

**Australian Skills Guarantee**

Procurement Connected Policy CONSULTATION WORKING DRAFT

**September 2023**

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The document must be attributed as the Australian Skills Guarantee Procurement Connected Policy guideline.

**Contents**

[1 Glossary 5](#_Toc146785544)

[2 Introduction to the Australian Skills Guarantee 8](#_Toc146785545)

[2.1 The Australian Skills Guarantee 8](#_Toc146785546)

[2.2 Procurement Context 8](#_Toc146785547)

[2.3 Exemptions 8](#_Toc146785548)

[2.4 Policy context 8](#_Toc146785549)

[2.5 Accountability 9](#_Toc146785550)

[3 Eligible major projects 10](#_Toc146785551)

[3.1 Introduction 10](#_Toc146785552)

[3.2 Major construction projects 10](#_Toc146785553)

[3.3 Major information and communication technology (ICT) projects 10](#_Toc146785554)

[3.4 Flagship construction projects 10](#_Toc146785555)

[4 Skills Guarantee targets 11](#_Toc146785556)

[4.1 Introduction 11](#_Toc146785557)

[4.2 Targets for major construction projects 11](#_Toc146785558)

[4.3 Targets for major ICT projects 13](#_Toc146785559)

[4.4 Targets and other requirements for flagship construction projects 14](#_Toc146785560)

[5 Procurement and contract management planning 16](#_Toc146785561)

[5.1 Approach to market 16](#_Toc146785562)

[5.2 Model clauses 16](#_Toc146785563)

[5.3 Submission stage 16](#_Toc146785564)

[5.4 Submission evaluation 16](#_Toc146785565)

[5.5 Contract Variations 16](#_Toc146785566)

[6 Reporting 17](#_Toc146785567)

[6.1 Reporting responsibilities and requirements for all parties 17](#_Toc146785568)

[6.2 Labour hours that contribute to the Skills Guarantee targets 18](#_Toc146785569)

[6.3 Reportable data 18](#_Toc146785570)

[6.4 Key performance indicators 19](#_Toc146785571)

[7 Compliance 20](#_Toc146785572)

[7.1 Introduction 20](#_Toc146785573)

[7.2 Calculations used to determine whether targets are met 20](#_Toc146785574)

[Appendix A – Roles and responsibilities 22](#_Toc146785575)

[Appendix B – Examples of applying apprentice and ICT cadet hours to the targets 25](#_Toc146785576)

[Appendix C – Building and Construction and Facilities Management industry categories within scope of the Skills Guarantee 27](#_Toc146785577)

[Appendix D – ICT industry categories within scope of the Skills Guarantee 29](#_Toc146785578)

**Acknowledgement of country**

The Australian Government Department of Employment and Workplace Relations acknowledges the Traditional Owners and Custodians of Country throughout Australia and acknowledges their continuing connection to land, waters, and community. We pay our respects to the people, the cultures, and the Elders past, present.

# Glossary

The following defined terms are used in this document:

**Australian and New Zealand Standard Classification of Occupations (ANZSCO)** provides a basis for the standardised collection, analysis, and dissemination of occupation data for Australia and New Zealand. It is used in this document to define the scope of building and construction and facilities management (construction) and ‘ICT’ industry categories and what is considered a *trade* role.

**Apprentice** (also known as a t*rainee* or an *Australian Apprentice*) is a person who is:

* employed under a *training contract* that has been registered with, and validated by, their State/Territory Training Authority;
* undertaking paid work and structured training which commonly comprises both on and off the job training;
* undertaking a negotiated training program that involves obtaining a nationally recognised qualification; and
* either directly employed by the *supplier* or *sub-contractors*, or indirectly employed through a *group training organisation* to work on an *eligible major project*.

**Approach to market (ATM)** is any notice inviting *potential suppliers* to participate in a procurement which may include a request for tender, request for quote, request for expression of interest, request for information or request for proposal.

**Eligible flagship construction projects** are those with an estimated procurement value of $100 million and above (GST inclusive) in the industry categories specified in **Appendix C**.

**Eligible major construction projects** are those with an estimated procurement value of $10 million and above (GST inclusive) in the industry categories specified in **Appendix C**.

**Eligible major ICT projects** are those with an estimated procurement of $10 million and above (GST inclusive) in the industry categories specified in **Appendix D**.

**Eligible major projects** are projects defined in **Section 3** of this policy, which are undertaken by non-corporate Commonwealth entities and prescribed corporate Commonwealth entities listed in **Section 30** of the *Public Governance, Performance and Accountability Rule 2014.* These include *eligible major construction projects*, *eligible major ICT projects* and *eligible flagship construction projects*.

