

Supplementary Guidance for the Skills Guarantee PCP Version 1.2

Guidance for Suppliers

Contents

Actions for Suppliers Summary	3
Introduction	4
Procurements in scope	4
Construction procurement	4
ICT procurement	4
Skills Guarantee Model Clauses	5
Exemptions	5
Eligibility and reasonableness	5
Submission	θ
Submission evaluation	6
Construction targets	7
Construction target examples	8
ICT targets	g
ICT target examples	10
Gender Equality Action Plan (GEAP)	11
Who needs to fill out and provide a GEAP?	11
What is the purpose of a GEAP?	11
How can the GEAP help my organisation to meet the targets for Women?	11
What should the GEAP include?	12
Preparing a GEAP	12
Interaction with other reporting requirements	14
Actions for Suppliers	14
Contract commencement	14
Actions for Suppliers	14
Privacy	15

Col	lection of Personal Information	15
*	Actions for Suppliers	15
ΑD	MS project record creation	15
Coı	ntract variations	15
*	Actions for Suppliers	15
Cor	ntract variation examples	16
Rej	porting and compliance	18
*	Actions for Suppliers	18
Qu	arterly reporting	18
End	d of financial year compliance check	18
End	d of Contract reporting	18
GE	AP monitoring	19
Cor	mpliance	19
Fre	quently Asked Questions	20
	Do PCP thresholds apply to projects as a whole or individual procurements?	20
	Does the PCP apply to Sub-contractors?	20
	What is an Apprentice?	20
	What is a Learning Worker?	20
	How are Apprentice or Learning Worker Off-Site Labour Hours treated to calculate meeting targets under the PCP?	
	How are part-time hours treated under the PCP?	21
	Can more than one Apprentice or Learning Worker contribute to the Labour Hour targets?	21
	Can a non-binary person be counted towards the Women's Skills Guarantee targets?	21
	How will Suppliers report on PCP targets?	22
	What is the frequency of reporting under the Skills Guarantee?	22
	Will a Suppliers performance be publicly available?	22
	How will compliance be monitored under the PCP?	22
	Are there financial penalties for non-compliance with PCP targets?	22
	Will mitigating factors be considered when assessing a Supplier's compliance with the Skills	
	Guarantee?	
	ther resources	
1 n	nondiv A	24

Actions for Suppliers Summary

Submission

- Declaration of ability to meet Skills Guarantee PCP requirements
- Estimated total Labour Hours
- Applicable targets for Apprentices, Learning Workers, and Women
- Gender Equality Action Plan and propose higher targets for Women (if required)
- Demonstrate how targets will be met for Submissions with Australian and partially delivered overseas components.

Contract Commencement

- Ensure systems are in place to collect data from Sub-contractors
- Distribute the Privacy Notice Apprentices and Learning Workers
- Obtain consent from Apprentices and Learning Workers and ensure compliance with the Privacy Act 1988 (Cth)
- Get access to the Apprenticeship Data Management System (ADMS) for reporting and compliance requirements
- Start tracking Labour Hours

Quarterly Reporting

- Submit quarterly reports to the Relevant Entity
- Include Labour Hours by Apprentices, Learning Workers, and Women in ADMS
- Collect and manage data from Sub-contractors

Annual Compliance Check

- Meet annual targets for Women that increase annually
- · Compliance assessed yearly, not just at contract end

Compliance Monitoring

- GEAP recruitment and retention strategies
- Ensure targets are met
- Address non-compliance proactively

Introduction

The Australian Skills Guarantee (Skills Guarantee) sets national targets for the participation of Apprentices, Learning Workers and Women on eligible Australian Government-funded major projects. These targets apply to building and construction, maintenance services (Construction), and information and communications technology (ICT) procurements with an estimated individual value of \$10 million or more.

This supplementary guidance supports Suppliers in understanding the Skills Guarantee Procurement Connected Policy (PCP) Version 1.2. It should be read alongside the PCP and provides practical advice on meeting PCP eligibility, reporting and compliance requirements.

Procurements in scope

Relevant Entities will determine if their ICT or Construction procurement:

- meets the definition of an Eligible Project¹
- · meets the financial threshold
- uses an eligible United Nations Standard Products and Services Code (UNSPSC) subset code
- satisfies all other eligibility criteria, or
- exempt from the PCP requirements.

Construction procurement

Major Construction Project: Procurement with an estimated individual value of \$10 million or more (GST inclusive) using a UNSPSC subset code listed in Appendix C of the PCP.

Flagship Construction Project: Procurement with an estimated individual value of \$100 million or more (GST inclusive) using a UNSPSC subset code listed in Appendix C of the PCP.

ICT procurement

Major ICT Project: Procurement with an estimated individual value of \$10 million or more (GST inclusive) using a UNSPSC subset code listed in Appendix D of the PCP.

High-Value ICT Project: Procurement with an estimated individual value of \$50 million or more (GST inclusive) using a UNSPSC subset code listed in Appendix D of the PCP.

¹ Eligible Projects are projects listed in Section 3 of the PCP which are undertaken by Relevant Entities, including Major Construction Projects, Major ICT Projects, Flagship Construction Projects and High-Value ICT Projects.

Table 1 – Overview of procurements in scope of the PCP

Procurement Type	Eligible Project	Value Threshold (GST inc.)	Eligible UNSPSC Subset Code
	Major Construction	\$10 million or more	
Construction	Project		Appendix C of the PCP
	Flagship Construction	\$100 million or more	
	Project		
Major ICT Project \$10 million or more		Appendix D of the PCP	
ICT	High-Value ICT Project	\$50 million or more	Appendix D of the PCP

Skills Guarantee Model Clauses

The Skills Guarantee Model Clauses are the mechanism to give effect to the PCP by applying to:

- Approach to Market (ATM) documentation
- Panel and Standing Offer documentation, and
- Contracts where the procurement has been determined as an Eligible Project for the PCP.

