



Priority Start Policy Fact Sheet 2 – Target Training Rate

The target training rate is the benchmark head contractors must 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 all 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 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 an apprenticeship or traineeship in scope of the policy; and
- working in WA during the reporting period (workers **do not** have to be working on the project site or on work related to the project).

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/labour hire company;
- employed in an in-scope construction trades worker occupation; and
- working in WA during the reporting period (not necessarily on the contract).

Training rate formula

Head contractors use this formula to calculate their training rate:

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| $\text{Training Rate \%} = \frac{\text{(a) number of in-scope construction apprentices/trainees in training in WA}}{\text{(b) number of in-scope construction trades workers in WA}} \times 100$ |
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Part time conversion

Part time workers must be converted to full time equivalents (FTE). For example, 2 part time workers working both a 0.5 FTE convert to 1 worker working 1 FTE.

Full time equivalent conversion must be based on the total hours required to be worked by a full-time worker as specified in the relevant industry award.

Target training rate versus the training rate

The target training rate is the rate to be met for the contract:

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

The training rate is the rate calculated by the head contractor and subcontractors working on a contract.

Training rate report example

On 31 July 2022 a head contractor was awarded a construction contract with an expected completion of 30 November 2024. The head contractor engages three subcontractors during the contract:

| Subcontractor | Contracting period |
|---------------|---|
| A | November 2022 – 31 December 2022; 1 July 2023 – 30 November 2023 and 1 September 2024 – 15 October 2024 |
| B | 1 August 2023 – 1 January 2024 |
| C | 1 January 2024 – 30 November 2024 |
| D | 5 October 2024 – 15 November 2024 |

The head contractor must meet the 11.5% target training rate in each 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 2024).

The head contractor will need to calculate their construction trades workers for each reporting period. Subcontractors A, B, C and D will have to calculate their construction trades workers and submit these to the head contractor (using the Subcontractor Priority Start report template, where possible) for each reporting period they are engaged on the contract.

Calculation

- The **first reporting period** is 31 July 2022 (contract award date) to 30 June 2023 (report due 30 July 2023)
- Subcontractor A worked on the contract during this reporting period (Nov 2022 – 31 Dec 2022)

| Contractor | Apprentices and trainees (a) | Construction trades workers (b) | Calculation | Training rate |
|-----------------|------------------------------|--------------------------------------|--------------------------------|---------------|
| Head contractor | 32 | 200 (32 A&Ts and 168 CTWs) | (a) 80 ——— × 100 (b) 690 | 11.6% |
| Subcontractor A | 48 | 490 (48 A&Ts and 442 CTWs) | | |
| Total | 80 | 690 (80 A&Ts and 610 CTWs) | | |

- The **second reporting period** 1 July 2023 – 30 June 2024 (report due 30 July 2024).
- Subcontractor A (1 July 2023 – 30 Nov 2023) and Subcontractor B (1 Aug 2023 – 1 Jan 2024) worked on the contract during this reporting period.

| Contractor | Apprentices and trainees (a) | Construction trades workers (b) | Calculation | Training rate |
|-----------------|------------------------------|--|---|---------------|
| Head contractor | 42 | 219 (42 A&Ts and 177 CTWs) | $\frac{(a) \ 146}{(b) \ 1108} \times 100$ | 13.18% |
| Subcontractor A | 45 | 505 (45 A&Ts and 305 CTWs) | | |
| Subcontractor B | 59 | 45 (59 A&Ts and 480 CTWs) | | |
| Total | 146 | 1108 (146 A&Ts and 962 CTWs) | | |

- The **last reporting period** is 1 July 2024 - 30 November 2024 (contract completion date) with report due 30 December 2024.
- Subcontractor A (1 Sept 2024 – 15 Oct 2024), Subcontractor C (1 Jan 2024 – 30 Nov 2024) and Subcontractor D (5 Oct 2024 – 15 Nov 2024) worked on the contract during this reporting period.

| Contractor | Apprentices and trainees (a) | Construction trades workers (b) | Calculation | Training rate |
|-----------------|------------------------------|---------------------------------------|--|---------------|
| Head contractor | 35 | 199 (35 A&Ts and 164 CTWs) | $\frac{(a) \ 132}{(b) \ 917} \times 100$ | 14.39% |
| Subcontractor A | 38 | 410 (38 A&Ts and 123 CTWs) | | |
| Subcontractor C | 59 | 439 (59 A&Ts and 480 CTWs) | | |
| Subcontractor D | 0 | 18 (0 A&Ts and 18 CTWs) | | |
| Total | 132 | 917 (132 A&Ts and 785 CTWs) | | |

If reporting across multiple government contracts (all with end of financial year reporting period), 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. To comply with the Priority Start the head contractor 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.

Further information

The Department of Training and Workforce Development provides information on Priority Start. Visit dtwd.wa.gov.au/prioritystart for more information.