**Group training organisation** is an organisation that hires *apprentices* and places them with *host employers*.

**Host employer** is an employer who hires an *apprentice* through a *group training organisation*.

**Labour hours** are the number of hours a person worked on an *eligible major project*. This may include hours worked on-site and off-site training and education. See **Section 6.3** for further detail on what *labour hours* worked by *apprentices* and *ICT cadets* can be counted towards the Skills Guarantee targets.

**ICT cadet** refers to a paid employee who is working in the industry categories outlined in **Appendix D** and who is employed in an entry-level role and undertaking academic study through either the VET or higher education system towards a qualification under the Australian Qualification Framework, where the employer has formally committed to providing the employee with on-the-job training and support to complete the specific course of academic study.

**Potential supplier** means an entity or person who may respond to an *approach to market*.

**Relevant entity** is a Commonwealth entity (as set out in the *Public Governance, Performance and Accountability Act 2013*) conducting a procurement.

**Submission** is any formally submitted response from a *potential supplier* to an *approach to market*. *Submissions* may include tenders, responses to expressions of interest or responses to request for quote.

**Supplier** means an entity or person who has entered into a contract with the Commonwealth. The *supplier* reports to the *relevant entity*.

**Sub-contractor/s** means another party contracted by the *supplier* for the provision of goods and services for the purposes of the contract.

**Tenderer** is an entity or person who has responded with a *submission* to an *approach to market*.

**Total estimated workforce hours** refers to the total *labour hours* that it was estimated in the *approach to market* it would take to complete the *eligible major project*.

**Trade** refers to sub-major occupations that are classified as *Technicians and Trades Workers*. Occupations are classified using the *Australian and New Zealand Standard Classification of Occupations (ANZSCO)*, ABS catalogue no 1220.0, 2021 (Australian Version).

**Trade apprentice** (also known as trade trainee) is a person who:

* is classified as an apprentice (see definition of *apprentice* above)
* works in a role that is classified as a *trade* (see definition of *trade* above)

**Trades positions** include roles classified as *Technicians and Trades Workers* (category 3) under the *Australian and New Zealand Standard Classification of Occupations (ANZSCO)*, ABS catalogue no 1220.0, 2021 (Australian Version).

**Trainee** see definition of *apprentice* above.

**Training contract** is a legally binding agreement between *employer* and *apprentice* administered under state/territory legislation.

**Training ID** is the number given to an approved *training contract*.

**United Nations Standard Products and Services Code (UNSPC)** is an open, global, multi-sector standard for the classification of products and services. Use of UNSPSC enables analysis of Australian Government procurement activity from approach to outcome by sector and across government.

**Woman** is a person, who regardless of their sex assigned at birth, identifies as a woman irrespective of age.

**Worker** (also known as an employee) is a person who is paid to work for an organisation for more than one hour in a week.

# Introduction to the Australian Skills Guarantee

## The Australian Skills Guarantee

* + 1. The Australian Skills Guarantee (Skills Guarantee) has been introduced by the Australian Government. The Skills Guarantee will leverage the Australian Government’s significant purchasing power to drive the demand for *apprentices* and *trainees* (referred to as *apprentices* in this document), and *ICT cadets* across the country and to increase opportunities for women in these sectors.
    2. The policy for the Skills Guarantee is being administered by the Department of Employment and Workplace Relations (DEWR). This guideline document provides detailed instructions for relevant parties engaging in Australian Government-funded major building and construction and facilities management (construction) and Information and Communication Technology (ICT) projects to ensure compliance with the Skills Guarantee Procurement Connected Policy (PCP).
    3. While the Skills Guarantee PCP only applies to major Commonwealth procurements in construction and ICT, the Government will work across the Commonwealth and with state and territory governments to apply the Skills Guarantee to the National Housing Accord, the 2032 Olympic and Paralympic Games and the Federal Financial Agreement Schedule on Land Transport Infrastructure through other implementation approaches.

## Procurement Context

* + 1. This PCP seeks to support government policy objectives through the Commonwealth’s use of procurement activities, as outlined in the [Commonwealth Procurement Rules](https://www.finance.gov.au/government/procurement/commonwealth-procurement-rules) administered by the Department of Finance.
    2. Under the procurement framework, individual *relevant Commonwealth entities* are responsible for ensuring their own compliance with a PCP.
    3. Non-corporate Commonwealth entities and prescribed *corporate Commonwealth entities* listed in Section 30 of the *Public Governance, Performance and Accountability Rule 2014* must comply with the Skills Guarantee PCP. The Skills Guarantee PCP does not apply to Commonwealth grants.