Suppliers should be aware that Relevant Entities may include the Skills Guarantee Model Clauses in their procurement documentation, or equivalent terms and conditions. These clauses will specify whether the PCP applies and identifies the type of Eligible Project determined for the procurement. Suppliers are responsible for reviewing these provisions and ensuring compliance, where applicable.

Suppliers must ensure that all necessary consents are obtained from Apprentices and Learning Workers for the collection, use, and disclosure of their personal information in accordance with the Australian Skills Guarantee Privacy Notice, as published on the Department of Employment and Workplace Relations (DEWR) website. It is the Supplier's responsibility to inform individuals of the Privacy Notice and to maintain records of consent as required.

Exemptions

Some procurements may be formally exempt under **Section 2.4** of the PCP, including those that fall under paragraph 2.6 of the Commonwealth Procurement Rules (CPRs), or where the Eligible Project is delivered wholly overseas. In such cases, Relevant Entities will exclude PCP requirements from procurement documentation and PCP requirements will not be considered during the Submission assessment.

Eligibility and reasonableness

Relevant Entities may also determine whether it is reasonable to apply the PCP to an ICT procurement taking into consideration the nature of services being procured, such as pre-developed software with no delivery components.

When Relevant Entities deem it to be unreasonable to apply the PCP, the PCP requirements will be excluded from procurement documentation and will not be considered as part of the Submission assessment. Relevant Entities will document the rationale for not applying the PCP to their procurement.

Submission

Where the PCP is applied to the ATM documentation, Potential Suppliers must declare whether they can comply with the PCP requirements as part of their Submission (**PCP Section 5.3**). While the PCP does not prescribe a specific format for the declaration of compliance with the PCP requirements, Suppliers should refer to the relevant ATM clauses. The Relevant Entity should outline the requirement in the ATM documentation, and it is the Supplier's responsibility to ensure their Submission addresses it appropriately.

In addition to the declaration to comply with the PCP requirements, Potential Suppliers should provide the following in their Submission:

- total estimated Labour Hours for completion of the Eligible Project
- applicable percentage of Labour Hours to be undertaken by Apprentices and, where applicable, Learning Workers
- applicable percentage of Labour Hours to be undertaken by Women Apprentices and, where applicable, Learning Workers (including annual increases for multi-year projects)
- applicable percentage of Labour Hours to be undertaken by Women as Trade Apprentices (including annual increases for multi-year projects)
- outlines of proposed higher targets for Women that exceed the minimum targets for Women (including annual increases for multi-year projects) (applicable to Flagship Construction Projects and High-Value ICT Projects only)
- Gender Equality Action Plan (required for Flagship Construction Projects and High-Value ICT Projects only, otherwise optional). For further information on the GEAP requirements please see the PCP and the <u>GEAP section</u> below.
- demonstrate how relevant targets for the Australian components of the procurement will be met
 if proposing to partially deliver overseas or if Labour Hours will be undertaken both overseas and
 domestically.

Submission evaluation

When evaluating Submissions, Relevant Entities will assess the information provided by the Potential Supplier. The GEAP must reference the correct Eligible Project type and clearly identify the applicable Skills Guarantee targets for the procurement.

Relevant Entities may also consider a Potential Supplier's past performance and reporting under the PCP when evaluating their Submission.

Construction targets

Table 2 – PCP requirements for Construction procurements

Project Type	Value Threshold	Overarching Apprentice Target	Overarching Apprentice Targets for Women	Trade-Specific Apprentice Target for Women	Gender Equality Action Plan
Major Construction Project	\$10 million or more	Minimum 10% of all estimated Labour Hours by Apprentices	Minimum 7%* of Apprentice Labour Hours undertaken by Women	Minimum 5%* of Trade Apprentice Labour Hours undertaken by Women	Voluntary with Submission
Flagship Construction Project	\$100 million or more	Minimum 10% of all Labour Hours	Must meet targets for Women for Major Construction Projects and set and meet more ambitious targets for Women	Must meet targets for Women for Major Construction Projects and set and meet more ambitious targets for Women	Mandatory with Submission

^{*}Targets for Women listed in Table 2 are for 1 July 2025 to 30 June 2026 and increase one percentage point every financial year until 2030 as outlined in Table 3 below.

Targets for Women are based on the project's Contract start date and increase each financial year for multi-year projects; **Table 3** provides more information on the increases.

Table 3 - Annual increases of Targets for Women working on Construction projects

Targets apply	Overarching Apprentice Target for Women	Trade-specific Apprentice Target for Women
1 July 2024 to 30 June 2025	6%	4%
1 July 2025 to 30 June 2026	7%	5%
1 July 2026 to 30 June 2027	8%	6%
1 July 2027 to 30 June 2028	9%	7%
1 July 2028 to 30 June 2029	10%	8%
1 July 2029 to 30 June 2030	11%	9%
1 July 2030 onwards	12%	10%

Construction target examples

Overarching Apprentice Target

- Chapman & Louey Construction has estimated that their Major Construction Project will require 8,000 Labour Hours.
- the Overarching Apprentice Target is calculated using the 8,000 estimated Labour Hours.
- 800 Labour Hours must be undertaken by Apprentices (10% of the Major Construction Project's total estimated Labour Hours).
- all reported Apprentice Labour Hours are counted towards the 10% target in the reporting system.

