



TOTAL TRAINING RATE – CALCULATION EXAMPLE

Government building training policy

On 31 July 2016 head contractor XYZ was contracted to build a school. Construction work commences 15 October 2016 and concludes 30 November 2017. Head contractor XYZ hires three subcontractors during the contract, as follows.

Subcontractor	Contracting period
A	1 November 2016 – 31 December 2016; 1 July 2017 – 30 November 2017
B	1 December 2016 – 1 June 2017
C	1 February 2017 – 30 October 2017

Head contractor XYZ must meet the 11.5% target training rate for the *Total training rate report* it submits to the State Government contracting agency for the:

- end of the financial year report (July 2017); and
- last report submitted for the contract (January 2018).

To comply with the policy, head contractor XYZ must report its progress towards achieving the target training rate every financial quarter over the duration of the contract. To do this, head contractor XYZ must:

- determine the reporting schedule;
- collect information needed to calculate the total training rate;
- calculate the total training rate; and
- submit the total training rate report to the State Government contracting agency (client).

1 Determine the reporting schedule

The contract runs from 31 July 2016 to 30 November 2017. Construction work commences 15 October 2016. **Reporting is only required during the construction phase of the project** therefore the reporting schedule for the duration of the contract would be as follows.

2016–2017

Reporting period	Due date	Cumulative reporting quarter
1	31 January 2017	1 October – 31 December 2016
2	30 April 2017	1 October – 31 March 2017
3*	31 July 2017	1 October – 30 June 2017

*This is the final *Total training rate report* for the **financial year**. The training rate must equal or exceed 11.5%

2017–2018

4	31 October 2017	1 July – 30 September 2017
5*	31 January 2018	1 July – 31 December 2017 (contract complete)

*This is the final *Total Training Rate Report* for the **contract**. The training rate must equal or exceed 11.5%

2 Collect information needed to calculate the total training rate

This is the information head contractor XYZ needs to calculate its total training rate.

(a) Number of construction apprentices and trainees

Apprentices and trainees must be:

- undertaking a construction apprenticeship or traineeship in scope of the policy;
- past their probation period;
- working in Western Australia at any time during the financial year to date;
- employed directly, through a group training organisation or skill hire company by:
 - head contractor XYZ
 - subcontractor A (reporting periods 1, 2 and 5)
 - subcontractor B (reporting periods 1–3) or
 - subcontractor C (reporting periods 2–5);
- only counted once during the reporting period per project (even if hosted across more than one contractor); and
- counted as a full time employee (except school based apprentices/trainees who count as 50%).

(b) Number of construction trades workers

Construction trades workers (including apprentices and trainees) must be:

- employed in a construction trades worker occupation in scope of the policy;
- working in Western Australia at any time during the financial year to date;
- employed by:
 - head contractor XYZ
 - subcontractor A (reporting periods 1 and 2)
 - subcontractor B (reporting periods 1–3) or
 - subcontractor C (reporting periods 2–5).

Part time employees must be converted to full time equivalents.

Head contractor XYZ and subcontractors A, B and C will need to calculate their average number of construction trades workers for each reporting period – choose at least two dates which best reflect the construction trades workforce during each quarter.

Note: Construction trades workers (including apprentices and trainees) do not have to be working on the contract site or on work related to the contract to be included in the total training rate calculations.

3 Calculate the total training rate

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

$$\text{Total training rate \%} = \frac{\text{(a) Number of construction apprentices/trainees in training in WA}}{\text{(b) Number of construction trades workers (full time equivalents) in WA}} \times 100$$

Reporting period 1 (1 October 2016 – 31 December 2016)

- Construction commenced 15 October 2016.
- Subcontractors A and B worked on the contract during this reporting period.

$$\text{Total training rate \%} = \frac{\text{(a) Head contractor construction apprentices/trainees + subcontractors A and B construction apprentices/trainees for the reporting period}}{\text{(b) Head contractor construction trades workers + subcontractors A and B construction trades workers for the reporting period}} \times 100$$

Contractor	A and Ts* (a)	Average construction trades workers (b)	Calculation	Total training rate
Head contractor XYZ	20	200	$\frac{\text{(a) 78}}{\text{(b) 790}} \times 100$	9.8 %
Subcontractor A	47	500		
Subcontractor B	11	90		
	Total A and Ts = 78	Total = 790		

* apprentices and trainees

Head contractor XYZ and subcontractors A and B need to calculate their average number of construction trades workers for each quarter. To do this, they choose at least two dates which best reflect the construction trades workforce during that quarter. For example; head contractor XYZ has a total construction trades workforce of 150 as at 15 October 2016; and 250 as at 20 December 2016. The average number of construction trades workers for head contractor XYZ for the reporting period 1 is 200.