## Exemptions

* + 1. The Skills Guarantee PCP does not apply to contracts delivered overseas in whole or in part. Entities can consider voluntarily applying the Skills Guarantee PCP to major projects where there is an overseas delivery component.

## Policy context

* + 1. The Skills Guarantee introduces a new national target to ensure the equivalent of one in 10 *workers* on Australian Government funded major projects are an *apprentice* or *ICT cadet*. The Skills Guarantee also introduces national targets for women to increase the proportion of women working on *eligible major projects* (particularly in male-dominated trades), drive long term sustainable change to reduce gender segregation and increase gender diversity in the apprenticeship system.

## Accountability

* + 1. The Australian Government publicly holds itself to account for performance under the Skills Guarantee. Performance against the Skills Guarantee will be published on DEWR’s Skills Guarantee website.

# Eligible major projects

## Introduction

* + 1. The Skills Guarantee applies to *approaches to market* (ATMs) issued from 1 July 2024, wholly delivered in Australia. Projects underway prior to 1 July 2024 will not be subject to the targets under the Skills Guarantee.
    2. The following major projects will be defined as *eligible major projects* and will be subject to the Skills Guarantee.

## Major construction projects

* + 1. *Major construction projects* under the Skills Guarantee are projects with an estimated procurement value of $10 million and above (GST inclusive) in the industry categories specified in **Appendix C**.

## Major information and communication technology (ICT) projects

* + 1. *Major ICT projects* under the Skills Guarantee are projects with an estimated procurement value of $10 million and above (GST inclusive) in the industry categories specified in **Appendix D**.

## Flagship construction projects

* + 1. *Flagship construction projects* under the Skills Guarantee are projects with an estimated procurement value of $100 million and above (GST inclusive) in the industry categories specified in **Appendix C**.

# Skills Guarantee targets

## Introduction

* + 1. The Skills Guarantee will build a pipeline of skilled *workers*, especially women, entering the construction and ICT sectors by setting new national targets on Government funded major projects. The national targets for women aim to increase the proportion of women working on major projects and drive long term sustainable change to reduce gender segregation in the apprenticeship system.
    2. The Skills Guarantee will introduce a target that will require a percentage of *labour hours* on an *eligible major project* to be undertaken by *apprentices* or *ICT cadets* and two separate targets specifying the percentage of *labour hours* to be undertaken by women, and women in *trade* roles. *Suppliers* of *eligible flagship construction projects* will be required to propose and meet higher, more ambitious targets for women and prepare a Gender Equality Action Plan (see **Section 4.4** for more details).
    3. For further information on how *apprentice* and *ICT cadet* *labour hours* will apply to the various targets, see **Appendix B**.

## Targets for major construction projects

* + 1. *Suppliers* of *eligible major construction projects* will be required to meet the following targets:
* an overarching *apprentice* target (*ICT cadets* are not part of this target)
* an *apprentice* target for women
* a *trades* *apprentice* target for women.
  + 1. These targets set a minimum percentage of the total workforce *labour hours* that must be completed by target groups (*apprentices*, women, and women in *trade* roles). Further details are provided below.

### Overarching apprentice target

* + 1. The Skills Guarantee requires *suppliers* of *eligible major construction projects* to ensure a minimum of 10% of all *labour hours* spent on the project are undertaken by *apprentices*. This target will be calculated using *labour hours*, not headcount. For *eligible major construction projects*, *ICT cadet* hours will not be included in the target (see **Section 4.3** for information on *ICT cadet* hours and how they apply to *eligible major ICT projects*).

Example: Overarching apprentice target

|  |
| --- |
| If *Chapman & Louey Construction* has estimated that their *eligible major construction project* will require 8,000 *labour hours*, a minimum of 800 *labour hours* must be undertaken by *apprentices*. *ICT cadet* *labour hours* will **not** count towards this target. |

### Overarching apprentice target for women

* + 1. The *apprentice* target for women requires *suppliers* of *eligible major construction projects* to ensure that a minimum percentage of all *apprentice* *labour hours* spent on the project must be undertaken by women. Both *trade* and *non-trade* *apprentices* can be counted towards this target. See **Table 1** for further information on the level of the target.

### Trade-specific apprentice target for women

* + 1. The *trade*-specific *apprentice* target for women (*trade*-specific target for women) requires *suppliers* of *eligible major construction projects* to ensure a minimum percentage of *trade apprentice* *labour hours* spent on the *eligible major construction project* must be undertaken by women (see definition of *trade* in the Glossary for more information). Women working in *trades* would be eligible to be counted towards both targets for women. See **Table 1** for further information on the level of the target.

