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Department for Industry and Skills

*Measuring Economic
Benefit through Jobs
and Training*

Skilling South Australia

Procurement Guideline



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1. Introduction

This supplement provides guidance for the application of the Skilling South Australia requirements which will operate under the South Australian Industry Participation Policy.

This document needs to be read in conjunction with the South Australian Industry Participation Policy, Procedural Guidelines and other supporting documentation.

The Guideline is designed to maximise the economic benefit of Government procurement by ensuring South Australians are afforded more training opportunities.

This Guideline replaces the 2010 Workforce Participation Policy which no longer operates.

2. Skilling South Australia Requirement

Each Government construction project above \$50 million will determine prior to tender stage the critical training and employment outcomes expected. Advice must be received from the Department for Industry and Skills (DIS) and consultation with the Industry Advocate will occur on projects above \$50 million. The base requirement is:

- a. **15% of the labour force hours need to be performed by nominated groups** on construction contracts valued above \$50 million unless otherwise specified.
- b. **Trainees and apprentices are to be a key focus for the 15%** of the labour force hours.
- c. The Government can include further nominated groups in the 15% by specifically including them in the Industry Participation Plan, including:
 - Cadets;
 - Upskilling;
 - Long-term unemployed with training needs;
 - People with barriers to employment;
 - Aboriginal jobseekers; and
 - Graduates.

In the Industry Participation Plan, the Government has the discretion to set specific targets for nominated groups and to adjust the minimum percentage higher or lower based on its assessment of the potential of the project to support those groups. This discretion will be exercisable through the agency acquisition planning approval process.

The Government can also elect to apply the Skilling South Australia Procurement Guideline to non-construction activity but only when specifically elected and there is no requirement to do so.

The Skilling South Australia Procurement Guideline will not apply to contracts that are subject to an Industry Participation Plan and below \$50 million. Tenderers will instead be asked as part of their Industry Participation Plan whether they intend to employ any trainees or apprentices and, if so, the Industry Advocate will monitor the outcomes.

3. Governance and Reporting

DIS will provide advice to agencies on projects subject to the Skilling South Australia Procurement Guideline.

Reporting on labour force metrics will be done through Industry Participation Plan reporting to the Industry Advocate.

Contracting agencies (like Department for Planning, Transport and Infrastructure) will hold responsibility for the commercial management of any incentives and performance measures, for example Key Performance Indicators against labour force targets.

Table 1: Application of the Skilling South Australia Procurement Guideline

Project Value	Requirement
Below \$50 million	No requirements However, Industry Participation Plans will measure if apprentices or trainees are involved in contract delivery.
Above \$50 million	15% of labour force hours to be delivered by nominated groups unless otherwise communicated to the tender group

4. Supporting tenderers to complete Skilling South Australia Requirements

A separate part of DIS, to the evaluation and acquisition planning advice function, will be available to support tendering firms to respond to the requirements. This includes advice on those programs and funding support that can assist a firm to deliver.

These details will be supplied to tendering firms.

5. Definitions

Aboriginal jobseeker is a person seeking employment who identifies as being Aboriginal and / or is considered by members of his or her community as being Aboriginal. This definition includes Torres Strait Islander people.

Apprentices and trainees are people undertaking training established under a training contract in a wide range of vocations. They may be engaged directly or through a Group Training Organisation, they can also be part-time, school-based, or full-time. Further specific advice on this can be provided by DIS.

Cadet is a person undertaking a cadetship, scholarship or a vocational work experience placement incorporating formal tertiary education that results in a nationally recognised qualification. This may be on a on a full-time or part-time basis.

Graduate is a person who has been awarded an undergraduate or first academic degree within the last 2 years.

Labour force hours mean hours directly linked to delivery of the contract.

Long term unemployed with training needs is a person who is employed by the project, who is unemployed at the time they commence.

People with barriers to employment is a person or people who are unemployed for 12 months or longer, prior to engagement on the project.

Upskilling is any training activity that is eligible for Construction Industry Training Board funding support; or relevant to the employment and skills required for the performance of the contract; including these training activities provided up to 6 months prior to tender lodgement.

6. Contact

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