If reporting across multiple State Government contracts, the head contractor information will be the same across the contracts. Their subcontractor information is likely to vary across contracts due to the mix of subcontractors involved in the reporting period on the project.

Note: Head contractor XYZ does not have to meet the 11.5% target training rate in this reporting period.

Reporting period 2 (1 October 2016 – 31 March 2017)

- Subcontractors A, B and C worked on the contract during this reporting period.
- Nine new apprentices and trainees were employed by the subcontractors in quarter 2.

$$\text{Total training rate \%} = \frac{\text{(a) Head contractor construction apprentices/trainees + subcontractors A, B \& C construction apprentices/trainees for the reporting period}}{\text{(b) Head contractor construction trades workers + subcontractors A, B \& C construction trades workers for the reporting period}} \times 100$$

Contractor	Quarter 1		Quarter 2		Reporting period 2		Calculation	Total training rate
	A and Ts*	Average trades workers	New A and Ts	Average trades workers	A and Ts (a)	Average construction trades workers (b)		
Head contractor XYZ	20	200	0	170	20 + 0 = 20	(200 + 170) / 2 = 185	$\frac{\text{(a) 87}}{\text{(b) 875}} \times 100$	9.9 %
Subcontractor A	47	500	3	550	47 + 3 = 50	(500 + 550) / 2 = 525		
Subcontractor B	11	90	2	100	11 + 2 = 13	(90 + 100) / 2 = 95		
Subcontractor C			4	70	4	70		
					Total A and Ts = 87	Total = 875		

* apprentices and trainees

Notes: Only new apprentices and trainees are added in quarter 2.
Head Contractor XYZ does not have to meet the 11.5% target training rate in this reporting period.

Reporting period 3 (1 October 2016 – 30 June 2017)

- Subcontractors A, B and C worked on the contract during this reporting period.
- 19 new apprentices and trainees were employed by the companies in quarter 3.

$$\text{Total training rate \%} = \frac{\text{(a) Head contractor construction apprentices/trainees + subcontractors A, B \& C construction apprentices/trainees for the reporting period}}{\text{(b) Head contractor construction trades workers + subcontractors A, B \& C construction trades workers for the reporting period}} \times 100$$

Contractor	Quarter 1		Quarter 2		Quarter 3		Reporting period 3		Calculation	Total training rate
	A and Ts*	Average trades workers	New A and Ts	Average trades workers	New A and Ts	Average trades workers	A and Ts (a)	Average construction trades workers (b)		
Head contractor XYZ	20	200	0	170	4	200	20+0+4=24	(200+170+200) / 3 = 190	$\frac{\text{(a) 106}}{\text{(b) 918}} \times 100$	11.5 %
Subcontractor A	47	500	3	550			47+3=50	(500+550) / 2 = 525		
Subcontractor B	11	90	2	100	7	200	11+2+7=20	(90+100+200) / 3 = 130		
Subcontractor C			4	70	8	76	4+8=12	(70+76) / 2 = 73		
							Total A and Ts = 106	Total = 918		

* apprentices and trainees

Notes: Add in the new apprentices and trainees employed in quarter 3.

This is the final Total training rate report for the financial year therefore the target training rate of 11.5% must be met.

