# Queensland Government Building and Construction Training Policy

#### **Policy statement**

The Queensland Government Building and Construction Training Policy (the 'Training Policy') supports employment opportunities and skills development in Queensland's building and construction industry. The Training Policy also focuses on increasing economic outcomes for Aboriginal and Torres Strait Islander Queenslanders in the industry.

The Training Policy is one element in a long-standing partnership between the building and construction industry and the Queensland Government to develop the industry's skills base and future workforce capability. It requires contractors to employ Queensland apprentices and trainees and undertake other workforce training as mandated components of being awarded work on eligible Queensland Government projects.

#### **Policy objective**

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

- Create additional employment and training opportunities for Queensland apprentices and trainees in the building and construction industry.
- Improve the skills base of the building and construction industry in Queensland.
- Provide employment, training and business supply opportunities for Aboriginal and Torres Strait Islander Queenslanders.

#### Scope

The Training Policy applies to eligible Queensland Government and GOC building and/or civil construction projects throughout Queensland. The core requirement is that a minimum of 10 per cent of the total labour hours on eligible projects is to be undertaken by Queensland 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.

All Queensland Government departments and statutory bodies, as defined in the *Financial Accountability Act 2009*, are required to comply with the Training Policy. Additionally, from 1



July 2015 the Training Policy also applies to all GOCs tendering or undertaking building and/ or civil construction projects with a contract sum above \$20 million (including GST).

Under Queensland procurement policy, 'procurement' encompasses the act of 'purchasing'. Arrangements or transactions typically classified as grants is not considered to be 'procurement'. Where an entity 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 the Department of Trade, Employment and Training (DTET) and determined on a case by case basis.

### **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).

#### Links to government priorities

The Training Policy supports the Queensland Government's commitment to job creation and lowering unemployment by prioritising more apprenticeship and traineeship opportunities for Queenslanders. It also aligns with the Queensland Government's commitment to increasing the economic participation of Aboriginal and Torres Strait Islander people in Queensland.

#### Commencement

The Training Policy became effective on 1 July 2014 replacing both the Queensland Government Building and Construction Contracts Structured Training Policy (the '10 per cent Training Policy') and the Indigenous Employment Policy for Queensland Government Building and Civil Construction Projects (the '20 per cent Indigenous Employment Policy').

From 1 July 2015, any procurement processes that GOCs commence for building and/or civil construction projects above \$20 million (including GST) must comply with the Training Policy.

Additionally, from this date, 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.

From 1 September 2017, any procurement processes that commence for **eligible major building and/or civil construction projects with a contract sum of \$100 million or greater** 

(including GST) must comply with the core requirement that a minimum of 15 per cent of the total labour hours on eligible projects be undertaken by Queensland apprentices and/or trainees and through other workforce training.

#### **Key elements**

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

The core requirements of the Training Policy may be indicatively expressed in terms of deemed hours, which are calculated using a conversion formula. The conversion formula estimates the training and employment hours required for a project, to support discussions between the procuring entity and a contractor to ensure outcomes are achieved that comply with the Training Policy.

The deemed hours for the Training Policy will be determined by the contract sum (GST inclusive) 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 requires that a minimum of 60 per cent of the deemed hours be allocated toward the employment of Queensland apprentices and trainees (new entrants only) with the remaining deemed hours allocated to other workforce training. An apprentice or trainee will remain a new entrant under the Training Policy until they complete their apprenticeship or traineeship (see the definitions section for further information).

Other workforce training may include:

- upskilling existing workers through training that is delivered by registered training organisations and which leads to nationally recognised building or civil construction qualifications
- upskilling existing workers through industry recognised training
- upskilling existing workers through apprenticeships or traineeships
- employing Aboriginal and Torres Strait Islander people
- employing students in undergraduate programs or cadetships that apply to formal tertiary, professional or technical education in the building and construction industry.

See the <u>FAQs for Training Policy compliance for other workforce training</u> for further information.

#### 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 Queensland apprentices and/or trainees and through other workforce training. Indicative deemed hours may be estimated by multiplying the contract sum (GST inclusive) 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 Queensland 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.

