



FACT SHEET – TARGET TRAINING RATE

The target training rate is the benchmark head contractors have to meet each reporting period. This rate is based on the construction industry's average training rate for apprentices and trainees.

The target training rate is the required percentage of construction trades workers who are apprentices and trainees in the occupations in scope of the policy and working in Western Australia for the head contractor and the subcontractors used for the contract.

The following target training rates apply:

- 11.5% for general building construction and maintenance contracts; and
- 5% for civil construction contracts.

The target training rate:

- applies to the combined workforce of the head contractor and the subcontractors used for the contract – the policy does not require each subcontractor to individually meet the target training rate; and
- has to be met in the annual *Head contractor Priority Start report* and upon contract completion.

Head contractors are encouraged to track their progress towards meeting the target training rate at regular intervals throughout the reporting period by using the templates [on the Department's Priority Start website page at dtwd.wa.gov.au/prioritystart](http://dtwd.wa.gov.au/prioritystart).

Information required to calculate the training rate

Head contractors need to collect the following information to calculate the training rate.

a Number of construction apprentices and trainees

To be included in the training rate calculation, apprentices and trainees must be:

- employed by a contractor working on the contract, either directly or through a group training organisation (GTO) or skill hire company;
- undertaking a construction apprenticeship or traineeship in scope of the policy; and
- working in WA during the reporting period (not necessarily on the contract).

Apprentices and trainees are counted:

- once during the reporting period per contract (even if hosted across more than one contractor); and
- as a full time employee.

b Number of construction trades workers

To be included in the training rate calculation, construction trades workers (including apprentices and trainees) must be:

- employed by a contractor working on the contract, either directly or through a GTO or skill hire company;
- employed in an in-scope construction trades worker occupation; and
- working in WA during the reporting period (not necessarily on the contract).

Part time employees must be converted to full time equivalents. If a part time employee works full time at any point during the reporting period, the employee is counted as a full time employee for the purposes of the training rate calculation.

Training rate formula

Head contractor XYZ uses this formula to calculate their training rate:

$\text{Training rate \%} = \frac{\text{(a) number of construction apprentices/trainees in training in WA}}{\text{(b) number of construction trades workers (full time equivalents) in WA}} \times 100$
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Please note: Reporting is only required during the construction phase of the contract.

Training rate report example

On 31 July 2019 head contractor XYZ was contracted to build a school. Construction commences on 15 October 2020 and is expected to conclude 30 November 2022. Head contractor XYZ engages three subcontractors during the contract, as follows:

Subcontractor	Contracting period
A	November 2020 – 31 December 2020 and 1 July 2021 – 30 November 2021
B	1 August 2021 – 1 January 2022
C	1 February 2022 – 30 October 2022

The head contractor must meet the 11.5% target training rate in the training rate report it submits to the government contracting agency, on the agreed annual reporting date (in this case the reporting date is the end of the financial year); and upon completion of the contract (30 November 2022).

The head contractor will need to calculate their construction trades workers for each reporting period and subcontractors A, B and C will have to calculate their construction trades workers. They will then submit their figures to the head contractor using the *Subcontractor Priority Start report* template, for each reporting period they are engaged on the contract.

To comply with the *Priority Start policy*, head contractor XYZ must:

- collect information needed to calculate the training rate;
- calculate the training rate; and
- submit the training rate report to the government contracting agency by the agreed date.

Calculation

- Construction commenced 15 October 2020.
- The first reporting due date is 30 June 2021.
- Subcontractor A worked on the contract during this reporting period.

Contractor	Apprentices and trainees (a)	Construction trades workers (b)	Calculation	Training rate
Head contractor XYZ	32	200 (32 A&Ts and 168 CTWs)	$\frac{\text{(a) 80}}{\text{(b) 690}} \times 100$	11.6%
Subcontractor A	48	490 (48 A&Ts and 442 CTWs)		
Total	80	690 (80 A&Ts and 610 CTWs)		

If reporting across multiple government contracts, the head contractor construction trades workforce figure will be the same for each of the contracts. However, the subcontractor construction trades workforce figure for each contract will vary due to the mix of subcontractors involved in the reporting period for each contract.