



Manufacturing Skills Queensland

# **ANNUAL REPORT**

2024-25

## **COPYRIGHT**

This publication is protected by the *Copyright Act 1968*. © Manufacturing Skills Queensland, June 2025.

## **LICENCE**

This work is licensed under Creative Commons Attribution 4.0 International. To view a copy of this license, visit <https://creativecommons.org/licenses/by/4.0/>

## **ATTRIBUTION**

You are free to copy, communicate and adapt this Annual Report, if you attribute the work to Manufacturing Skills Queensland.

Content from this annual report should be attributed as: Manufacturing Skills Queensland Annual Report 2024-25.

## **ABOUT THIS REPORT**

This report summarises the activities of Manufacturing Skills Queensland for 2024-25 against the organisation's strategic plan, as set by the Board of Manufacturing Skills Queensland.

The report reflects MSQ's commitment to good corporate governance, transparency and accountability.

This is the company's second annual report since it was registered on 31 October 2022. The previous annual reports are available from our website: [msq.org.au](http://msq.org.au)

## **OTHER LANGUAGES AND FORMATS**

Manufacturing Skills Queensland is committed to providing accessible services to Queenslanders of all cultural and linguistic backgrounds. If you require a translator for this publication, please call the Translating and Interpreting Services (TIS National) on telephone 131 450 and ask them to contact Manufacturing Skills Queensland on 1800 MSQ 000 (1800 677 000).

Alternative formats (including large print) are available on request. If you would like this report in another format, please contact us (calls from mobile phones are charged at applicable rates).

Persons with a hearing impairment may telephone  
TTY: 07 3896 3471

## **DISCLAIMER**

While every care has been taken in preparing this publication, Manufacturing Skills Queensland accepts no responsibility for decisions or actions taken as a result of any data, information, statement or advice, expressed or implied, contained within. To the best of our knowledge, the content was correct at the time of publishing.

## **MORE INFORMATION**

For enquiries or more information about this report, contact Manufacturing Skills Queensland.

T: 1800 677 000 or

E: [info@msq.org.au](mailto:info@msq.org.au)

Manufacturing Skills Queensland is an independent-body and receives funding from the Queensland Government.

## ABOUT US

### OUR ROLE

Manufacturing Skills Queensland (MSQ) drives the development of a skilled, adaptable workforce that powers Queensland's manufacturing future. We connect industry needs with targeted training and workforce solutions.

Our Annual Training Plan focuses on four strategic pillars:

1. Workforce attraction and retention
2. Industrial enhancement and employer support
3. Skills development and capability building
4. Creating a diverse and inclusive manufacturing sector

### PARTNERSHIPS THAT MATTER

As an independent organisation with funding from the Queensland Department of Trade, Employment and Training, we work in close collaboration with government partners to deliver impactful outcomes.

Our initiatives align with and support the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development to implement key state policies.

Together, we're advancing the Queensland Government's investment in manufacturing excellence through programs that directly respond to industry needs and future challenges.

### STRATEGIC DIRECTION

Our vision is clear: to create the skills pathways that will define Queensland's manufacturing future. In a landscape transformed by technology, changing consumer expectations, and global competition, we remain committed to developing capabilities that ensure Queensland manufacturing not only survives but thrives.

### VALUES IN ACTION

We operate with unwavering commitment to ethical practices, transparency, and respect for diverse perspectives. By listening to industry needs and responding with agility, we're creating pathways to success for Queensland's manufacturing workforce.

Three core values guide our approach:

1. Collaboration: Building partnerships across industry, education, and government
2. Innovation: Embracing new thinking in training and workforce development
3. Impact: Delivering measurable results that strengthen manufacturing capability

Ethical behaviour and integrity underpin all that we do, we respect others' views, we act with honesty and transparency, we embrace diversity, and we listen and learn.

The MSQ strategic plan 2023–2025 is available from our website:

<https://msq.org.au/about/corporate-governance/>

Our strategic plan provides a foundation and co-ordinated approach to building a diverse, highly capable and responsive workforce.

# MSQ BOARD CHAIR'S MESSAGE

As Chair of Manufacturing Skills Queensland, I am pleased to present our annual report for the 2024-25 financial year. This year has seen our organisation continue to establish its role in Queensland's manufacturing ecosystem, working alongside industry to address workforce challenges and create opportunities. Throughout the year, MSQ has focused on delivering practical support and building foundations for long-term industry resilience.

