

Version 2

4 February 2019

# **Queensland Government Building and Construction Training Policy**

## Guidelines for Indigenous projects



## 1. Overview

These guidelines provide Queensland Government agencies, government owned corporations, contractors and Aboriginal and Torres Strait Islander Councils and authorities with the information necessary to comply with the requirements for Indigenous projects under 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.

For more detailed information or advice, please contact the Department of Employment, Small Business and Training (DESBT), the Department of Aboriginal and Torres Strait Islander Partnerships (DATSIP) or Construction Skills Queensland (CSQ).

These guidelines should be read in conjunction with the [Queensland Government Building and Construction Training Policy, guidelines and processes](#), the [Queensland Procurement Policy](#) and the [Queensland Code of Practice for the Building and Construction Industry](#).

### Policy objective

The objective of the training policy is to capitalise on the potential of Queensland Government and government owned corporation building and 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.

## 2. Training policy requirements

The training policy applies to eligible Queensland Government and government owned corporations 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 government owned corporations 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, 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.

### **Major building and civil construction projects**

On major Queensland Government and government owned corporation 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.

### **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).

### **3. Requirements for Indigenous projects**

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.
- eligible projects located throughout the rest of Queensland that are proposed as Indigenous projects by Queensland Government agencies, government owned corporations or by the Director-General of the Department of Aboriginal and Torres Strait Islander Partnerships (DATSIP).

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.

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.

### **Indigenous Economic Opportunities Plan**

As part of the development of the IEO Plan, Queensland Government agencies and contractors should refer to the training policy processes and templates for Indigenous projects located on the [DATSIP website](#).

The IEO Plan is designed to maximise local employment, training and business supply opportunities for Aboriginal and Torres Strait Islander Queenslanders in connection with the eligible building and/or construction projects.

The IEO 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.

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

The IEO Plan details the project specific employment, training and business opportunities to be adhered to by the successful contractor in order to comply with the training policy.

As part of the procurement process for Indigenous projects, the principal (Queensland Government agency) or their agent will work with the preferred tenderer/s to develop and seek written agreement on an IEO 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, DATSIP will take part in the negotiations and agreement.

The IEO Plan forms part of the training policy compliance requirements for Indigenous projects, and by its signature, the preferred tenderer/s warrants to comply with the requirements detailed in the plan.

#### **4. 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 DATSIP is able to select building 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 procuring agency

- specifically for the use and benefit of Aboriginal and Torres Strait Islander people (e.g. Aboriginal health centre, cultural centre, social housing)
- located in one of the priority regional areas determined by DATSIP for Indigenous projects under this policy, or located outside of the priority regional areas and is agreed between the Director-General or Chief Executive Officer of the procuring agency and the Director-General of DATSIP.

A list of priority regional areas is available on the [DATSIP website](#)

The priority regional areas have been identified based on a strategic assessment of a range of factors, including Aboriginal or Torres Strait Islander population and unemployment rates. This approach will enable workforce and skills development to be assessed, planned and coordinated where projects are able to be clustered.

Further information on the criteria and the process to be applied is available from the [DATSIP website](#).

Queensland Government agencies are to engage with the Economic Participation division of DATSIP as early as possible for the selection of Indigenous projects.

## **5. Procurement process requirements for Indigenous projects**

For the training policy to be effective, it is essential that the following processes be adhered to for Indigenous projects, in addition to the general procurement processes detailed in the [Guidelines for Queensland Government agencies](#) and [Guidelines for contractors](#):

### **Pre-tender**

- Queensland government agencies are to determine whether the project is an Indigenous project, or is to be selected as an Indigenous project under the training policy. It is preferable that discussions with DATSIP occur as early as possible for the selection of Indigenous projects.
- In Indigenous communities, all eligible projects are to be coordinated through the Program Office Technical Working Group (TWG) to maximise Indigenous economic opportunities.
- The principal (Queensland Government agency) is to develop an Indigenous economic opportunities overview in consultation with the TWG to include in the tender documents. Where there is no TWG, then DATSIP will take on this role.

### **Post-tender negotiations**

- The principal (Queensland Government agency) is to lead the negotiation of an IEO Plan and work with the preferred tenderer(s) to develop and seek written agreement on an IEO Plan in partnership with the Aboriginal and Torres Strait Islander council or authority prior to the awarding of the contract. Where there is no relevant Aboriginal or Torres Strait Islander council or authority, DATSIP will take part in the negotiations and agreement.

### **Contracts awarded**

- The contractor's compliance with the training policy is a mandatory precondition to the award of eligible government contracts, including meeting the requirements of an Indigenous project.
- The signed IEO plan forms part of the contract and compliance requirements with the successful tenderer.
- The principal (Queensland Government agency) is to brief contractors on the training policy compliance requirements for Indigenous projects and provide the key point of contact within the agency for the awarded tender.
- The principal (Queensland Government agency) is to submit project information into the [Training Policy Administration System \(TPAS\)](#) for eligible projects and upload a copy of the 'Letter of Acceptance to the successful tenderer' or the 'acceptance particulars' document. TPAS is an electronic reporting system for contractors to report their compliance with the training policy.

