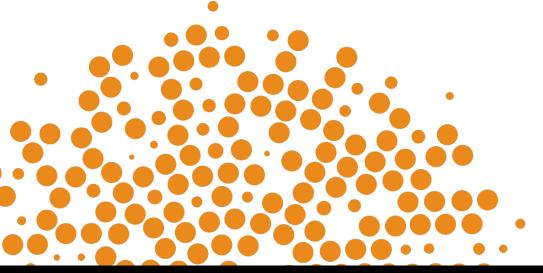
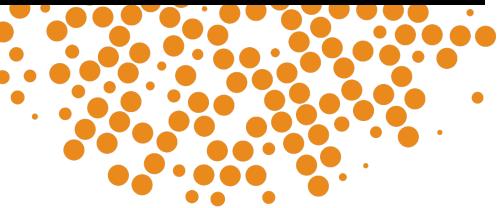
Department of Youth Justice, Employment, Small Business and Training



# Queensland Government Building and Construction Training Policy

**Guidelines for Contractors** 





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# Overview

These guidelines provide contractors with the information necessary to comply with the Queensland Government Building and Construction Training Policy (Training Policy). The guidelines include an overview of the main requirements and processes to be followed under the Training Policy.

These guidelines should be read in conjunction with the <u>Queensland Government Building</u> and <u>Construction Training Policy</u>, <u>guidelines and processes</u>, the <u>Queensland Procurement</u> <u>Policy</u> and the <u>Queensland Code of Practice for the Building and Construction Industry</u>.

# **Policy objective**

The objective of the Training Policy is to capitalise on the potential of Queensland Government and government owned corporation (GOC) building and/or civil construction projects to:

- create additional employment and training opportunities for apprentices and trainees in the building and construction industry
- improve the skills base of the building and construction industry
- provide employment, training and business supply opportunities for Aboriginal and Torres Strait Islander Queenslanders.

# **Training Policy requirements**

The Training Policy applies to eligible Queensland Government and GOC building and/or civil construction projects throughout Queensland. A core requirement is that a minimum of 10 per cent of the total labour hours on eligible projects is to be undertaken by apprentices and/or trainees and through other workforce training. From 1 September 2017, this core requirement increases to 15 per cent for eligible major building and/or civil construction projects.

# **Eligible projects**

Eligible projects are Queensland Government building projects with a contract sum of \$500,000 or greater (including GST), and civil construction projects with a contract sum of \$3 million or greater (including GST). Eligible projects include:

- projects throughout Queensland, including projects in Aboriginal and Torres Strait Islander communities
- projects that are selected as indigenous projects by Queensland Government agencies
- public private partnerships
- all building and/or civil construction projects with a contract sum above \$20 million (including GST) tendered or undertaken by GOCs will also be eligible projects.

From 1 September 2017, additional requirements apply to eligible major building and/or construction projects with a contract sum of \$100 million or greater (including GST).

## **Core requirements**

The primary means for contractors to comply with the Training Policy is through the employment of apprentices and/or trainees and through other workforce training.

The Training Policy has a core requirement that a minimum of 10 per cent of the total labour hours in eligible projects be undertaken by apprentices and/or trainees and through other workforce training. This core requirement is expressed in terms of deemed hours. The deemed hours for the Training Policy will be determined by the contract sum (including GST) multiplied by 0.06 per cent for building projects and 0.03 per cent for civil construction projects. The labour rate used for the conversion formula is \$45 per hour.

The Training Policy also requires that a minimum of 60 per cent of the deemed hours be allocated toward the employment of apprentices and trainees (new entrants only) with the remaining deemed hours allocated to other workforce training.

An apprentice or trainee is classified as a new entrant or existing worker as part of the Training Contract that is executed in the formation of the apprenticeship or traineeship. A new entrant apprentice or trainee is a person who enters into an apprenticeship or traineeship and who has not been continuously employed by the applicant employer detailed on the Training Contract for more than three months full- time, or 12 months casual or part-time, or a combination of both, immediately prior to the commencement date of the Training Contract.

An existing worker, apprentice or trainee is one who has been employed by the applicant employer in the above time periods prior to the commencement date of the Training Contract. **Note:** An apprentice or trainee will remain either a new entrant or existing worker under the Training Policy until they complete their apprenticeship or traineeship.

