

MSQ Skills Invest

Guidelines

INTRODUCTION

Manufacturing Skills Queensland (MSQ) is an independent body established and funded under the Queensland Government's Making it in Queensland: Building a Stronger Manufacturing Sector policy in November 2022. Our work supports the Queensland Government's \$70 million investment in manufacturing skills and training.

In the face of an increasingly competitive market, changing consumer demands, and the rise of advanced technologies and automation, Queensland's manufacturing industry continues to prove itself as a key player in the global arena because of its talented workforce. MSQ is committed to future-proofing manufacturing capability in Queensland. Industry is central to our work, in our efforts to attract, retain and develop skills and capability of the workforce.

The Skills Invest program provides flexible funding to deliver accredited training that meets industry needs and addresses critical skills shortages in Queensland's manufacturing industry. This program ensures more workers have access to essential competencies, skills sets and qualifications delivered by reputable training providers and supports Queensland manufacturing businesses to develop a skilled workforce., Skills Invest also assists employers to adopt new technologies and processes, driving innovation and productivity. By targeting high-impact training, this subsidy plays a key role in strengthening Queensland's workforce. The Skills Invest program will enable businesses, though partnerships with RTOs, to:

- Gain access to training that fills critical skills gaps.
- Ensure employees are equipped with relevant, in-demand skills.
- Train workers to implement new processes and innovations.
- Benefit from training opportunities in areas with limited delivery.
- Build a workforce that drives productivity and efficiency.

Annual training plan

MSQ's Annual Training Plan (ATP) represents a milestone investment in the training, skills and workforce of the manufacturing industry in Queensland. Key issues impacting the productivity of the industry include limited promotion of pathways, the nature of the training system, availability of training, and suitability of talent.

This plan has been developed in consultation with industry and outlines strategic solutions across four focus areas to support manufacturers in a changing and growing economy.

- Attraction and Engagement
- Transformation and Leadership
- Training and Skills
- Diversity in Manufacturing

Read the Annual Training Plan in detail here - <u>Annual Training Plan 2025-26 | Manufacturing Skills Queensland (msq.org.au)</u>



ATP Investment – Training and skills

Investment in training and skills for the manufacturing industry in Queensland is a key strategic pillar of MSQ's Annual Training Plan. MSQ is seeking proposals from registered training organisations (RTO) to deliver innovative, customised and flexible skills, training and workforce programs that meet identified needs of manufacturing businesses in Queensland including:

- Building operational capability and capacity.
- Transforming and implementing new manufacturing processes.
- Implementing new technologies.
- Complying with legislative and regulatory requirements and industry standards and meeting tender requirements.

OBJECTIVES AND PRIORITIES

MSQ will invest in projects that address critical skills shortages in Queensland's manufacturing industry and that provides employees with the training required to drive innovation, productivity, and long-term growth in manufacturing. Priorities include training that:

- Supports manufacturers to implement new or enhanced processes and/or new technology
- Addresses key regional skills shortages
- · Supports small and medium businesses
- Targets thin markets where there has been limited or no delivery of qualifications in Queensland or in regional and remote areas
- Leverages existing Queensland Government or other skills investment

HOW IT WORKS

MSQ's Skills Invest is open to Registered Training Organisations (RTO) with a proven successful track record in developing and delivering accredited training programs for manufacturing businesses. RTOs may submit an expression of interest at any time on the website providing they meet the RTO eligibility and program requirements. Once an EOI is received, your proposal will be reviewed by MSQ. As part of this review, MSQ may contact you to discuss your application further or request further information. RTOs will then receive a follow-up email containing the necessary forms and instructions to submit a Business Case Application.

There are two parts to the MSQ Skills Invest Business Case Application: Part A - RTO Due Diligence and Part B – Business Case Application.

Part A - RTO Due Diligence

Part A - RTO Due Diligence is to be completed where a RTO:

- does not have an existing Skills Assured Supplier (SAS) contract with the Queensland Government;
- has not previously submitted a Part A as part of a Business Case Application or has not previously
 entered into a contract with MSQ for delivery of accredited training services.