### Annual increase in targets for women

* + 1. The targets for women will increase annually as shown in the table below.
    2. The level of the targets for women that *suppliers* of *eligible major construction projects* must meet will be based on the project’s contract start date. (Note: this excludes contracts where the *approach to market* was issued prior to 1 July 2024.)
    3. Where an eligible project spans multiple years, the targets for women will remain the same for the life of the eligible project but will be set based on the project’s contract start date.

**Table 1: Annual increases of targets for women**

| **Targets apply** | **Overarching apprentice target for women** | **Trade-specific apprentice target for women** |
| --- | --- | --- |
| 1 July 2024 to 30 June 2025 | 6.0% | 4.0% |
| 1 July 2025 to 30 June 2026 | 7.0% | 5.0% |
| 1 July 2026 to 30 June 2027 | 8.0% | 6.0% |
| 1 July 2027 to 30 June 2028 | 9.0% | 7.0% |
| 1 July 2028 to 30 June 2029 | 10.0% | 8.0% |
| 1 July 2029 to 30 June 2030 | 11.0% | 9.0% |
| 1 July 2030 onwards | 12.0% | 10.0% |

Example: Calculating targets for women

|  |
| --- |
| If *Zhu & Zhu Construction* estimates that their *eligible major construction project*, with a contract start date in the 2024-25 financial year, will require *apprentices* to work 1,000 *labour hours*, of which 900 would be *trade apprentice labour hours*, to meet the requirements of the Skills Guarantee:   * 60 *labour hours* (6% of 1,000 *labour hours*) must be undertaken by women in apprenticeships, and * 36 *labour hours* (4% of 900 *labour hours*) must be undertaken by women in *trade* apprenticeships. |

* + 1. Eligible project targets are determined based on the project’s contract start date, as per the example below:

Example: Level of targets for women

|  |
| --- |
| An *eligible major construction project* has a contract start date of 31 July 2025. This project would be subject to the 2025–26 financial year targets, being:   * 7% target for women *apprentices* * 5% target for women *trade apprentices*   An *eligible major construction project* which has contract start date of 1 September 2026, would be subject to the 2026–27 financial year targets, being:   * 8% target for women *apprentices* * 6% target for women *trade apprentices* |

## Targets for major ICT projects

* + 1. Recognising the numerous entry-level pathways into digital roles, and that apprenticeship pathways are less common, targets for *major ICT projects* will be negotiated on a project-by-project basis, based on workforce information provided by *potential suppliers* during the procurement process.
    2. *Potential suppliers* will be required to propose these targets during the *submission* stage. Final determination of the targets will be during contract negotiations.
    3. The targets will encompass both *apprentice* and *ICT cadet labour hours. Potential suppliers* will need to propose:
* a target specifying the number of *labour hours* that will be undertaken by *apprentices* and *ICT cadets*, and
* a target specifying the number of *labour hours* that will be undertaken by women *apprentices* and *ICT cadets*.
  + 1. See Reporting and Compliance under **Sections 6 and 7** for further detail on calculating targets.
    2. **TO BE DEVELOPED** – details of how the targets will be negotiated and what specific information will need to be provided by potential suppliers to be developed post consultation.

## Targets and other requirements for flagship construction projects

* + 1. Recognising their increased scale*,* more ambitious targets will be required to be proposed by *potential suppliers* of *eligible flagship construction projects.* This may help work towards a critical mass of women on site to help shift cultures on individual projects, and act as exemplars across the sector.
    2. *Suppliers* of *eligible flagship construction projects* are required to:
* Propose higher, more ambitious targets for women. These targets must exceed the minimum target applying to *eligible major construction projects* determined by the project’s contract start date (see **Section 4.2**).
* Prepare a Gender Equality Action Plan outlining how targets will be achieved as outlined in **Sections 4.4.4 – 4.4.7**.
  + 1. There is no requirement for *potential suppliers* of *flagship construction projects* to propose a higher overarching *apprentice* target, nor will this be a factor in evaluation of *submissions*.