## **Apprentices and trainees**

The contractor has a number of options when deciding where the apprentice and/or trainee (new entrants only) hours of training will come from, including:

- employing their own apprentices and/or trainees, including school-based and part-time
- using Group Training Scheme apprentices and/or trainees
- using sub-contractor apprentices and/or trainees.

Contractors can only record onsite labour hours for apprentices and trainees.

## Workforce training

The contractor also has a number of options when deciding where the workforce training hours will come from, including:

- upskilling existing workers through a vocational education and training (VET) accredited course that is delivered by a registered training organisation (RTO) which leads to a VET qualification or to a statement of attainment of individual units of competency utilised in the building and civil construction industry
- upskilling existing workers through industry recognised non-accredited training; for example industry recognised sessions or short courses, in-house training delivered by the company or a third party in the company premises or online (this does not include site induction, toolbox talks or site meetings)
- upskilling existing workers through apprenticeships or traineeships
- employing Aboriginal and Torres Strait Islander people
- employing students undertaking a Structured Workplace Learning Program (SWL Program), engaging Registered Trade Skills Pathway participants, students undertaking a

University Degree that requires Industry Placement or a Cadet in the building and construction industry.

To comply with the deemed hours allocated towards Other Workforce Training, contractors can record onsite and/or offsite training hours undertaken to upskill existing workers through training (accredited, non-accredited, tertiary, in-house, industry based and recognised) that will improve the skills base of the building and construction industry.

Training is to be directly related to the project, delivered to an existing worker where upskilling is a requirement for them to be able to perform their role on the project and to effectively deliver the project.

For further information, refer to the <u>FAQs for Training Policy compliance for other workforce</u> training.

### Major building and civil construction projects

On major Queensland Government and GOC building and/or civil construction projects with a contract sum of \$100 million or greater (including GST), the following additional requirements are to be fulfilled:

- A core requirement that a minimum of 15 per cent of the total labour hours on eligible projects is to be undertaken by apprentices and/or trainees and through other workforce training. The deemed hours will be determined by the contract sum (GST inclusive) multiplied by 0.09 per cent for building projects and 0.045 per cent for civil construction projects. The Training Policy requires that a minimum of 60 per cent of the deemed hours be allocated toward the employment of apprentices and trainees (new entrants only) with the remaining deemed hours allocated to other workforce training.
- The contractor is required to develop and implement a Skills Development Plan, with the intent of developing the skills of existing workers and new entrants.
- Training delivery is to be linked to occupational outcomes in applicable nationally accredited training packages that are identified in the Skills Development Plan for the particular project.
- A training coordinator is to be employed by the principal contractor to ensure the implementation of the Skills Development Plan.

Contractors will be required to demonstrate compliance by submitting a copy of the Skills Development Plan with the usual Compliance Plan using the Training Policy Administration System (TPAS). For further information, refer to the <u>Guidelines for contractors – Skills</u> <u>Development Plan for major projects</u>.

## **Responsibility for subcontractor compliance**

Responsibility for compliance should not be automatically passed down the contractual chain without consideration of subcontractors' capacity to comply.

Contractors need to be aware that not all subcontractors will be able to comply for a variety of reasons including:

- no structured training programs available
- limited on-site employment and training opportunities due to the nature of the work undertaken.

Contractors may require some subcontractors to provide more hours of structured training than others in this situation (i.e. specialist mechanical contractors may have a limited on-site labour component due to the large component of off-site manufacturing and housing fabrication).

# **Training Policy Administration System**

The Queensland Government administers contractor compliance through the Training Policy Administration System (TPAS). This is an electronic reporting portal for contractors to report their compliance with the Training Policy.

The Queensland Government agency is required to add project information in TPAS for eligible projects once the contract has been awarded, this includes uploading a copy of the Letter of Acceptance or the equivalent i.e. Project Funding Agreement with applicable Annexures and other relevant documents such as the Department of Treaty, Aboriginal and Torres Strait Islander Partnerships, Communities and the Arts (DTATSIPCA) approval letter for selected Indigenous projects.

Queensland Government agencies and Management Procurement Agencies (if applicable) can also access TPAS for their own compliance monitoring and reporting purposes.