### **Compliance during construction**

- The contractor will submit a compliance plan and upload the agreed IEO Plan signed by all parties using [TPAS](#).
- The contractor is to meet regularly with the principal and an executive from the relevant Aboriginal and Torres Strait Islander council or authority through the TWG throughout the project construction to keep them informed about the progress against the IEO Plan and to resolve any issues. Where there is no relevant Aboriginal and Torres Strait Islander council or authority or TWG then DATSIP will take on this role.
- Contractors are able to enter progress against their compliance plan using TPAS.

### **Practical completion stage**

- The contractor, the principal and an executive representative of the Aboriginal and Torres Strait Islander council or authority (Mayor/CEO) review and sign off on the achievement of outcomes against the agreed IEO Plan. Where there is no council or authority, DATSIP will accept responsibility for negotiating sign off.



- The contractor submits the signed IEO Plan with final outcomes as part of the training policy Practical Completion Report via TPAS. The IEO Plan final outcomes can be uploaded on TPAS.

## **6. Construction Skills Queensland and the Training Policy Administration System**

CSQ administers contractor compliance data on behalf of the Queensland Government, through TPAS.

Queensland Government agencies are required to submit project information into TPAS for eligible projects once the contract has been awarded, this includes uploading a copy of the Letter of Acceptance. Government agencies can also access TPAS for their own compliance monitoring and reporting purposes.

Contractors are required to submit to CSQ the Compliance Plan and Practical Completion Report using TPAS. Contractors will be informed of their compliance performance based on the data that they have entered into TPAS. A monthly email reminder is sent to contractors about their status, with calculated deemed hours and progressive achieved hours as actual amounts and as a percentage, as defined in the contract. In addition, contractors may view their progress at any time on the TPAS website.

To advise on contractors' compliance with the training policy, an annual 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 government owned corporation. 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 CSQ on 1800 798 488. TPAS can be found on the CSQ website at

<https://csq.org.au/industry/tpas-building-construction-industry-training-policy/>

### **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. Any public private partnerships that are deemed to be Indigenous projects are also

required to meet the additional requirements for Indigenous projects 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.

## **7. Variations to the deemed hours requirement of the training policy**

Variations to the deemed hours requirement of the training policy are approved by the DESBT, Queensland Apprenticeship and Traineeship Office with the recommendation of the relevant Queensland Government agency or government owned corporation (GOC).

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 DESBT.

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 who will then recommend the variation to DESBT for approval. In evaluating any request to vary the deemed hours requirement, DESBT will consult with CSQ 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 and GOCs upon request to DESBT.

## **8. Variations to the Indigenous Economic Opportunities Plan**

Variations to the IEO Plan will only be given through written agreement with the principal (Queensland Government agency), the applicable Aboriginal and Torres Strait Islander council or authority (or where there is no Aboriginal and Torres Strait Islander council or authority, then DATSIP) and the contractor.

## 9. Compliance and annual performance reports

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 to any other sanctions that may apply.

In addition to any contractual provisions, the Department of Employment, Small Business and Training will provide annual performance reports regarding a contractor's compliance with the policy to the Director-General or Chief Executive Officer of each Queensland Government agency or government owned corporation.

## 10. Further information

For more detailed information or advice, please contact the Department of Aboriginal and Torres Strait Islander Partnerships, the Department of Employment, Small Business and Training or Construction Skills Queensland.

Department of Aboriginal and Torres Strait Islander Partnerships

*Indigenous projects within remote discrete Indigenous communities:*

Remote Indigenous Land and Infrastructure Program Office

Phone: (07) 4039 8572

Email: [petrina.villaflor@datsip.qld.gov.au](mailto:petrina.villaflor@datsip.qld.gov.au)

Website: <https://www.datsip.qld.gov.au/publications-governance-resources/policy-governance/building-and-construction-training-policy>

*Indigenous projects located throughout the rest of Queensland:*

### **Economic Participation**

Phone: (07) 3003 6346

Email: [enterprise@datsip.qld.gov.au](mailto:enterprise@datsip.qld.gov.au)

Website: <https://www.datsip.qld.gov.au/publications-governance-resources/policy-governance/building-and-construction-training-policy>

### **Department of Department of Employment, Small Business and Training**

Phone: 1300 369 935

Email: [trainingpolicy@desbt.qld.gov.au](mailto:trainingpolicy@desbt.qld.gov.au)

Website: [www.training.qld.gov.au/trainingpolicy](http://www.training.qld.gov.au/trainingpolicy)

Construction Skills Queensland

Phone: 1800 798 488

Email: [admintp@csq.org.au](mailto:admintp@csq.org.au)

Website: <https://csq.org.au/industry/tpas-buildng-construction-industry-training-policy/>

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