Overarching Apprentice Target for Women

- Chapman & Louey Construction's <u>Major Construction Project</u> has a Contract start date of 1 August 2025 and an end date of 30 June 2026.
- the project is subject to the 2025–26 financial year targets, requiring 7% of Apprentice Labour Hours to be undertaken by Women.
- if 800 Apprentice Labour Hours are reported, then 56 Labour Hours must be undertaken by Women Apprentices (7% of 800).

Trade-specific Apprentice Target for Women

- Chapman & Louey Construction estimates that 600 Labour Hours will be worked by Trade Apprentices.
- the 2025–26 financial year target requires 5% of Trade Apprentice Labour Hours to be undertaken by Women.
- 30 Labour Hours must be undertaken by Women Trade Apprentices (5% of 600).

ICT targets

Table 4 – PCP requirements for ICT procurements

Project Type	Value Threshold	Learning Worker Target	Learning Worker Target for Women	Learning Worker High- Value Target	Gender Equality Action Plan
Major ICT Project	\$10 million or more	Minimum 5% of all estimated Labour Hours by Learning Workers	Minimum 10%* of Apprentice Labour Hours undertaken by Women		Voluntary with Submission
High-Value ICT Project	\$50 million or more	Minimum 5% of all Labour Hours	Must meet targets for Women for Major ICT Projects and set and meet more ambitious targets for Women	Must meet targets for Women for Major ICT Projects and set and meet more ambitious targets for Women	Mandatory with Submission
Microcredential Limit	Microcredential cap of a maximum of 20% of the Learning Worker Labour Hours counted in meeting the Learning Worker Target, Learning Worker Target for Women and the Learning Worker High-Value Target.				

^{*} Targets for Women listed are for 1 October 2025 to 30 June 2026 and increase 2 percentage points every financial year until 2030.

Table 5 - Annual increases of Targets for Women working on ICT projects

Targets apply	Learning Worker Target for Women
1 October 2025 to 30 June 2026	10%
1 July 2026 to 30 June 2027	12%
1 July 2027 to 30 June 2028	14%
1 July 2028 to 30 June 2029	16%
1 July 2029 to 30 June 2030	18%
1 July 2030 onwards	20%

ICT target examples

Learning Worker Target

- Brown & Smith ICT has estimated that their Major ICT Project will require 3,000 Labour Hours.
- 150 Labour Hours need to be undertaken by Learning Workers (5% of the project's total estimated Labour Hours).
- all reported Learning Worker Labour Hours are counted towards the 5% target in the Apprenticeship Data Management System (ADMS) online reporting system.

Microcredentials Limit for the Learning Worker Target

- a maximum of 20% of the reported Learning Worker Labour Hours may be attributed to Workers who are currently undertaking or have undertaken Microcredentials to meet the Learning Worker Target.
- for example, if 150 Learning Worker Labour Hours are reported, up to 30 hours may be from Microcredentials.
- the Microcredential limit for the Learning Worker Target is assessed and calculated at the end of the Eligible Project in ADMS, based on the reported (not estimated) Learning Worker Labour Hours.
- if more than 20% of the Learning Worker Labour Hours are from Microcredentials, ADMS will flag that the project has not met the target due to exceeding the limit and will prompt for the Supplier to provide an explanation.
- ADMS includes a progress bar showing Microcredential hour usage when viewing project reports to show how many Microcredential Labour Hours have been used against the limit.

Learning Worker Targets for Women

- Brown & Smith ICT's Major ICT Project has a Contract start date of 1 November 2025 and has a Contract end date of 16 May 2026.
- the project is subject to the target for Women for the 2025–26 financial year, requiring 10% of Learning Worker Labour Hours to be undertaken by Women.
- the number of Labour Hours required to meet the target for Women is based on the reported Learning Worker Labour Hours.
- for example, if *Brown and Smith ICT* reports 170 Learning Worker Labour Hours, then 17 Labour Hours must be undertaken by Learning Workers who are Women (10% of the project's total 170 Learning Worker Labour Hours).
- all reported Learning Worker Labour Hours for Women are counted towards the target for the financial year in ADMS.

Microcredentials Limit for the Learning Worker Target for Women

- a maximum of 20% of the reported Learning Worker Labour Hours for Women may be attributed to Microcredentials to meet the Learning Worker Target for Women.
- the Microcredential limit for the Learning Worker Target for Women is assessed and calculated each financial year during the Eligible Project in ADMS.
- for example, if 17 Labour Hours are reported for Women, the Microcredential limit would be 20% of the 17 = 3.4 hours.

- if more than 20% of the Women Learning Worker Labour Hours are from Microcredentials, ADMS will flag that the project has not met the target due to exceeding the limit and will prompt for the Supplier to provide an explanation.
- ADMS includes a progress bar showing Microcredential hour usage for the financial year when viewing reports to show how many Microcredential Labour Hours have been used against the limit.
- targets for Women are determined based on a project's Contract start and will increase each financial year that the project continues.

Gender Equality Action Plan (GEAP)

Who needs to fill out and provide a GEAP?

GEAPs are mandatory for Potential Suppliers to include with their Submission for:

- Flagship Construction Projects (≥ \$100 million), and
- High-Value ICT Projects (≥ \$50 million).

For Major Construction Projects (≥ \$10 million) and Major ICT projects (≥ \$10 million), GEAPs are **voluntary**, but Potential suppliers are strongly **encouraged** to include them with their Submissions.

What is the purpose of a GEAP?

A GEAP outlines key actions that Potential Suppliers will undertake to ensure the PCP targets for Women are achieved, should their Submission be successful. Where a Supplier has been successful in their Submission, they should adhere to the actions stated in their GEAP and share their GEAP with any Sub-contractors to ensure Sub-contractors are aware of the actions they will need to undertake for this procurement to promote gender equality.