Contractors are required to submit the Compliance Plan, enter labour and training hours for apprentices/trainees and participants and submit the Practical Completion Report electronically using TPAS. Contractors will be informed of their compliance performance based on the data that they have entered into TPAS. Contractors can review their progressive achievement at any stage throughout the lifetime of the project on the TPAS portal.

Compliance with the Training Policy is a condition of contract and a report from TPAS will form the basis of advice to the Director-General of each Queensland Government department and Chief Executive Officer of each statutory body and GOC as required. This data is also able to form the basis of any investigations, sanctions or penalties in relation to non-compliance.

To receive access to TPAS please contact the Department of Youth Justice, Employment, Small Business and Training (DYJESBT) via <u>TrainingPolicy@desbt.qld.gov.au</u>.

The TPAS portal can be accessed via the Department of Youth Justice, Employment, Small Business and Training (DYJESBT) webpage by navigating to Training, For Employers and industry, Queensland Government Building and Construction Training Policy desbt.gld.gov.au/training/employers/trainingpolicy.

# Public private partnerships

From 1 July 2015, any procurement processes that commence for public private partnerships in relation to building projects with a contract sum of \$500,000 or greater (including GST) and civil construction projects with a contract sum of \$3 million or greater (including GST) must also comply with the Training Policy.

Queensland Treasury is responsible for leading the procurement for public private partnerships. Queensland Treasury will include reference to the Training Policy requirements in procurement documentation together with other regulatory requirements that potential proponents must address.

# **Requirements for Indigenous projects**

There are two categories of Indigenous projects under the Training Policy:

- Eligible projects located in an Aboriginal or Torres Strait Islander community and the Township of Weipa.
- Eligible projects located throughout the rest of Queensland that are proposed as Indigenous projects by Queensland Government agencies, GOCs or by the Director-General of DTATSIPCA.

The compliance requirements for Indigenous projects under the Training Policy are the same regardless of whether it is located in an Aboriginal or Torres Strait Islander community or outside of these communities when selected as an Indigenous project.

For Indigenous projects, it is a priority that the core deemed hours requirement (10 per cent of the total labour hours) of the Training Policy be met by Aboriginal and Torres Strait Islander apprentices and trainees and local Aboriginal and Torres Strait Islander workers.

In addition to this, the Training Policy requires that an additional amount, equivalent to a further 10 per cent of the total labour hours (which equates to a minimum of 3 per cent of the estimated project value including GST for building projects and a minimum of 1.5 per cent of the estimated project value including GST for civil construction projects), be allocated toward an agreed Indigenous Economic Opportunities (IEO) Plan.

For further information about the requirements and process to be used for Indigenous projects refer to the <u>Guidelines for Indigenous projects</u>.

# Procurement and compliance process requirements

For the Training Policy to be effective, it is essential that all contractors fulfil specific requirements at the following stages:

#### **Tender stage**

• Provide a written undertaking to the Queensland Government Agency to comply with the Training Policy when submitting a tender. This will usually be part of the tender documentation supplied.

#### **Post-tender negotiations**

- Variations to the deemed hours requirement will only be considered in extenuating circumstances. The overarching consideration in any negotiations is that the intent of the policy is not compromised (see section 7 Variations for further information).
- For Indigenous projects or selected Indigenous projects, an IEO Plan will be developed. For further information, refer to the <u>Guidelines for Indigenous projects</u>.

#### **Contracts awarded**

- Contractors acknowledge that compliance with the Training Policy is a mandatory precondition to the award of eligible government contracts.
- Grant recipients acknowledge that compliance with the Training Policy is a mandatory condition of the Funding Agreement with applicable Annexures Indigenous project.

- Contractors attend briefings with the government agency on the Training Policy compliance requirements in the awarded tender.
- Contractors will provide a key point of contact for subsequent communication with the agency.

