



# Australian Skills Guarantee

Introducing national targets for apprentices, trainees, paid cadets and women on Australian Government funded major projects.

## Background

The Australian Skills Guarantee (the Skills Guarantee) will use government investment in major projects to help train the next generation of skilled workers. The Skills Guarantee is a key commitment under the Australian Government's *Secure Australian Jobs Plan*.

The Skills Guarantee will introduce new national targets to ensure one in 10 workers on Australian Government funded major projects is an apprentice, trainee or paid cadet.

The Skills Guarantee will also introduce national targets for women to increase the proportion of women working on major projects and drive long term sustainable change to reduce gender segregation in the apprenticeship system.

## Key elements

The Skills Guarantee will initially apply to major construction and information and communication technology (ICT) projects with a total contract value of \$10 million or more.

### Major Construction Projects

The Skills Guarantee will apply to Commonwealth procurements in the construction sector. Suppliers will be required to meet:

- Overarching apprentice/trainee targets: a minimum of 10% of all labour hours to be undertaken by apprentices/trainees.
- Apprentice/trainee target for women: a minimum of 6% of all apprentice/trainee labour hours to be undertaken by women.
- Trades apprentice/trainee target for women: a minimum of 4% of trade apprentice/trainee labour hours to be undertaken by women.

To drive sustainable change, the targets for women for major construction projects will be increased annually by one percentage point, reaching a minimum of 12% for women in apprenticeships and traineeships and 10% for women in trade apprenticeships and traineeships in 2030.

Under these targets, the proportion of women in apprenticeships and traineeships on Commonwealth funded major construction projects valued over \$10 million will more than double, and those in trades apprenticeships and traineeships will triple on Skills Guarantee projects by the end of the decade.

## Major ICT Projects

The Skills Guarantee will apply to Commonwealth procurements in the ICT sector. Initially, targets for apprentices, trainees and paid cadets, and targets for women, will be negotiated with suppliers on a project-by-project basis.

## Flagship Construction Projects

There will also be more ambitious targets for women in flagship Commonwealth procurements with a total contract value of \$100 million or more in the construction sector. Suppliers will be required to meet the following requirements:

- Meet the targets that apply to major construction projects.
- Propose higher targets for women.
- Prepare a Gender Equality Action Plan outlining how targets will be achieved.

## Consultation

The Government has already engaged with over 100 organisations and professionals through a discussion paper and a series of targeted meetings. This included a wide range of industry, unions, peak bodies, academics, and women's organisations.

There has also been consultation with state and territory governments, to help us understand how existing workforce targets work in the construction industry are already being applied and how these arrangements will work in conjunction with the Skills Guarantee.

Ongoing engagement with the sector is critical to the success of the Skills Guarantee. Over the coming 12 months the department will seek stakeholder views on the detailed guidelines, reporting requirements and other materials to support affected suppliers.

## Next steps

Targets will apply to tenders for Commonwealth projects from 1 July 2024.

The Government will also work with state and territory governments to apply the Skills Guarantee to jointly funded major construction projects under the National Housing Accord, the 2032 Olympic and Paralympic Games and the next National Partnership Agreement on Land Transport Infrastructure Projects.

For more information, please visit the [Australian Skills Guarantee page](#) on the department's website.