For further information, refer to the <u>Guidelines for contractors – Skills Development Plan for</u> <u>major projects</u>.

### Indigenous projects

As well as providing apprenticeship and traineeship opportunities and developing the skills of workers in the building and construction industry, the Training Policy also has a strong focus on increasing economic outcomes for Aboriginal and Torres Strait Islander Queenslanders.

#### Eligibility

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

- Eligible projects located in an Aboriginal or Torres Strait Islander community and the Township of Weipa (specified in Appendix A)
- Eligible projects located throughout the rest of Queensland that are selected as Indigenous projects through a written agreement between the Director-General of the Queensland Government agency or GOC and the Director-General of the Department of Women, Aboriginal and Torres Strait Islander Partnerships and Multiculturalism (DWATSIPM)

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

For Indigenous projects, it is a priority that the core requirement (10 per cent of the total labour hours or 15 per cent for major projects) of the Training Policy be met by Aboriginal and Torres Strait Islander apprentices and trainees, and local Aboriginal and Torres Strait Islander workforces.

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 indicatively 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 plan.

The Indigenous economic opportunities plan sets a minimum for agreed outcomes and provides flexibility in order for the economic opportunities associated with the project to be maximised for local communities.

This additional amount can be allocated against activities within the contract or against any employment, training or business supply opportunities that are negotiated, detailed and agreed in the Indigenous economic opportunities plan.

As part of the procurement process for Indigenous projects, the Queensland Government Agency will work with the preferred tenderer/s to develop and seek written agreement on an Indigenous economic opportunities plan in partnership with the Aboriginal and Torres Strait Islander council or authority. Where there is no relevant Aboriginal or Torres Strait Islander council or authority, DWATSIPM will take part in the negotiations and agreement.

#### **Selection of Indigenous projects**

Eligible projects that are located in an Aboriginal or Torres Strait Islander community or the Township of Weipa are automatically Indigenous projects.

The Director-General of DWATSIPM is able to select building construction projects and/or civil construction projects outside of Aboriginal or Torres Strait Islander communities to be Indigenous projects.

A project can be selected as an Indigenous project if it is:

- proactively identified and proposed to be an Indigenous project by the Director-General or Chief Executive Officer of the Queensland Government Agency or GOC.
- specifically for the use and benefit of Aboriginal and Torres Strait Islander people (e.g. Aboriginal health centre, cultural centre, social housing

Further information on the criteria and the process to be applied is available from the DWATSIPM website at <u>https://www.tatsipca.qld.gov.au/our-work/aboriginal-torres-strait-islander-partnerships/business-economic-development/indigenous-projects-under-building-construction-training-policy.</u>

#### **Compliance, performance reports and audits**

Compliance and reporting arrangements for the Training Policy will be a condition of contract. The contractor undertaking the project will be required to submit a Compliance Plan and Practical Completion Report for the project.

The Queensland Government administers compliance data through the Training Policy Administration System (TPAS). This is a mechanism for reporting compliance with the Training Policy.

Local government authorities or councils appointed as contractors by Queensland Government agencies for eligible projects are also required to comply with the policy.

For Indigenous projects, the contractor will be required to:

- submit an agreed Indigenous economic opportunities plan as part of the Compliance Plan
- report on the achievement of outcomes against the agreed plan as part of the Practical Completion Report.

A contractor's failure to comply with the requirements of a contract, to which the Training Policy applies, may constitute a breach of contract.

Further, 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.

Queensland Government agencies must ensure that a contractor's compliance with the Training Policy is a mandatory precondition to the award of eligible government contracts.

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

The Department of Housing and Public Works (DHPW), *Buy Queensland* Audit Unit provides support to the Training Policy primarily through audit, investigation and education activities. The unit undertakes compliance audits against the Training Policy to ensure that contractors meet their contractual obligations relating to the Training 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 works collaboratively with DTET, 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 visit <u>https://www.energyandclimate.qld.gov.au/about/strategy/buy-gld/compliance-complaints</u>.