#### **Pre-construction stage**

- Using TPAS, contractors are required to submit the Compliance Plan electronically within 10 working days of the date of acceptance of tender.
- For Indigenous or selected Indigenous projects, as part of the Compliance Plan contractors are required to upload the agreed IEO Plan signed by all parties in TPAS.
- For major projects, as part of the Compliance Plan, contractors are required to develop and upload a Skills Development Plan in TPAS and enter the Training Coordinator. For further information, refer to the <u>Guidelines for contractors – Skills Development Plan for</u> <u>major projects</u>.
- Where contractors or grant recipients tender components of a project that have available labour and training hours under the Training Policy, they are to include the Training Policy in their own tender and contract documents and ensure that subcontractors are made aware of and comply with the Training Policy requirements.

#### **Compliance during construction**

- Using TPAS, Contractors are required to enter progress against their Compliance Plan by entering the labour and training hours for apprentices/trainees and participants employed on the project. This includes hours for subcontractors who complete building or civil construction components of the project where there are available labour and training hours.
- For Indigenous or selected Indigenous projects, contractors are encouraged to record progress against the IEO Plan.

#### **Practical completion stage**

- Using TPAS, Contractors are required to submit the Practical Completion Report electronically within 15 working days of the date of practical completion.
- For Indigenous or selected Indigenous projects, as part of the Practical Completion Report contractors are required to upload the fully signed IEO Plan with final outcomes in TPAS.
- In the event that a large amount of work will have to be undertaken after the nominal practical completion date, and this has been agreed by the Queensland Government agency, the contractor should advise the department of the amended completion date.
- Ensure that subcontractors who complete building or civil construction components of the project contribute to the contractor's compliance with the Training Policy where there are available labour and training hours.

# **Grant programs**

Under the *Queensland Procurement Policy 2019* 'procurement' encompasses the whole process of obtaining goods and services however, does not include 'grants' as defined in the *Financial Accountability Handbook* administered by Queensland Treasury.

Where a Queensland Government agency administering a grant program wishes to apply the requirements of the Training Policy, applicability of the Training Policy to the grant program will be at the discretion of DYJESBT and determined on a case by case basis.

Where applicability has been determined, the Queensland Government agency who administers the grant program remains responsible for ensuring the grant recipient's compliance with the Training Policy, even in circumstances where a third party is engaged to procure and/or project manage the project. This includes ensuring that:

- The requirement to comply with the Training Policy is included in the grant program's Funding Guidelines.
- The Project Funding Agreement with applicable Annexures (or equivalent) entered into between the Queensland Government agency and the grant recipient includes Training Policy requirements for all eligible projects. DYJESBT will work in collaboration with the Queensland Government agency who administer the grant program to incorporate the Training Policy into this documentation.
- Project information is added into the TPAS for eligible projects once the Project Funding Agreement with applicable Annexures has been executed.
- The parties to the Project Funding Agreement and applicable Annexures understand and comply with the Training Policy, guidelines and supporting suite of resources located on the website at <u>Queensland Government Building and Construction Training Policy</u> and obligations under this agreement are enforced where grant recipients are in breach and/or failing to comply with the requirements of the Training Policy.
- The Training Policy is included as part of the Queensland Government agency's grant program administration including project management, performance monitoring and reporting processes.
- For any component of a project that the grant recipient tenders, that the grant recipient includes the Training Policy in their own tender and contract documents and ensures that contractors are made aware of and comply with the Training Policy requirements.
- Where contractors are awarded part or all of the project scope of works, the grant recipient must inform the contractor of the intention to share information with another agency in accordance with privacy legislation. This is to ensure that there is informed consent to share information between agencies.

For the purposes of the Training Policy the Project Funding Agreement and applicable Annexures would be considered the equivalent of a contract. The contract sum referred to in the Training Policy is to be the Total Project Cost plus GST as detailed in the executed Project Funding Agreement and applicable Annexures.

For more detailed information please refer to the <u>TPAS User Manual for Government</u> <u>Agencies</u>, <u>Government Owned Corporations and Management Procurement Agencies</u> and the <u>TPAS User Manual for Contractors</u>.

# Variations to the deemed hours requirement of the Training Policy

Variations to the deemed hours requirement of the Training Policy are approved by DYJESBT, Queensland Apprenticeship and Traineeship Office with the recommendation of the relevant Queensland Government agency or GOC and Management Procurement agency (if applicable).

Prior to advertising the tender, each Queensland Government agency or GOC is responsible for assessing a project's capability to comply with the deemed hours requirement. If a project is assessed as unable to meet the deemed hours requirement, a revised deemed hours requirement must be negotiated and approved by DYJESBT.