Example: Flagship construction projects – Targets for women

|  |
| --- |
| *Best Construction* is tendering for an *eligible flagship construction project*. The tender documentation posted on AusTender indicates a contract start date of 1 December 2025. *Best Construction* must propose higher targets for women than those applying to *eligible major construction projects* on 1 December 2025. Therefore, the targets for women for this project must be:   * above 7% of *apprentice* *labour hours* and * above 5% of *trade apprentice* *labour hours*. |

### Gender Equality Action Plan

* + 1. *Potential suppliers* providing a *submission* for an *eligible flagship construction project* must also commit to provide a Gender Equality Action Plan. The Gender Equality Action Plan will outline *supplier* recruitment and retention strategies that will be put in place to ensure the increased targets for women are achieved and sustained. Additional content should include, but is not limited to, an organisation’s workforce information, focus areas, strategies, and associated actions to drive progress on gender equality and positive, culturally safe practices, particularly within the workplace.
    2. The Gender Equality Action Plan will assist *sub-contractors* associated with the *flagship construction project* to plan and implement similar recruitment and retention strategies in accordance with the project *supplier*. As such, the *supplier* in their Gender Equality Action Plan should outline strategies that will be adopted to ensure all associated project parties deliver more equitable, safe, and respectful workplaces free from harassment.
    3. This requirement is separate to any requirements under the *Workplace Gender Equality Act 2012*(Cth).
    4. A Gender Equality Action Plan template will be available on the ASG website (to be developed). The Workplace Gender Equality Agency has a range of resources that can be downloaded to assist organisations develop Gender Equality Action Plans, including the gender equality strategy guide and gender equality diagnostic tool. For more information, please visit [www.wgea.gov.au](http://www.wgea.gov.au).

# Procurement and contract management planning

## Approach to market

* + 1. From 1 July 2024, *relevant entities* must specify whether the procurement in scope is defined as a *major construction*, *major ICT,* or *flagship construction project*, when inviting *potential suppliers* to participate in a procurement to which the Skills Guarantee applies.

## Model clauses

* + 1. Skills Guarantee model clauses are the mechanism through which the Skills Guarantee is applied to an ATM and contract documents.
    2. Model clauses will be available on the DEWR website and the Department of Finance’s Clause Bank – **TO BE DEVELOPED**.

## Submission stage

* + 1. At the *submission* stage, the *potential supplier* will be required to make a declaration of their ability to comply with the Skills Guarantee requirements and outline strategies that will be put in place to meet the prescribed targets (see template available at **## - TO BE DEVELOPED**). Vendors must provide *total estimated workforce hours* for completion of the *eligible project*.

## Submission evaluation

* + 1. When assessing *submissions*, *relevant entities* must ensure that the evaluation process assesses against the following Skills Guarantee requirements:
* Identifies overall workforce hours for completion of *eligible major projects* (including *flagship construction projects*) as outlined in **Section 4**
* Identifies the applicable percentage of *labour hours* to be undertaken by *apprentices* and where applicable *ICT cadets* as outlined in **Section 4**
* Identifies the applicable percentage of *labour hours* to be undertaken by women *apprentices* and if applicable *ICT cadets* as outlined in **Section 4**
* Identifies the applicable percentage of *labour hours* to be undertaken by women as *trade apprentices* as outlined in **Section 4**
* Outlines a target higher than the minimum target for women (applicable to *flagship construction projects* only) as outlined in **Section 4**
* Identifies a Gender Equality Action Plan (applicable to *flagship construction projects* only) as outlined in **Section 4**.

## Contract Variations

* + 1. **TO BE DEVELOPED** – post consultation.

# Reporting

## Reporting responsibilities and requirements for all parties

**Relevant entity**

* + 1. *Relevant entities* are required to ensure *suppliers* report the data outlined in **Section 6.3**, within the timeframes requested. The *relevant entities* are responsible for undertaking appropriate assurance activities to ensure that the data provided by the *supplier* in their reports is complete and accurate, and ensuring data is collected and shared responsibly. Further details will be provided in the future.
    2. Where the *supplier* fails to satisfactorily complete and/or submit required reporting to meet the requirements of the contract, the *relevant entity* will work with the *supplier* to remedy this.

**Supplier**

* + 1. *Relevant entities* are required to ensure that all *supplier* contracts include provisions requiring *suppliers* to provide accurate and timely reporting against the targets (at the project level) to the *relevant entity* at the end of every quarter and financial year, as well as at the end of contract. This will enable *relevant entities* to monitor progress and work with *suppliers* to ensure they meet the targets.
    2. From 1 July 2024, *suppliers* will need to report against targets using the Skills Guarantee worksheet **– TO BE DEVELOPED**.
    3. *Suppliers* must also record, track, and report this information on behalf of their *sub-contractors*.
    4. DEWR reserves the right to consider and make any necessary changes to reporting against targets. This may include (but is not restricted to) making updates to the Skills Guarantee worksheet tool or requiring the *relevant entity* to implement DEWR’s streamlined reporting system (currently under development at the time of guideline publication).

