural persons	
Jessica Sandford	Policy Advisor	Privacy of natural persons		



The following departments/agencies have been consulted

Minister's office to complete:

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Notes

Withdrawn

Comments

PROACTIVELY RELEASED



Recommendations

The Provincial Development Unit recommends that you:

Tier 1- PGF EMPLOYMENT, SKILLS & CAPABILITY (TE ARA MAHI)

1. **Note** that Cabinet decision requires you to consult with Ministers of Social Development, Education and Employment [DEV-18-MIN-0235] and copies of the attached table have been forwarded to their offices

Noted

2. **Agree** to approve the Ngāti Pāhauwera Commercial Development Limited's application for a \$^{Commercial Information} grant from the Provincial Growth Fund

Agree / Disagree

David van der Zouwe
Head of Investment
Ministry of Business, Innovation and Employment

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Hon Grant Robertson
Minister of Finance

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Hon Shane Jones
Minister for Regional Economic Development

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Hon Phil Twyford
Minister for Transport

..... / /

Hon David Parker
Minister for Trade and Export Growth

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Recommendations

Te Ara Mahi projects seeking approval from Regional Economic Development Ministers

Applicant and Project	Proposal and key outcomes	PDU Comment	Total cost of project	Proposed PGF investment	SROs recommendation
<p>Applicant name: Ngāti Pāhauwera Commercial Development Ltd</p> <p>Project name: Ngāti Pāhauwera Horticulture, Forestry and Land Enhancement Project – Training and Employment</p> <p>Region: Northern Hawke's Bay (specifically Raupunga, Mohaka and neighbouring districts)</p>	<p>In June 2019, PGF funding was announced towards Ngāti Pāhauwera Horticulture, Forestry and Land Enhancement Project. This included Whenua Māori fund investment of \$5.5 million loan to develop and convert 80 hectares of flat land into productive horticulture over the next five years, and One Billion Trees programme funding of \$1 million towards the forestry and reversion.</p> <p>Ngāti Pāhauwera has requested a further \$1.36 million from the PGF to fund the training and skills component of this project. The proposal intends to target ^{Comm} trainees with the intensive support required to achieve ^{Comme} employment outcomes over a ^{Com} year period. Participants will include both people who are currently underemployed in seasonal work and people who are not in employment, education or training.</p> <p>This programme will provide participants with a NZ Certificate in Horticulture Productions (level 1 and 2), attainment of full drivers licence requirements, individual upskilling based on ability and interests, intensive pastoral care and additional life skills. Participants will receive a full-time wage, supported through Te Ara Mahi funding which will match ^{Commercial Information} Commercial Information. Ngāti Pāhauwera will contribute the remaining component of the wage subsidy and any additional amounts.</p> <p>Ngāti Pāhauwera recognises the proposed programme is more significant in scale than those previously provided and therefore plan to recruit an experienced programme manager to ensure the outcomes are achieved.</p>	<p>The PDU recommends that you approve Ngāti Pāhauwera's application for Te Ara Mahi funding. The proposal seeks to target trainees most at-risk of becoming long-term unemployed in an area of particular deprivation and need. If successful, this upskilling of the region's labour-force is expected to maximise returns and lift productivity with Ngāti Pāhauwera's horticulture and nursery operations and more widely address the horticulture supply shortage in Hawke's Bay.</p> <p>Ngāti Pāhauwera is able to deliver and reach "at-risk" communities in ways other services providers cannot through whakapapa, rangatiratanga and kaitiakitanga. Having previously executed a number projects that have involved recruitment, training and pastoral care support, learnings from these previous experiences have informed this application, including understanding the pastoral care needs of trainees and how to support participants overcome multiple and complex employment barriers.</p> <p>The proposal strongly aligns with the Matariki Regional Economic Development Strategy and the region's workforce capability and capacity priorities. It has been endorsed by local government community groups; iwi representative group, Te Kāhui Ōhanga o Takitimu, and major industry players. Ngāti Pāhauwera has also recently been nominated as a finalist in the Māori Crown Relationship category of the Spirit of Service Awards 2019.</p> <p>The PDU considers the employment targets set are achievable as Ngāti Pāhauwera has a proven record in the skills and employment space having worked in partnership with MSD for the past five years and with strong and established relationships with organisations for upskilling people. Ngāti Pāhauwera will continue its strategic partnership with Commercial Information. Ngāti Pāhauwera also has well established relationships at the local level with a range of government agencies including MSD, Te Puni Kokiri, Corrections, and NZ Police.</p> <p>MPI supports this application. MPI sees full alignment with regional growth, Maori land return improvement and capability building of iwi to deliver on the project and sustain the operations as outlined. MPI further advises deliverables are aligned with actionable components of the commercial horticulture programme and takes into account climatic variation.</p> <p>NZTA feedback outlined further information on the delivery plans for the driver licencing component of the proposed programme. This information would include the intended training provider and resources. It is expected that once the programme design and planning has progressed this detail would be clarified with NZTA and all compliance requirements will be satisfied.</p> <p>TEC feedback noted that this project supports regional priorities for growth in a skilled workforce and youth engaged in education, skills and training. Furthermore, TEC notes the programme aims to stimulate learner demand, particularly within a given community, whilst providing support and guidance to a specific sector. TEC did note that some of the proposed training would likely be met by ^{Commercial Information}</p>	<p>\$ ^{Commercial Information}</p> <p><u>Other sources of funding:</u> ^{Commercial Information}</p>	<p>\$1.36 million</p>	<p>SROs endorse approval of the Ngāti Pāhauwera Commercial Development Ltd's application for a \$1.36 million grant from the Provincial Growth Fund.</p>