Variations following contract acceptance will only be considered in extenuating circumstances. Contractors must firstly negotiate and gain support for the variation with the Queensland Government agency or GOC and Management Procurement agency (if applicable) who will then recommend the variation to DYJESBT for assessment.

Where a project is located in an Indigenous Community or has been selected as an Indigenous project, in assessing any request to vary the deemed hours requirement, DYJESBT will consult with DTATSIPCA as part of the process.

Variation requests will be considered on a case-by-case basis and any variation to the deemed hours must not compromise the intent of the Training Policy.

The Training Policy Variation Process and Training Policy Variation Request Form are available to Queensland Government agencies, GOCs and Management Procurement agencies (if applicable) upon request to DYJESBT via <u>TrainingPolicy@desbt.qld.gov.au</u>.

# Compliance, performance reports and audits

Compliance and reporting arrangements for the Training Policy will be a condition of contract and compliance will be measured using data recorded in TPAS.

A contractor's failure to comply with the requirements of a contract, to which the Training Policy applies, will constitute a breach of contract. Non-compliance with the Training Policy will be considered in any review of a contractor's eligibility to tender for future Queensland Government contracts in addition to any other sanctions that may apply.

In addition to any contractual provisions, DYJESBT will provide performance reports regarding a contractor's compliance with the Training Policy to the Director-General or Chief Executive Officer of each Queensland Government agency or GOC as required.

The Department of Energy and Public Works (DEPW), Buy Queensland Audit Unit provides support to the Training Policy primarily through audit, investigation and education activities. The unit will undertake compliance audits against the Training Policy to ensure that contractors meet their obligations under the policy. An annual program of audit will be undertaken as well as investigations into complaints or referrals that allege non-compliance with the Training Policy. The unit will work collaboratively with DYJESBT, Queensland Government agencies, GOCs, contractors and applicable Aboriginal and Torres Strait Islander councils or authorities to obtain a higher level of compliance with the Training Policy and to achieve better policy outcomes throughout the lifetime of a building and construction

project. If a project is selected for audit, the contractor will be requested by the Buy Queensland Audit Unit to provide evidence to support all labour and training hours that have been recorded in the TPAS portal. For more information about the Buy Queensland Audit Unit visit <u>epw.qld.gov.au/about/strategy/buy-qld/compliance-complaints</u>.

Additionally, an Ethical Supplier Mandate has been introduced to building, construction and maintenance suppliers through the DEPW from 1 August 2019 and to transport, infrastructure and services suppliers from 1 October 2019. The Mandate includes adherence to the Training Policy among other legislative and contract compliance issues. It is designed ensure the Queensland Government is conducting business with ethical, environmentally and socially responsible suppliers, and for removing unethical behaviour from its supply chain. For more information of the Ethical Supplier Mandate visit epw.gld.gov.au/about/strategy/buy-gld/compliance-complaints/ethical-suppliers.

# **Construction Skills Queensland**

DYJESBT is responsible for the administration of the Training Policy and partners with Construction Skills Queensland (CSQ) to support the implementation of the policy. CSQ provides support to industry in understanding and meeting Training Policy requirements.

# **Further information**

For more detailed information or advice, please contact the Department of Youth Justice, Employment, Small Business and Training or Construction Skills Queensland.

#### Department of Youth Justice, Employment, Small Business and Training

Phone: 1300 369 935 Email: <u>TrainingPolicy@desbt.qld.gov.au</u> Website: desbt.qld.gov.au/training/employers/trainingpolicy

**Construction Skills Queensland** Phone: 1800 798 488 Email: <u>info@csq.org.au</u> Website: www.csq.org.au/

Department of Energy and Public Works Buy Queensland Audit Unit Phone: 1300 105 030 Email: <u>BuyQLDAudit@epw.qld.gov.au</u> Website: <u>epw.qld.gov.au/about/strategy/buy-qld/compliance-complaints</u>

# Definitions

**Aboriginal and Torres Strait Islander** – according to s51 (25) of the High Court of Australia (1983), 'An Aboriginal or Torres Strait Islander person is a person of Aboriginal or Torres Strait Islander descent who identifies as an Aboriginal or Torres Strait Islander and is accepted as such by the community in which he or she lives.'