The Due Diligence process requires RTOs to respond to the following:

Criteria	Evidence
The experience, capacity and capability and qualified personnel to successfully develop and/or deliver accredited training programs.	 Capability and capacity statement Infrastructure and resources Examples of successful programs / contracts delivered
A history of achieving successful outcomes for students, employees and manufacturing businesses.	 Commencement, completion and cancellation data Relevant business metrics pre and post-delivery of previous programs Minimum of two business referees
A clean ASQA audit history with no outstanding issues or adverse decisions or findings.	Most recent audit report RTO Declaration
Current ASQA registration and Scope of Registration that includes proposed qualifications, skill sets and competencies and approval to deliver these in Queensland.	• TGA
High quality and industry validated training resources and assessment tools.	 Samples of resources and assessment tools Validation reports Continuous improvement register
Financial viability.	Financial Statements for previous two financial years.

Part B - Business Case Application

To be considered for subsidies, RTOs must complete a MSQ Skills Invest Business Case Application:

- Applications may be submitted to MSQ at any time using the form on the MSQ website.
- Business cases may comprise accredited qualifications, skill sets or individual or a selection of units of competency.
- Applications may be submitted on behalf of a single manufacturing business or multiple businesses.
- Each application will be considered on a case-by-case basis.
- MSQ may also approach individual RTOs where a particular need is identified.

During the application assessment process, MSQ may request further supporting information and/or evidence from RTOs and may seek input and advice from employers, industry stakeholders, regulatory authorities and relevant Queensland Government Departments including, but not limited to:

- Financial capability information and formal quotes from proponents and/or third parties.
- Confirmation of funding from other funding sources.
- Letters of support from industry and other stakeholders.
- Further qualitative and quantitative data to validate needs and priorities.
- Feedback and references from industry, government and other stakeholders.

Once your application has been formally assessed, we will notify you about the outcome.



FUNDING AND PRICING

Under the program, project investment of \$50,000 to \$150,000 will be considered. Depending on the size of the business, MSQ will subsidise between 50-100% of the cost of full qualifications, skill sets, and units of competencies. Applications may be submitted at any time and will be considered until funding is exhausted.

- Small to medium businesses (up to 200 employees) may be eligible for subsidies covering up to 100% of the cost of full qualifications, skill sets, and units of competencies. Any co-contribution from employers will be viewed favourably.
- Large businesses (over 200) employees may be eligible for subsidies covering up to 50% of the cost of full qualifications, skill sets, and units of competencies with an employer contribution.
- Pricing for full qualifications, skill sets and units of competency is aligned to <u>Queensland VET Investment Pricing</u> including regional loading.

MSQ may, on a case-by-case basis and where critical to delivery and successful outcomes, consider additional funds for:

- Travel costs to regions where there is a substantial component of on-site delivery.
- Development and customisation of training and assessment tools and resources where such products do not already exist. Note that MSQ will retain ownership of all Intellectual Property (IP) for products developed using MSQ funding.
- Additional mentoring and/or coaching
- Other relevant services.

ELIGIBILITY CRITERIA

Queensland manufacturers and training providers that have identified a need for flexible training in the manufacturing industry can apply. RTOs will need to demonstrate a history of delivering high quality training to the manufacturing industry resulting in enhanced skills outcomes for manufacturing businesses. RTOs can apply to deliver projects under the Skills Invest program that:

- · Deliver full qualifications, skill sets, or units of competency related to manufacturing operations
- Expand training reach and offerings
- Strengthen industry partnerships to meet workforce needs
- Equip workers with the skills needed to meet industry demands
- Help businesses implement new technologies and processes

Business Case applications must address the following criteria.

Businesses and Employees

- Must be a manufacturing business operating in Queensland.
 - Manufacturing refers to a broad capability that spans across multiple industries. It involves transforming materials, substances, or components into new products. Eligible manufacturing capabilities include, but are not limited to:
 - Aerospace and Defence
 - General Manufacturing and Engineering



- Food and Beverage Production
- Chemicals, Hydrocarbons, and Refining
- Furnishings and Other Products
- Meat and Seafood Processing
- Textiles, Clothing, and Footwear
- Printing and Graphic Arts
- Pulp, Paper, and Packaging
- Polymers, Plastics, and Rubber
- Pharmaceuticals and Medical Technology
- Renewables and Low-Carbon Technologies
- Timber and Wood Products
- Supporting Capabilities: This includes, but is not limited to, laboratory operations, sustainability practices, and process plant operations.
- The accredited training supports one or more of the above priorities.
- There is a clear benefit for businesses that would not be achieved without MSQ investment.
- Employees must be a Queensland resident.
- There are no existing funding or subsidies available. For example, MSQ Skills Invest funding will not be approved for employees who are eligible for existing Queensland Government investment such as Certificate III Guarantee, User Choice, Higher Level Skills, Fee Free TAFE, Trade Skills Assessment and Gap Training.
- Where employees may be eligible for Queensland Government investment and the proponent RTO is not approved SAS provider, MSQ can facilitate connection to SAS-approved RTOs.