**Sub-contractor/s**

* + 1. *Suppliers* must ensure that *sub-contractors* provide accurate and timely reporting against targets to the *supplier*, to enable the *supplier* to meet their quarterly reporting obligations to the *relevant entity*.
    2. The flow-chart below shows reporting requirements for *sub-contractors*, *suppliers*, *relevant entities* and DEWR.

## Labour hours that contribute to the Skills Guarantee targets

* + 1. To be counted towards the Skills Guarantee targets, hours worked by an *apprentice* or *ICT cadet* must meet the definition of *labour hours.*
    2. *Labour hours* worked off-site to deliver inputs to an *eligible project* can be counted towards the targets. This includes where the *apprentice* or *ICT cadet* is employed by a *sub-contractor* under the *supplier*. For example, the hours worked by a cabinet maker to manufacture cabinets for use on an *eligible major project* can be counted towards the targets for that project. Off-site work not contributing inputs to an eligible project will not be counted.
    3. Hours spent off-site for formal *apprentice* or *ICT cadet* training and education (off-site hours) can be counted towards the *eligible major project*. For example, hours an *apprentice* or *ICT cadet* spends away from the project at a registered training organisation or university can be counted. However, these hours can only be counted once towards an *eligible major project*. If the off-site hours are to be split between multiple projects, the sum of the reported hours must not be greater than the total hours the apprentice worked off-site.

Example: Hours that can contribute to targets

|  |
| --- |
| If an *apprentice* working on 2 *eligible major projects* (project A and B) worked 20 hours off-site in one week for both projects, then project A and B cannot both report that the off-site hours the *apprentice* worked on their project was 20 hours. This would add up to 40 off-site hours, which is more than the *apprentice* worked that week off-site. |

## Reportable data

* + 1. DEWR is designing a streamlined reporting tool to enable data collection for the Skills Guarantee to facilitate the assessment of achievement of Key Performance Indicators. DEWR will consult with relevant stakeholders to inform the development of the reporting tool.
    2. Effective reporting processes are essential to monitoring a *supplier’s* performance over the life of an *eligible major project* and critical to understanding whether the policy intent is being delivered. The reporting system under development will assist relevant entities and DEWR to determine progress toward the achievement of targets and provide opportunities for performance issues to be identified and addressed in a timely manner. Reporting will also provide DEWR with useful labour market information regarding the employment of *apprentices* and *ICT cadets* on *eligible major projects*.
    3. **TO BE DEVELOPED** – reportable data will be developed following consultation.

## Key performance indicators

* + 1. The success of the Skills Guarantee PCP is assessed using the key performance indicators:
* **(% TO BE DEVELOPED)** of all *eligible major construction projects* will achieve the overall *apprentice* *labour hours* target.
* **(% TO BE DEVELOPED)** of all *eligible major construction projects* will achieve the overall *apprentice* *labour hours* target for women.
* **(% TO BE DEVELOPED)** of all *eligible major construction projects* will achieve the overall *trades* *apprentice* *labour hours* target for women.
* **(% TO BE DEVELOPED)** of all *eligible flagship construction projects* will achieve their nominated *apprentice* *labour hours* target.
* **(% TO BE DEVELOPED)** of all *eligible flagship construction projects* will achieve their nominated *apprentice* *labour hours* target for women.
* **(% TO BE DEVELOPED)** of all *eligible flagship construction projects* will achieve their nominated *trades* *apprentice* *labour hours* target for women.

# Compliance

## Introduction

* + 1. *Relevant entities* are required to undertake six-monthly assessments and a final (end-of-contract) assessment for contracts with Skills Guarantee targets. At a minimum, it is expected that a summary of outcomes and achievement against targets will be required.
    2. **TO BE DEVELOPED** – Further detail on what information will be required for final assessments and consequences of non-compliance will be developed following consultation.
    3. Performance against the Skills Guarantee will be considered as part of the process for awarding future procurements undertaken by non-corporate Commonwealth entities (Commonwealth contracts). The Commonwealth Procurement Rules (paragraph 10.18) allow *relevant entities* to exclude a tenderer due to significant deficiencies in the performance of obligations under a prior contact.

## Calculations used to determine whether targets are met

* + 1. Performance against overarching *apprentice* target will be calculated using estimated workforce hours and reported *apprentice* hours. Performance against the targets for women will be calculated using reported *labour hours*.