The key actions outlined in the GEAP, while designed to help Suppliers meet their targets for Women for a specific procurement, may include both actions and policies undertaken at an organisational level or only for a specific procurement. Suppliers should set out in their GEAP how an organisational level action or policy will apply at the procurement level. A GEAP will provide Relevant Entities and Suppliers with a shared understanding of what actions a Supplier has agreed to undertake.

While targets for Women will provide incentives for employers to make changes to their recruitment and retention policies, it is noted that changes to workplace culture and practices can take time and commitment to fully implement. Suppliers are encouraged to think about how they can drive both short and long-term outcomes in their GEAP.

How can the GEAP help my organisation to meet the targets for Women?

Increasing the number of Women entering the Construction and ICT industries could play a significant role in combating skills shortages and building a future pipeline of Women role models and mentors to encourage more Women to work in male-dominated industries. Currently, Women face a range of barriers when entering the Construction and ICT industries. In the Construction industry, women in trades and semi-skilled roles face high rates of discrimination and often lack

workplace support.² 75% of women working in the ICT industry and 29% of women working in the Construction sector report having experienced sexual harassment.³ Women are also underrepresented in the Construction industry, only making up 26% of all occupations, 19% of managers and 16% of board members.⁴ As at September 2023, only 4.9% of Apprentices and Trainees in training in the Construction industry are women.⁵ As at September 2023, only 8.8% of Apprentices and Trainees in training in the ICT sector are women.⁶

The PCP works to address the lack of representation of Women by setting workforce participation targets. A GEAP is designed to help organisations develop and implement purposeful actions that will aid in the attraction and retention of Women to meet the workforce targets set out in the PCP. This provides organisations the opportunity to think critically about how they can act to address some of the barriers Women face when entering and working in the Construction and ICT industries on individual procurements. Developing a project-specific, evidence based GEAP will give Suppliers the tools and strategies with which to meet PCP targets by highlighting what actions they will take to create a more gender equal workplace.

It is acknowledged that gender inequality is compounded by other forms of discrimination, such as racism, homophobia or ableism, and that tackling discrimination for one group may not address discrimination and marginalisation experienced by all other groups. Therefore, when designing their GEAP, Potential Suppliers are encouraged to take a nuanced approach to tackling gender inequality, acknowledging that work to prevent gender-based inequality cannot be completed in isolation from work to address other forms of discrimination.

What should the GEAP include?

GEAPs will outline Supplier recruitment and retention strategies that will be put in place or continue to operate to ensure the targets for Women are achieved and sustained. Focus on these two key areas is critical to encouraging greater participation of Women in the Construction and ICT sectors. The GEAP should outline strategies that will be adopted or are already in place to ensure all parties associated with the procurement deliver equitable, safe, and respectful workplaces free from harassment.

Preparing a GEAP

You may wish to take the following steps when developing your GEAP. Note, the following information may not be available for a Potential Supplier's specific Submission but rather the data from the organisation as a whole or a previous procurement completed with a similar workforce could be used to get a basic understanding of any potential issues that the Potential Supplier may want to focus on in their GEAP.

1. Determine whether your organisation is required to develop a GEAP (see Who needs to fill out and provide a GEAP? section above).

² RMIT, Women in Construction: Exploring the Barriers and Supportive Enablers of Wellbeing in the Workplace, 2020

³ Australian Human Rights Commission, Time for respect: Fifth national survey on sexual harassment in Australian Workplaces, 2022, p 114 https://humanrights.gov.au/sites/default/files/document/publication/2022.11.25 time for respect 2022 final digital.pdf>.

⁴ WGEA Data Explorer as at 12 June 2024

⁵ NCVER 2024, Australian vocational education and training statistics: apprentices and trainees 2023 September quarter, NCVER, Adelaide

⁶ NCVER 2024, Australian vocational education and training statistics: apprentices and trainees 2023 September quarter, NCVER, Adelaide.

- 2. Consider information such as:
 - a) Workforce participation data rates of Women's participation across your organisation's workforce/for the procurement (entry level staff, managers, board members etc).
 - b) Gender Pay Gap Analysis consider undertaking an analysis to examine the drivers of gender inequality. A basic guide to completing an analysis is available on the Workplace Gender Equality Agency (WGEA) website.
 - c) Policy, programs and services what policies, programs and services does your organisation currently have to support Women in the workplace? Review the <u>Working for Women: A</u> Strategy for Gender Equality.
 - d) Other data is there any data showing rates of harassment, sexual assault, suitable facilities for Women (e.g. toilet spaces) or work options (part-time or flexible hours), or other data highlighting factors that may influence recruitment and retention? Do you have any survey results or informal feedback from women about their experience in the workplace that may help highlight any issues that should be addressed?
- 3. Analyse performance to identify strengths, weaknesses, barriers and gaps for gender equality. To effectively assess your organisation's progress toward gender equality, consider both quantitative and qualitative indicators. Pay particular attention to the concept of "critical mass"—research suggests that a minimum of 30% representation of women in a team or workplace is often required to drive meaningful and observable change in organisational culture, practices, and outcomes (see Target Setting for Gender Equality Literature Review, WGEA, p.10).
 - a) What is working well? Where are there high levels of participation by Women in the workforce (especially above the 30% threshold)? What policies, programs or services are contributing to driving better recruitment and retention of Women? What factors have driven the success of these initiatives? What could be done to improve them?
 - b) Where are there potential areas for improvement? Are there areas where women's representation falls below 30%? What are the key barriers to participation for Women? Have staff identified any gaps or opportunities for new strategies to better achieve gender equality? Is your organisation striving to achieve any particular goals to create a more gender equitable workplace? To support this analysis, consider using WGEA's resources on action planning and target setting, which provide practical tools and evidence-based approaches to address identified gaps and drive progress.
- 4. Identify and define outcomes:
 - a) How can you improve recruitment and retention of Women in your organisation? What goals will your organisation aim to achieve?
 - b) For additional guidance on gender-equal recruitment and promotion see the 'Further helpful resources' section below, including WGEA's Action Planning Tool that can help identify actions an organisation can take to improve gender equality in their workplace.
- 5. Plan how the outcomes will be delivered, implemented and how you will track the success.
- 6. Set time frames for goals and monitor progress.
- 7. Fill out the GEAP template at Appendix A below or prepare your own.