Additionally, an Ethical Supplier Mandate has been introduced to building, construction and maintenance suppliers through the DHPW 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 to 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 on the Ethical Supplier Mandate visit <u>https://www.forgov.qld.gov.au/finance-and-procurement/procurement/procurement-</u> <u>resources/search-for-procurement-policies-resources-tools-and-templates/ethical-supplier-</u> <u>mandate</u>.

#### **Responsibilities**

DTET is responsible for the key documents that support the operation of the Training Policy.

DTET is responsible for operational functions associated with the administration of compliance reporting under the Training Policy.

All Queensland Government agencies and GOCs are responsible for managing, procuring and administering their building and/or civil construction projects and ensuring contractor compliance with the Training Policy in accordance with the <u>Guidelines for Queensland</u> <u>Government agencies</u> in the supporting suite of resources for the policy. This includes the enforcement of appropriate contractual obligations where contractors are in breach and/or failing to comply with the requirements of the Training Policy.

All Queensland Government agencies and GOCs remain responsible for the application of the Training Policy to their building and/or civil construction projects even in circumstances where a third party, an external consultant or service provider is undertaking the procurement and/or the project management of the project on the agency's behalf, for example, those delivered by shared services providers or under corporate partnership agreements.

Where DTET has determined the applicability of the Training Policy to a grant program, 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.

DHPW, Buy Queensland Audit Unit is responsible for compliance audits relating to the Training Policy to ensure that contractors meet their obligations under 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.

DWATSIPM is responsible for advancing the economic participation of Aboriginal and Torres Strait Islander people under the Training Policy in partnership with Queensland Government agencies, contractors and Aboriginal and Torres Strait Islander Councils or authorities.

The Director-General of DWATSIPM is responsible for selecting projects across Queensland to be considered by Queensland Government agencies and GOCs as Indigenous projects under the Training Policy. The Directors-General and Chief Executive Officers of Queensland Government agencies and GOCs are also responsible for identifying and proposing suitable projects to be selected as Indigenous projects in consultation with the Director-General of DWATSIPM.

The Queensland Government agency or GOC specified in the procurement process, is responsible for preferred tenderer negotiations and forming agreement on the Indigenous economic opportunities plan with an Aboriginal and Torres Strait Islander council or authority and the preferred tenderer/s prior to the awarding of the contract. Where there is no relevant Aboriginal or Torres Strait Islander council or authority, DWATSIPM will take part in the negotiations and the agreement.

Preferred tenderer/s are responsible for developing the Indigenous economic opportunities plan. Successful contractors are responsible for complying with the Training Policy in accordance with the contract.

Where applicable, successful contractors are responsible for working in partnership with Aboriginal and Torres Strait Islander councils or authorities (or DWATSIPM where there is no relevant council or authority) and the Queensland Government agency, to achieve outcomes against the agreed Indigenous economic opportunities plan. To maximise Indigenous employment, training and business supply opportunities for Aboriginal and Torres Strait Islander people, Aboriginal and Torres Strait Islander Councils or authorities (or DWATSIPM) are responsible for providing advice to contractors and the Queensland Government agency. They also have a role in the negotiation and agreement of Indigenous economic opportunities plans for projects located within their communities, as well as validating the achievement of outcomes against each plan.

## Policy document toolkit

The Training Policy, related guidelines, fact sheet and other resources can be found at <u>https://desbt.qld.gov.au/training/employers/trainingpolicy</u>.

The Training Policy is to be implemented in accordance with the details provided in the toolkit. Please refer to the guidelines for information on how to calculate the requirements for individual projects under the Training Policy, and the processes to be followed for eligible projects and for variations.

#### Contact

For further information, visit <u>https://desbt.qld.gov.au/training/employers/trainingpolicy</u> or email <u>TrainingPolicy@desbt.qld.gov.au</u>.