Apprentice/trainee – A person undertaking an apprenticeship or traineeship as provided for in the Further Education and Training Act 2014.

**Building and civil construction** – these terms are defined as relating to the following activities:

- Building work according to Queensland Government Capital Works Management Framework (CWMF) Attachment 1 – Definition of a government building project. Work covered by this definition includes:
  - a) the erection, establishment or construction of a building;
  - b) any maintenance of a building assessed as high risk/significant (refer to Attachment 5);
  - c) the repair, renovation, refurbishment, alteration, extension or improvement of a building or maintenance of a building combined with any of these works;
  - d) the demolition or removal of a building;
  - e) any site work (defined as building work under the Queensland Building and Construction Commission Act 1991)related to work of any kind associated with a) to d) above as a separate contract in itself;
  - f) travellators and escalators, water supply, sewerage or drainage under installation or supply and installation contracts associated with a) to d) above as a separate contract in itself, and the provision of services generally (including but not limited to power, lighting, communications, security systems, fire, heating, ventilation, air conditioning, lifts).

but excludes (g) to (l). Refer to CWMF.

• Construction work – according to Chapter 3 Section 65 (1)(b) of the *Building Industry Fairness (Security of Payment) Act 2017.* 

Civil construction works include:

'the construction, alteration, repair, restoration, maintenance, extension, demolition or dismantling of any works forming, or to form, part of land, including walls, roadworks, power lines, telecommunication apparatus, aircraft runways, docks and harbours, railways, inland waterways, pipelines, reservoirs, water mains, wells, sewers, industrial plant and installations for land drainage or coast protection.

**Contractor** – the party who enters into a contract with the State of Queensland. This may include local government authorities or councils.

**Deemed hours** – the minimum number of on-the-job training hours to be achieved on any Queensland Government building and/or civil construction project to which the Training Policy applies.

**Government owned corporation** (GOC) – a government entity that is declared by regulation to be a government owned corporation under the *Government Owned Corporations Act 1993*.

**Grant Program** – means a program administered by the State for the provision of funding to a local government or local governments.

**Estimated project value** – the amount submitted by the preferred tenderer.

**Indigenous economic opportunities plan** – a plan agreed to and signed by the contractor and the Queensland Government Agency and the relevant Aboriginal or Torres Strait Islander council or authority.

Where there is no relevant Aboriginal and Torres Strait Islander council or authority, DTATSIPCA will agree to and sign the plan. A copy of a template is available at <a href="https://www.dsdsatsip.qld.gov.au/our-work/aboriginal-torres-strait-islander-partnerships/business-economic-development/building-construction-training-policy">https://www.dsdsatsip.qld.gov.au/our-work/aboriginal-torres-strait-islander-partnerships/business-economic-development/building-construction-training-policy</a>.

**Management Procurement Agency** - is the public or private agency, engaged by the Queensland Government agency or GOC, to undertake the project procurement and/or contract management.

**New entrant** – is a person who enters into an apprenticeship or traineeship and who has not been employed by the applicant employer detailed on the training contract continuously for more than three months full-time or 12 months casual or part-time or a combination of both, immediately prior to the commencement date of the training contract. This person will remain a new entrant under the Training Policy until they complete their apprenticeship or traineeship.

**Public private partnership** – a partnership approach between the public and private sectors to deliver effective public infrastructure, where it delivers value for money on behalf of taxpayers.

**Preferred tenderer** – tenderer that is ranked highest after the evaluation of tender submissions. The preferred tenderer may go on to be awarded the contract, at which time they become the 'contractor'.

**Queensland Government agency** – a department or statutory body as those defined in the *Financial Accountability Act 2009* or the *Government Owned Corporations Act 1993*.

| Guideline<br>owner:   | Department of Youth Justice, Employment, Small Business and Training               |  |
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| Related<br>documents: | Queensland Government Building and Construction Training Policy – Policy Statement |  |
|                       | Guidelines for Contractors   |  |
|                       | Guidelines for <u>Queensland</u> Government Agencies                               |  |
|                       | Guidelines for Contractors – Skills Development Plan for major projects            |  |
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