### Formulas used for calculation of targets

**Eligible major construction and eligible flagship construction projects**

* + 1. For *major construction* and *flagship construction projects*, the following formulas will be used to determine whether a *supplier* has met the Skills Guarantee targets:

Overarching *apprentice* target

*Apprentice* target for women

*Trade apprentice* target for women

**Eligible major ICT projects**

* + 1. For *major construction* and *flagship construction projects*, the following formulas will be used to determine whether a *supplier* has met the Skills Guarantee targets:

Overarching *apprentice*/*ICT cadet* target

*Apprentice*/*ICT cadet* target for women

# Appendix A – Roles and responsibilities

|  |  |
| --- | --- |
| Department of Employment and Workplace Relations (DEWR) | DEWR administers the Skills Guarantee policy, including:   * providing subject matter expertise on the Skills Guarantee *to relevant entities* * promoting the Skills Guarantee * ongoing management of the Skills Guarantee * advising Government regarding the policy and the performance of *suppliers* and *relevant entities* in meeting their obligations under the Skills Guarantee * implementing and subsequently managing the Skills Guarantee reporting system * monitoring and reviewing the effectiveness of the Skills Guarantee against its key performance indicators. |
| Department of Finance | The Department of Finance is responsible for the Commonwealth Procurement Framework, including the Commonwealth Procurement Rules and AusTender, and providing advice to *relevant entities* on the Commonwealth Procurement Framework. |
| Relevant entity | The *relevant entity* is responsible for managing the following areas of the Skills Guarantee:  Submission preparation   * Determine whether the Skills Guarantee needs to be applied to a procurement. For any clarification, *relevant entities* should contact DEWR. * Support *potential suppliers* and *suppliers* to understand the Skills Guarantee requirements.   Proposal   * Incorporate the current Skills Guarantee model clauses for the applicable project type into the *approach to market* documentation.   Submission evaluation process   * Review responses to determine whether *submissions* meet the requirements outlined in **Section 5.4**. * Support *potential suppliers* to understand their obligations under the Skills Guarantee.   Reporting and compliance   * Manage the Skills Guarantee within each stage of the procurement process and make assessments as to whether the *supplier* is accurate in their reporting against the Skills Guarantee targets. * Undertake annual and final compliance assessments against Skills Guarantee targets. * Support *suppliers* to meet their obligations under the Skills Guarantee. |
| Supplier | The *supplier* reports to the *relevant entity* and is responsible for:   * completing the *submission* response, and should it be successful ensuring it fulfills the requirements of the contract * managing all aspects of *sub-contractor* engagement and performance in relation to the ASG * ensuring *sub-contractor* arrangements impose necessary obligations on the *sub-contractors* and support the policy purpose * for *major eligible construction projects*, meeting overarching *apprentice* targets and both targets for women * for *flagship construction projects*, proposing higher targets for women with the *relevant entity* on a project-by-project basis and submitting a Gender Equality Action Plan * for *major ICT projects*, proposing overarching *apprentice* and *ICT cadet* targets and targets for women with relevant entities on a project-by-project basis * responding in a timely manner to the *relevant entity* and/or DEWR for all requests, including for compliance reports or other information * providing accurate and complete reporting against targets, in accordance with the requirements outlined in the contract. |
| Sub-contractor | The *sub-contractor* (which may include *group training organisations*) reports to the *supplier* and is required to:   * provide accurate and timely reporting against targets to the *supplier*, to enable the *supplier* to meet their quarterly reporting obligations to the *relevant entity*. |