Interaction with other reporting requirements

The GEAP required for the PCP is separate to any requirements under the *Workplace Gender Equality Act 2012* (Cth). It is noted there may be some overlap between the PCP and Workplace Gender Equality Agency requirements.

Actions for Suppliers

- ensure GEAPs are included with your Submission for a Flagship Construction Project and High-Value ICT Project, it is encouraged for a Major Construction Project and Major ICT Project.
- develop the GEAP using organisational data and relevant resources (e.g. WGEA tools).
- define measurable goals and timeframes for recruitment and retention strategies.
- consider pursuing both short and long-term outcomes as part of the GEAP.
- implement the GEAP actions throughout the project lifecycle.
- report progress to Relevant Entities, as required.
- share the GEAP with Sub-contractors, as required.
- monitor your compliance and performance against the actions outlined in the GEAP throughout the project lifecycle.
- recognise that cultural change takes time and sustained effort.

Contract commencement

Actions for Suppliers

- distribute the **Privacy Notice** Apprentices and Learning Workers, as outlined in the <u>Privacy section</u> below.
- obtain consent from Apprentices and Learning Workers and ensure compliance with the *Privacy Act 1988 (Cth)*.
- get access to the Apprenticeship Data Management System (ADMS) for reporting and compliance requirements, guidance is available on the Apprenticeship.gov.au website at <u>Australian Skills Guarantee reporting for suppliers and subcontractors | Australian Apprenticeships.</u>
- ensure a process and/or systems are in place to collect data from Sub-contractors, as required.
- start tracking Labour Hours for Apprentices and Learning Workers.

Privacy

Suppliers should distribute the <u>Australian Skills Guarantee Privacy Notice</u> to Apprentices and Learning Workers to seek their consent to enable the Department of Employment and Workplace Relations (DEWR) to collect, use, and store the personal information of Apprentices and Learning Workers for verification and administration purposes.

Collection of Personal Information

The collection of personal information supports DEWR in verifying reported data through ADMS. This includes confirming that individuals are:

- real and identifiable,
- actively engaged in their roles, and
- undertaking a recognised trade or qualification, where applicable.

Actions for Suppliers

distribute the <u>Australian Skills Guarantee Privacy Notice</u> to Apprentices and Learning
Workers to obtain their consent as prescribed allowing DEWR to collect, use, and disclose
personal information to comply with the Privacy Act 1988 and other relevant laws.

ADMS project record creation

Relevant Entities will create a project record in the Apprenticeship Data Management System (ADMS) when the procurement has been identified as a new Contract that meets the PCP eligibility criteria and will confirm if the Contract is reportable for Suppliers under the PCP.

If you are a Supplier for a project that is reportable under the PCP, you should register for ADMS access as soon as you can after the start of the project.

Reporting guidance is available on the Apprenticeship.gov.au website at <u>Australian Skills Guarantee</u> reporting for suppliers and subcontractors | <u>Australian Apprenticeships</u>.

Contract variations

Relevant Entities may consider negotiating a Contract Variation which results in a procurement to become an Eligible Project under the PCP from changes to an existing Contract.

If PCP Version 1 applies to an existing Contract, Relevant Entities may negotiate to apply the ICT targets outlined in Version 1.2 of the PCP to the varied Contract with a Supplier. However, the updated policy provisions, including the definitions of Learning Worker, High-Value ICT Project, and Microcredential could be included and applied with a Contract variation from 1 October 2025. Any negotiated targets aligned with the Version 1.2 ICT targets will be treated in the same manner as negotiated ICT targets under Version 1.

Ջ Actions for Suppliers

• Suppliers should negotiate and discuss the provision of a GEAP with the Relevant Entity when considering a Contract variation. If agreed, Suppliers must ensure the GEAP is provided to the Relevant Entity prior to the next quarterly report period in ADMS, or earlier if possible.

Contract variation examples

Scenario 1 (a) – Supplier agrees to include PCP requirements

The *Department of Example Scenarios* has contracted *Construction Company A* to deliver construction services.

The Contract start date is 30 September 2024 and the Contract end date is 30 September 2026. The Contract has an estimated value of \$9,800,000. The UNSPSC code listed for the Approach to Market and subsequent Contract notice on AusTender is *UNSPSC 72100000 – Building construction and support and maintenance and repair services*.

In April 2026, the department identifies that more work is required to achieve the objective of the procurement and seeks to vary the Contract. The Contract variation will extend the Contract to end on 30 October 2026 and will result in the estimated procurement value increasing to \$10,500,000.

As the UNSPSC is captured by the PCP Version 1.2 and the procurement has met the estimated individual value of \$10 million and above (GST inclusive), the procurement meets the requirements of an Eligible Project, and the department seeks to include the PCP requirements for the remainder of the Contract term. Before negotiating with *Construction Company A*, the department assesses that:

- there is sufficient time to provide relevant Apprentices with an adequate training experience
- there is sufficient work to be completed in Australia
- the remaining Contract deliverables require Labour Hours
- there is sufficient work to be completed in areas which have an Apprentice pathway.