#### **Related policies and procedures**

- Queensland Procurement Policy 2023
- Queensland Government Project Assessment Framework
- Queensland Code of Practice for the Building and Construction Industry
- Queensland Government Building Policy Framework Growth and Renewal
- Queensland Government Building and Construction Training Policy Guidelines and resources

### 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 Construction Project** – a Queensland Government building construction project as defined in the <u>Queensland Government Building Policy Framework – Growth and Renewal</u>:

**Government building construction** project means construction of new buildings and upgrade/improvements to existing buildings to increase the useful life.

This includes:

- (i) the erection, establishment or construction of a government building asset
- (ii) any maintenance of a government building asset assessed as a HRS government building construction project
- (iii) the renovation, alteration, extension, improvement, repair, refurbishment or restoration of a government building asset
- (iv) maintenance of a government building asset combined with any work of a kind mentioned in paragraphs (i), (ii) or (iii)
- (v) the dismantling, demolition or removal of a government building asset
- (vi) any site work (including any site work defined as building work under the Queensland Building and Construction Commission Act 1991) related to work of any kind associated with paragraphs i) to v) above as a separate contract in itself
- (vii) installation or supply and installation of travellators, escalators, water supply, sewerage or drainage related to work of any kind associated with paragraphs i) to v) as a separate contract in itself and
- (viii) the provision, including installation or supply and installation, of services for a government building asset (including but not limited to power supply, lighting, heating, ventilation, air conditioning, communications systems, security systems, fire protection, lifts).

This does not include:

- (i) service maintenance contracts associated with a government building asset
- (ii) the construction, maintenance or repair of a road under the Land Act 1994
- (iii) the construction, maintenance or repair of a bridge
- (iv) the construction, maintenance or repair of railway tracks, signals or associated structures
- (v) the construction, maintenance or repair of harbours, wharfs and other marine structures not related to land-based building work or
- (vi) the construction, maintenance or repair of a dam

**Civil Construction Project** – means a Queensland Government civil construction project as defined by construction work in the *Building Industry Fairness (Security of Payment) Act 2017*, Chapter 3 Section 65 (1)(b) and (3)(a) and (b).

- (1) (b) 'the construction, alteration, repair, restoration, maintenance, extension, demolition or dismantling of any works forming, or to form, part of land, including walls, roadworks, powerlines, 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.
- (3) construction work **does not** include any of the following work—
  - (a) the drilling for, or extraction of, oil or natural gas;
  - (b) the extraction, whether by underground or surface working, of minerals, including tunnelling or boring, or constructing underground works, for that purpose.

**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 employment and 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, 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, DWATSIPM will agree to and sign the plan. A copy of a template is available at <a href="https://www.tatsipca.qld.gov.au/our-work/aboriginal-torres-strait-islander-partnerships/business-economic-development/indigenous-projects-under-building-construction-training-policy.">https://www.tatsipca.qld.gov.au/our-work/aboriginal-torres-strait-islander-partnerships/business-economic-development/indigenous-projects-under-building-construction-training-policy.</a>

**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*.

Policy owner:	Department of Trade, Employment and Training
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Related documents:	<ol> <li><u>Guidelines for Contractors</u></li> <li><u>Guidelines for Queensland Government Agencies</u></li> <li><u>Guidelines for Indigenous projects</u></li> <li><u>Guidelines for Contractors – Skills Development Plan for major projects</u></li> </ol>
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# <u>Appendix A</u>

#### Aboriginal and Torres Strait Islander communities

Torres Strait Island communities	Aboriginal communities
Badu	Aurukun
Bamaga	Cherbourg
Boigu	Coen
Dauan	Doomadgee
Erub	Hope Vale
Hammond	Injinoo
Horn	Kowanyama
Kubin	Laura
lama	Lockhart River
Marbuiag	Mapoon
Masig	Mornington
Mer	Napranum
Моа	New Mapoon
Poruma	Palm Island
Prince of Wales	Pormpuraaw
Saibai	Umagico
Seisia	Woorabinda
St Pauls	Wujal
Thursday Island	Yarrabah
Ugar	and the Township of Weipa
Warraber	

# Appendix A (cont.)

#### Aboriginal and Torres Strait Islander communities details