Reporting period 4 (1 July 2017 – 30 September 2017)

- A new reporting cycle commences each new financial year.
- Only Head contractor XYZ and subcontractor C worked on the contract during this reporting period.
- Head contractor XYZ and subcontractor C must count their construction trades workers (including apprentices/trainees) working in WA in this new financial year.

$$\text{Total training rate \%} = \frac{\text{(a) Head contractor construction apprentices/trainees + subcontractor C construction apprentices/trainees for the reporting period}}{\text{(b) Head contractor construction trades workers + subcontractor C construction trades workers for the reporting period}} \times 100$$

Contractor	A and Ts* (a)	Average construction trades workers (b)	Calculation	Total training rate
Head contractor XYZ	28	250	$\frac{\text{(a) 32}}{\text{(b) 326}} \times 100$	9.8 %
Subcontractor C	4	76		
	Total A and Ts = 32	Total = 326		

* apprentices and trainees

Note: Head contractor XYZ does not have to meet the 11.5% target training rate in this reporting period.

Reporting period 5 (1 July 2017 – 31 December 2017)

- This is the final *Total training rate report* for the contract therefore the total training rate of 11.5% must be met.
- Subcontractors A and C worked on the contract during this reporting period.
- 65 new apprentices and trainees were employed by the companies during quarter 2.

$$\text{Total training rate \%} = \frac{\text{(a) Head contractor construction apprentices/trainees + Subcontractors A and C construction apprentices/trainees for the reporting period}}{\text{(b) Head contractor construction trades workers + Subcontractors A and C construction trades workers for the reporting period}} \times 100$$

Contractor	Quarter 1		Quarter 2		Reporting period 2		Calculation	Total training rate
	A and Ts*	Average trades workers	New A and Ts	Average trades workers	A and Ts (a)	Average construction trades workers (b)		
Head contractor XYZ	28	250	5	250	28+5=33	(250+250) / 2 = 250	$\frac{\text{(a) 97}}{\text{(b) 778}} \times 100$	12.5%
Subcontractor A			55	450	55	450		
Subcontractor C	4	76	5	80	4+5=9	(76+80) / 2 = 78		
					Total A and Ts = 97	Total = 778		

* apprentices and trainees

Note: Head contractor XYZ's total training rate is 12.5% for this report therefore they comply with the policy.

4 Report the total training rate to State Government contracting agency (client)

This is the report that head contractor XYZ submits to the State Government contracting agency for the period 1 July–31 December 2017 (reporting period 5).

Government building training policy Total training rate report

Period covered by this report

Reporting period:

- 1 July–30 September
x 1 July–31 December
 1 July–31 March
 1 July–30 June

Report due:

- 31 October
31 January 2018
30 April
31 July

Date submitted:

29 January 2018

To complete Part C please refer to the:

- *Calculating total training rate fact sheet*
- *In scope construction apprenticeships and traineeships list*
- *In scope construction trades worker occupations list*

Part A: Head contractor details		
Business name	XYZ Nominees	
Trading name	Head contractor XYZ	
Australian Business Number	12 345 678 912	
Contact name	John Citizen	
Contact phone	1234 1234	Email: John.Citizen@xyz.com.au

Part B: Contract details	
Number	123/2016
Name	School
Description	Building of a 20 classroom secondary school as per tender specifications.
Award date	31 July 2016
Construction commencement date	15 October 2016

Part C: Total training rate	
Number of construction apprentices and trainees (a) Total number of construction apprentices and trainees employed in Western Australia this financial year to date by your company and the subcontractors you are using for the contract.	97
Number of construction trades workers (b) Average number of construction trades workers, including apprentices and trainees, employed in Western Australia this financial year to date by your company and the subcontractors you are using for the contract.	778
Total training rate = [(a) divided by (b)] × 100	12.5%

Part D: Subcontractors (list all subcontractors working on the contract regardless of whether they have in scope construction trades workers)	
Name	ABN
Subcontractor A	12 342 345 001
Subcontractor C	22 456 111 343

Part E: Apprentices and trainees				
Apprentices/trainees			Head contractor/subcontractor	Group training organisation (if not directly employed)
First name	Surname	TRS ID*	Name	Name
Stephen	Webb	123123A1	Head Contractor XYZ	
Neil	Wellings	233445A1	Subcontractor A	
Nicholas	Goh	456774A1	Subcontractor C	
etc.				

* The apprentice/trainee Training Record System (TRS) ID has eight characters and is provided by the Department of Training and Workforce Development on lodgement of the training contract.