# Appendix B – Examples of applying apprentice and ICT cadet hours to the targets

|  |
| --- |
| Bella  Bella is an *apprentice* carpenter working on a *major construction project*. An *apprentice* carpenter is a *trade* role as it is included within the ANZSCO Major Group 3 *Technicians and Trades Workers* category. As a *woman* and an *apprentice* working in a *trade* role, Bella’s hours would contribute to:   * the overarching *apprentice* target * the *apprentice* target for women * the *trades* *apprentice* target for women. |
| Katrina  Katrina is completing a Human Resources traineeship on a *major construction project*. A Human Resources traineeship is not a *trade* role, as it is not included within the ANZSCO Major Group 3 *Technicians and Trades Workers* category. As a *woman* and a trainee working in a non-*trade* role, Katrina’s hours would contribute to:   * the overarching *apprentice* target * the *apprentice* target for women.   Katrina’s hours would **not** contribute to:   * the *trades* *apprentice* target for women. |
| Nic  Nic is an *apprentice* plumber working on a *major construction project*. An *apprentice* plumber is a *trade* role as it is included within the ANZSCO Major Group 3 *Technicians and Trades Workers* category. As a male *apprentice* working in a *trade* role, Nic’s hours would contribute to:   * the overarching *apprentice* target.   Nic’s hours would **not** contribute to:   * the *apprentice* target for women * the *trades* *apprentice* target for women. |
| Clare  Clare is a fully qualified project manager working on a *major construction project* who completed her traineeship 2 years ago. A project manager is not a *trade* role as it is not included within the ANZSCO Major Group 3 *Technicians and Trades Workers* category. As a *woman* who has completed her qualification and is working in a non-*trade* role, Clare’s hours would **not** contribute to:   * the overarching *apprentice* target * the *apprentice* target for women * the *trades* *apprentice* target for women. |
| Adam  Adam is a paid construction management cadet working on a *major construction project*. This is not a *trade* role as it is not included within the ANZSCO Major Group 3 *Technicians and Trades Workers* category. As a man working in a non-trade and non-ICT role, Adam’s hours would **not** contribute to:   * the overarching *apprentice* target * the *apprentice* target for women * the *trades* *apprentice* target for women. |
| Alexandra  Alexandra is paid cadet working on a *major ICT project* while studying towards a Bachelor of Computer Science degree at a university. As a *woman* and an *ICT cadet* working on a *major ICT project*, Alexandra’s hours would contribute to:   * the overarching *apprentice*/*ICT cadet* target * the *apprentice*/*ICT cadet* target for women.   Note paid cadet hours only apply to *major ICT projects* and not *major construction projects*. |
| Julie  Julie is an *apprentice* ICT support technician working on a *major ICT project*. As a *woman* *apprentice*, Julie’s hours would contribute to:   * the overarching *apprentice*/*ICT cadet* target * the *apprentice*/*ICT cadet* target for women. |
| Trish  Trish is an unpaid cadet working on a *major ICT project*. As a *woman* working as an unpaid cadet, Trish’s hours would **not** contribute to:   * the overarching *apprentice*/*ICT cadet* target * the *apprentice*/*ICT cadet* target for women. |

# Appendix C – Building and Construction and Facilities Management industry categories within scope of the Skills Guarantee

|  |  |  |  |
| --- | --- | --- | --- |
| UNSPSC code | Description | UNSPSC code | Description |
| 72 | Building and Construction and Maintenance Services | 72100000 | Building construction and support and maintenance and repair services |
| 72101500 | Building support services |
| 72101700 | Concrete work |
| 72101900 | Interior finishing |
| 72102100 | Pest control |
| 72101903 | Finish carpentry or cabinetry |
| 72102200 | Electrical services |
| 72102300 | Plumbing and heating and air conditioning |
| 72102400 | Painting and paper hanging |
| 72102500 | Masonry and stonework and tile setting |
| 72102600 | Carpentry |
| 72102700 | Flooring service |
| 72102800 | Refurbishing services |
| 72102900 | Grounds maintenance services |
| 72103000 | Site preparation services |
| 72130000 | General building construction |
| 72131600 | Commercial or industrial construction |

| UNSPSC code | Description | UNSPSC code | Description |
| --- | --- | --- | --- |
| 76 | Industrial Cleaning Services | 76100000 | Decontamination services |
| 76101602 | Asbestos decontamination or removal |
| 76110000 | Cleaning and janitorial services |
| 76111500 | General building and office cleaning and maintenance services |
| 76111506 | Interior plant landscaping services |
| 76120000 | Refuse disposal and treatment |
| 76121500 | Refuse collection and disposal |
| 76121900 | Hazardous waste disposal |
| 76130000 | Toxic and hazardous waste cleanup |

# Appendix D – ICT industry categories within scope of the Skills Guarantee

| UNSPSC code | Description | UNSPSC code | Description |
| --- | --- | --- | --- |
| 80 | Management and Business Professionals and Administrative Services | 80101507 | Information technology consultation services |
| 81 | Engineering and Research and Technology Based Services | 81110000 | Computer services |
| 81111000 | Forensic IT Services |
| 81111500 | Software or hardware engineering |
| 81111508 | Application implementation services |
| 81111600 | Computer programmers |
| 81111700 | Management information systems MIS |
| 81111800 | System administrators |
| 81111814 | Infrastructure as a Service (IaaS – Cloud) |
| 81111900 | Information retrieval systems |
| 81111812 | Computer hardware maintenance or support |
| 81112000 | Data services |
| 81112002 | Data processing or preparation services |
| 81112100 | Internet services |
| 81112200 | Software maintenance and support |
| 81112400 | Platform as a Service (PaaS – Cloud) |
| 81112500 | Software as a Service (SaaS – Cloud) |
| 81112201 | Maintenance or support fees |
|  |  | 81141801 | Safety or risk analysis |
| 83 | Public Utilities and Public Sector Related Services | 83120000 | Information services |
| 83121604 | Online database information retrieval systems |
| 86 | Education and Training Services | 86141704 | Library or documentation services |