Construction Company A agrees to include PCP Version 1.2 requirements as part of the Contract variation which takes effect on 1 May 2026.

As the Overarching Apprentice Target does not change between financial years, *Construction Company A* will be required to ensure a minimum of 10% of all Labour Hours spent on the remainder of the Contract are undertaken by Apprentices.

As the Contract variation takes effect on 1 May 2026, *Construction Company A* will initially be required to ensure that 7% of Apprentice Labour Hours are undertaken by Women in Apprenticeships, and 5% of Trade Apprentice Labour Hours are undertaken by Women in Trade Apprenticeships. On 1 July 2026, these targets will increase to 8% and 6% respectively (see <u>Table 3</u> above) for the remaining period of the Contract.

The estimated Labour Hours and associated targets are included in the Contract.

The department's contract manager for this Contract will need to create a project in the ADMS to commence reporting on this project.

Scenario 1 (b) - Supplier does not agree to include PCP requirements

In the above example, if *Construction Company A* did not agree to include PCP requirements as part of the Contract variation, the *Department of Example Scenarios* would document the reasons why the PCP was not included and would maintain appropriate records.

The department's contract manager for this Contract would need to record this project as 'not reporting' in the ADMS.

Scenario 2 – PCP requirements not considered appropriate

The *Department of Procurements* has contracted *Construction Company B* under a Construction procurement.

The Contract start date is 15 October 2024 and the Contract end date is 15 October 2025. The Contract has an estimated value of \$9,995,000. The UNSPSC listed for the Approach to Market and subsequent Contract notice on AusTender is *UNSPSC 72101500 – Building support services*.

In September 2025, the department identifies that the Contract will need to be extended to finalise the work and seeks to vary the Contract. The Contract variation will extend the Contract to end on 30 October 2025 and will result in the estimated procurement value increasing to \$10,200,000.

As the UNSPSC is captured by the PCP Version 1.2 and the procurement has met the estimated individual value of \$10 million and above (GST inclusive), the procurement meets the requirements of an Eligible Project, and the department assesses whether to include the PCP Version 1.2 requirements for the remainder of the Contract term. As the Contract variation does not allow enough time to provide Apprentices with an adequate training experience, the department decides not to include PCP Version 1.2 requirements.

The *Department of Procurements* documents the reasons why PCP requirements were not included and maintains appropriate records.

The record for this Contract in the ADMS will need to be reviewed, with the project continuing to be marked as 'Not reporting'.

Reporting and compliance

Suppliers are required to provide accurate and timely reporting against the relevant PCP targets and requirements to the Relevant Entity. The Relevant Entity will monitor progress and work with Suppliers to meet targets.

Please refer to the additional reporting guidance available on the Apprenticeship.gov.au website at Australian Skills Guarantee reporting for suppliers and subcontractors | Australian Apprenticeships.

Actions for Suppliers

Suppliers are required to:

- report in ADMS on the progress of all Contracts with PCP requirements every quarter,
- respond to the Relevant Entity for compliance reviews and address non-compliance concerns over the life of the Contract, as required,
- respond to the Relevant Entity for assurance activities, as required,
- submit an end of Contract report in ADMS.

Quarterly reporting

Suppliers are required to submit quarterly progress reports in ADMS to Relevant Entities. Reports must include Labour Hours undertaken by Apprentices, Learning Workers and Women. Suppliers should collect and manage data from Sub-Contractors, as required.

Quarterly reports are due 10 business days following the end of the relevant quarter.

Suppliers should provide accurate information and justifications for any non-compliance as part of their quarterly reports, and assist with any assurance activities, as requested by Relevant Entities.

The Skills Guarantee field guide for Suppliers has detailed information to help you complete your reporting in ADMS. If you have any questions or concerns when completing your reporting, please contact your Relevant Entity's contract manager.

End of financial year compliance check

Suppliers must meet the annual targets for Women, that increase from 1 July in each financial year as outlined in $\underline{\text{Table 3}}$ and $\underline{\text{Table 5}}$ above. This compliance is assessed at the end of each financial year, not just at the end of the Contract.

End of Contract reporting

Suppliers will not be required to complete additional reporting in ADMS at the end of the Contract. The Relevant Entity will complete an end of project report in ADMS which will include a summary of the overall performance against targets and gender equality actions (where applicable) across the life of the project. Once the end of project report is submitted in ADMS, Suppliers will be able to view the results.

To view the end of project report, open the project in ADMS:

- Click the Report details tab.
- Click the End of project report tab.

- Any non-reportable financial years will show 'Not reportable' in the outcome column.
- If the End of project report has been submitted by your contracting agency, it will be in a status of Assessed.
- Open the End of project report to view the outcome.

GEAP monitoring

Suppliers should implement and maintain strategies outlined in their GEAP.

Compliance

Relevant Entities monitor Supplier compliance and will consider the significance of the matter when considering the non-compliance stream. Suppliers should ensure the targets are met and address non-compliance proactively.

The non-compliance streams include:

- Minor: educative support,
- Moderate: provide reasons and rectification strategies,
- Major/Extreme: may affect future procurement eligibility.

Frequently Asked Questions

Eligible Projects

Do PCP thresholds apply to projects as a whole or individual procurements?

• The PCP financial thresholds apply to each individual procurement.

Does the PCP apply to Sub-contractors?

- The PCP applies to the Contract between the Relevant Entity and the lead contractor (the Supplier).
- This means that while it does not apply to Sub-contractors directly, Suppliers are expected to report on all Labour Hours on the Eligible Project. However, Suppliers and Relevant Entities can enable Sub-contractors to report Labour Hours directly into ADMS.
- Suppliers will need to ensure Sub-contractors have access to ADMS and provide accurate and timely reporting against the targets to the Supplier, to enable the Supplier to meet their reporting obligations to the Relevant Entity.