Value for Money

MSQ Skills Invest Business Case applications will be assessed on a case-by-case basis, however, as a guide, it is envisaged that funding amounts will be no less than \$50,000 and not exceed \$150,000. Business cases must represent value for money and MSQ will assess all aspects of each proposal with consideration given to:

- Number of participants trained
- Cost per participant
- Impact and outcomes for manufacturing businesses
- How the proposed training leverages other available investment including available skills and training funding including Queensland Government VET Investment, Fee Free TAFE and employer contributions.
- How the proposal maximises training and skills outcomes. ie at least 85% of the funds requested are allocated to delivery of training and assessment services.

Given the value for money considerations, MSQ reserves the right to:

offer the proponent a funding amount that is less than proposed.



- require proponents to seek a co-contribution from businesses.
- require proponents to access other sources of investment.

RTOs

- Must hold current ASQA registration.
- The proposed qualifications, skill sets and/or units of competency are listed on the RTO's scope of registration.
- RTO is approved to deliver the proposed qualifications skill sets and/or units of competency in Queensland.
- Has relevant and high quality delivery and assessment resources and tools, qualified delivery personnel
 and appropriate and relevant systems for delivery of the proposed qualifications, skill sets and/or units of
 competency.
- Demonstrated support and commitment from business(es).

Qualifications, Skill Sets and Units of Competency

- MSQ will consider business case applications to fund and/or subsidise full qualifications, recognised skill sets and single or multiple units of competency.
- Must be derived from a National Training Package that supports the above strategies and priorities and is specific to manufacturing operations (Qualifications for administrative or ancillary staff such as business administration, cleaning etc are not eligible).



WHAT CAN PROJECT FUNDS BE USED FOR?

Project funds can only be expended on costs directly associated with the delivery of the project and will be specified in individual project budgets. Examples include:

- Costs for the delivery of accredited training.
- Costs associated with regional delivery.
- Development of training products, training and assessment resources and tools.

Ineligible costs

Funding and/or subsidies will not be approved for:

- Recurring cost for the organisation, for instance, wages, ongoing staff costs, established positions within the organisation, normal overhead operating costs (for example, utility and telecommunications charges, building lease costs) and core functions of the organisation.
- Purchase of assets/capital equipment, or significant assets (buildings or vehicles).
- Retrospective payments for expenses already incurred prior to funding approval or for work already undertaken.
- Costs for consultants/contractors or other suppliers of services that are associated entities with the proponent.
- Any other costs deemed ineligible by MSQ.

Development of Training Products and Services

Where training products and services are developed through MSQ Skills Invest program MSQ will retain copyright and ownership of associated Intellectual Property in relation to all products and services and make them available via MSQ's Learning Management System (LMS). MSQ may, at its sole discretion, grant access to such products and services to third parties under licensing arrangements.

OTHER CONDITIONS

Promotion of MSQ Programs, Products and services

RTOs approved to deliver under the MSQ Skills Invest program must also provide businesses with information about and access to other relevant MSQ programs, products and services including, but not limited to the following (MSQ will provide updated lists periodically):

- Workforce Development and Planning services.
- · Women in trades Mentoring Program.
- Supply Queensland.
- Leadership Excellence Series.
- Mental Health Awareness and Building Resilience Short Courses for leaders and employees.
- Manufacturing General Induction.



Diversity programs and resources for businesses.

Performance conditions

If a proposal is approved, a formal contract with MSQ will be executed which will specify Key Performance Indicators. Funding from other sources must also be disclosed to MSQ. Payment milestones will be negotiated on a case-by-case basis however, it is anticipated that payments will be made upon satisfactory compliance with all reporting requirements, achievement of milestones, KPIs and deliverables and the acquittal of expenditure of the previous payment. Monthly reports will be required throughout the life of the project. All projects must be fully acquitted after completion and any unexpended or surplus funds returned to MSQ.