Apprentices and Learning Workers

What is an Apprentice?

- An Apprentice (also known as a trainee or Australian Apprentice) as 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 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 Project.

What is a Learning Worker?

- A Learning Worker is:
 - a person who, while employed on a Major ICT Project or High-Value ICT Project, is an Apprentice or an ICT Cadet, or
 - a Worker who, while employed on a Major ICT Project or High-Value ICT Project, is currently undertaking Accredited VET and/or Higher Education relevant to the employment and skills needs of the employer while employed on the relevant Eligible Project, or
 - a Worker who, while employed on a Major ICT Project or High-Value ICT Project, is currently undertaking or successfully completes a Microcredential relevant to the employment and skills needs of the employer while employed on the relevant Eligible Project.

PCP targets

How are Apprentice or Learning Worker Off-Site Labour Hours treated to calculate meeting the targets under the PCP?

- Off-Site refers to Labour Hours undertaken not at the physical location/s of the Eligible Project to deliver inputs for the Eligible Project, or to undertake Apprentice or Learning Worker education and training contributing to their qualification and the Eligible Project.
- Labour Hours worked Off-Site to deliver inputs for an Eligible Project to count towards meeting the target could be for example the hours worked by a cabinet maker to manufacture cabinets for use on an Eligible Project.
- Hours spent Off-Site for formal Apprentice or Learning Worker training and education, including hours spent at a Registered Training Organisation or university, can be counted towards the PCP targets. However, these hours can only be counted once towards the Eligible Project. For example, if an Apprentice spends 10 hours in training, the total claimed hours must not exceed the actual hours spent Off-Site. If these hours are split between multiple projects, the sum of the reported Labour Hours must not be greater than the total hours the Apprentice or Learning Worker has worked Off-Site. For example, if the apprentice did 10 hours of training and 5 hours are allocated to Project A and 5 hours to Project B, that's allowable. You would not be able to claim more than 10 hours in total across all projects.

How are part-time hours treated under the PCP?

• All Labour Hours, including part-time Labour Hours, that an Apprentice or Learning Worker has worked on an Eligible Project will count towards PCP targets.

Can more than one Apprentice or Learning Worker contribute to the Labour Hour targets?

• It does not matter how many different employees contribute to the targets, as the targets are based on Labour Hours, rather than head count. Suppliers will be asked to provide the total Labour Hours worked on the Eligible Project in ADMS, rather than the number of employees that are working on the Eligible Project.

Can a non-binary person be counted towards the Women's Skills Guarantee targets?

- The Skills Guarantee includes targets for Women Apprentices, Women Trade Apprentices and Learning Workers, as well as an Overarching Target for Apprentices and a Learning Worker Target.
- As defined in the PCP, the targets for Women include anyone who identifies as a Woman.
- The Overarching Apprentice Target and Learning Worker Target are not gender specific, so people who identify as non-binary can be included in calculating these targets.

Reporting and compliance

How will Suppliers report on PCP targets?

- Suppliers must submit quarterly reports in the ADMS to Relevant Entities.
- Further guidance on this process is available on the Apprenticeships.gov.au website: <u>Australian Skills Guarantee reporting for suppliers and subcontractors</u> | Australian Apprenticeships.

What is the frequency of reporting under the Skills Guarantee?

- Suppliers must report in ADMS at the end of each quarter.
- Suppliers are also responsible for providing Skills Guarantee reporting information on behalf of their Sub-contractors. However, Suppliers and Relevant Entities may choose to allow Subcontractors to gain access to ADMS and enter reporting information directly into the online reporting system.
- Relevant Entities need to report every six months on the progress of all Eligible Projects towards Skills Guarantee targets, any compliance activity undertaken, as well as end of Contract assessments for each procurement.

Will a Suppliers performance be publicly available?

• Supplier reports will not be shared publicly, however a Suppliers' performance history with the PCP will be available for Relevant Entities to view after an Eligible Project has been completed.

How will compliance be monitored under the PCP?

Relevant Entities must monitor Supplier performance based on their quarterly reporting. When
non-compliance is identified, Relevant Entities will address it in accordance with the streams of
non-compliance detailed in the PCP and utilise their own procurement and contract management
mechanisms for performance discussions.

Are there financial penalties for non-compliance with PCP targets?

• No, there is no requirement for financial penalties to be imposed under the PCP. However, this does not preclude Relevant Entities from imposing financial penalties for non-compliance where these have been agreed under the relevant Contract.

Will mitigating factors be considered when assessing a Supplier's compliance with the Skills Guarantee?

- Where performance is below expectations, mitigating factors should be considered by Relevant Entities. There are fields in ADMS for Suppliers to provide reasons for non-compliance.
- For example, if the Eligible Project is being delivered in a regional or remote area, and the supplier has not met PCP targets despite demonstrating reasonable efforts to do so, suppliers could indicate this as a mitigating factor in reporting. Relevant Entities should consider these factors when determining the appropriate compliance action to undertake, noting that suppliers are expected to continue working with Sub-contractors in regional and remote areas who may have limited access to apprentices as per **Section 4.1.4** of the PCP.

Further resources

- Australian Government Contract Management Guide, Sections 2.12-2.13 –
 https://www.finance.gov.au/sites/default/files/2023-07/australian-government-contract-management-guide-july-2023.pdf
- Australian Government Procurement BuyRight, Contract Variations –
 https://www.finance.gov.au/government/procurement/buyright/contract-variations.
- WGEA Action Planning Tool https://www.wgea.gov.au/take-action/action-planning-tool
- WGEA Employer guidance on developing policies and strategies for the six Gender Equality
 Indicators https://www.wgea.gov.au/take-action/policy-and-strategy-guidance
- WGEA Policy and strategy guidance: Gender composition of the workforce –
 https://www.wgea.gov.au/sites/default/files/documents/Policy-and-strategy-guidance-gender-composition-of-the-workforce.pdf
- WGEA Policy and strategy guidance: Sexual harassment, harassment on the grounds of sex or discrimination – https://www.wgea.gov.au/sites/default/files/documents/6-Policy-and-strategy-guidance-Sexual-harassment-harassment-on-the-ground-of-sex-and-discrimination.pdf
- WGEA Gender Pay Gap Analysis Guide https://www.wgea.gov.au/take-action/gender-pay-gap/employer-gender-pay-gap-analysis-guide
- WGEA Gender equitable recruitment and promotion guide https://www.wgea.gov.au/tools/recruitment-and-promotion-guide
- Prime Minister and Cabinet (PM&C), Office for Women Working for Women: A Strategy for Gender Equality - https://genderequality.gov.au/sites/default/files/2024-03/working-forwomen-a-strategy-for-gender-equality.pdf

Appendix A

Gender Equality Action Plan [template]

Organisation name: organisation name
Project name: project name
AusTender Approach to Market ID: XXXXX
This project meets the definition of a:
☐ Major Construction Project
☐ Major ICT Project
☐ Flagship Construction Project
☐ High-Value ICT Project
Our organisation, and any Sub-contractors, will meet the following targets:
Specify the level of workforce targets you will meet, as set out in section 4 of the <u>Skills Guarantee</u>
Procurement Connected Policy Version 1.2.
For Construction projects:
Overarching Apprentice Target
Overarching Apprentice Target for Women
Trades-specific Apprentice Target for Women

For ICT projects:

- Learning Worker Target
- Learning Worker Target for Women

Note Flagship Construction Projects and High-Value ICT Projects are required to propose higher targets for Women that should generally be interpreted as at least one percentage point above the minimum targets outlined in **Section 4** of the <u>Skills Guarantee Procurement Connected Policy Version 1.2</u>. Projects are encouraged to set ambitious but achievable targets.

If a project does not meet its proposed higher target but does exceed the minimum target, a Relevant Entity may note this as part of the compliance assessment in the online reporting system. This may be subject to a contract management review of the efforts made and contextual factors, such as the availability of suitable work packages or project phases at the time that could reasonably support engagement of women at the proposed levels. Consistent underperformance against proposed targets may be subject to further scrutiny and compliance action, as outlined in **Section 8** of the Skills Guarantee PCP. Please use this section to specify the level of targets you are proposing, and (if the project spans more than one financial year) the level of the targets for each financial year for the life of the project.

Further information on the minimum target levels can be found at **Section 4** of the <u>Skills Guarantee</u> <u>Procurement Connected Policy Version 1.2.</u>

Provide details of the strategies/actions your organisation, and any Sub-contractors, will undertake to specifically support:

1. Gender equality in recruitment

Provide details here

Goal: specify what your organisation aims to achieve to improve gender equitable recruitment throughout this project, e.g. "We commit to emphasising fair, skill-based recruitment and providing equal access to opportunities for all, regardless of gender."

Actions and strategies	Intended purpose/rationale of policy	Timing, measures and milestones
Highlight the policies you have/will put in place and what they aim to do. Include the name of the policy and specifically what it does. This may include genderneutral hiring criteria or asking for post-interview feedback. Each action/strategy should be listed in its own row.	Specify the intent of the policy, how it aims to improve gender equality in recruitment and link this to the broader goal detailed above. This could include evidence supporting the intended actions, such as data on the workforce composition by gender across different levels, internal and external appointments by gender and the gender breakdown of applicants at each stage including post-hire data of offer acceptance rates. If this is an organisational level policy, outline how this policy will this impact at the procurement level. Is this a new policy and if so, why are you introducing this new policy? Have you adapted or expanded an old policy? What updates did you make to the old policy?	Specify when the action/strategy will occur, how often progress will be assessed and how progress will be assessed e.g. policy was implemented on 1 July 2025 and will be evaluated every 6 months by HR representative to determine whether it is meeting intended purpose.

Action 1	
Action 2	

2. Gender equality in retention

Provide details here.

Goal: Specify what your organisation aims to achieve to improve gender equitable retention of employees throughout this project, e.g. "Maintain a workplace culture that values gender equality to ensure the retention of valuable employees."

Actions and strategies	Intended purpose of policy	Timing, measures and milestones
Highlight the policies you have/will put in place and what they aim to do. Include the name of the policy and specifically what it does. This may include creating a mentoring program, consultation or ensuring appropriate facilities. Each action/strategy should be listed in its own row.	Specify the intent of the policy, how it aims to improve gender equality in retention and link this to the broader goal detailed above. This could include evidence supporting the intended actions, such as data on the resignation rates by gender, flexible work and family leave uptake by gender or employee satisfaction surveys by gender. If this is an organisational level policy, outline how this policy will this impact at the procurement level. Is this a new policy and if so, why are you introducing this new policy. Have you adapted or expanded an old policy? What updates did you make to the old policy?	Specify when the action/strategy will occur, how often progress will be assessed and how progress will be assessed e.g. policy was implemented on 1 July 2025 and will be evaluated every 6 months by HR representative to determine whether it is meeting intended purpose.
Action 1		
Action 2		

3. Other [optional] OPTIONAL: Provide details of any other relevant actions/strategies your organisation has in place