Queensland manufacturing continues to demonstrate its resilience and adaptability, balancing traditional strengths with emerging opportunities. While we're seeing some adoption of automation and digital technologies, traditional manufacturing skills remain in high demand, particularly in Queensland's robust major equipment manufacturing sector. Many manufacturers express challenges in finding skilled tradespeople and production workers with strong technical fundamentals. This reflects Queensland's manufacturing landscape where established industries like metal fabrication, food processing, and equipment manufacturing operate alongside emerging advanced manufacturing enterprises. The sector continues to evolve, requiring strategic workforce development to maintain competitiveness.

We were proud to deliver our second Annual Training Plan (ATP) to government. The plan represents a \$5.012 million commitment through direct investment in workforce attraction, leadership and transformation, training and skills, and diversity in manufacturing. This comprehensive approach addresses the multifaceted challenges facing our industry while capitalising on emerging opportunities to strengthen Queensland's manufacturing capabilities.

The past year has seen a change in government and with it, a renewed focus on manufacturing as a priority sector for Queensland's economic future. This shift in the policy landscape presents both opportunities and considerations for the manufacturing industry. As the state's strategic outlook evolves, MSQ remains well-positioned to provide the workforce development support that underpins manufacturing growth and innovation. We continue to align our work with the broader economic direction while maintaining our core focus on building the skilled workforce that Queensland manufacturers need.

This year closes out the organisation's first strategic plan, and activity against it has been detailed in this

report. As new board chair, I look forward to the opportunity to create a new strategy for the business. A new strategy for MSQ will provide clear direction in line with government policy and the changes impacting manufacturing in Queensland. This strategic reset will ensure MSQ remains responsive to industry needs while supporting government priorities.

A key focus this year has been securing sustainable funding and supporting critical infrastructure. The Queensland Government demonstrated its ongoing commitment by providing an additional \$8 million in funding to MSQ, building on its initial \$16.5 million investment. Additionally, MSQ has made significant progress on the development of the Manufacturing Centre of Excellence in Maryborough. This facility will close a regional training gap with manufacturing training, and support both the Queensland Train Manufacturing Program and broader skills development across the Fraser Coast region.

Looking ahead, the Board acknowledges the challenges and opportunities that lie before us. We remain committed to supporting industry through programs, partnerships and initiatives that strengthen Queensland's manufacturing workforce and help build a sector capable of adapting to change.

**April Cavanagh**  
Chair of the Board  
Manufacturing Skills Queensland

## CEO FOREWORD

As I reflect on the 2024-25 year at Manufacturing Skills Queensland, I am optimistic about the progress we have made and the potential that lies ahead. Manufacturing in Queensland has tremendous growth potential, and with the right workforce supports in place, we have a genuine opportunity to demonstrate our manufacturing capabilities on the world stage.

Following the release of our inaugural Annual Training Plan for 2024-25, we've experienced an exciting year of delivery and gathered valuable learnings that have shaped our 2025-26 Annual Training Plan. Delivering on our strategy has meant staying focused on our core objectives: attracting diverse talent, retaining and developing workforce capabilities, and building a sustainable organisation.

Our engagement throughout the year has given us the privilege of connecting with manufacturers across the state, and I continue to be impressed by the innovation and resilience of businesses, often operating against a challenging backdrop of economic and workforce pressures. MSQ remains committed to supporting manufacturers in maximising productivity through training, skills, and workforce solutions.

During this period, we saw changes to our Board. I want to sincerely thank and acknowledge the contribution that outgoing Board members made to the establishment of MSQ. We have welcomed new Board members with fresh industry experience, and I look forward to working with them on the new strategic direction for the organisation.

We continue to focus on optimising the national training system and exploring diversity to enhance productivity and innovation. By embracing diverse perspectives and experiences, we drive value not only for our industry and community, but we also create a more inclusive and dynamic manufacturing landscape.

I want to express my gratitude to the dedicated team at MSQ for their hard work in delivering our programs and initiatives. Their commitment to excellence has been instrumental in our achievements this year.

As we move forward, we remain steadfast in our commitment to addressing complex, long-standing challenges in the sector. MSQ exists for this very reason—to explore and implement solutions that will allow manufacturing to thrive in Queensland.

Together, we are shaping a brighter future for manufacturing in Queensland, and I look forward to what we will achieve in the coming year.

**Rebecca Andrews**

Chief Executive Officer  
Manufacturing Skills Queensland

## MANUFACTURING AND SKILLS MATTER TO QUEENSLAND

The significance of Queensland's manufacturing industry in today's global economy cannot be overstated. Almost everything we use in our daily lives—from the clothes we wear to the devices we rely on—has been created through the transformative process of manufacturing. As the industry adapts and grows, we need to ensure our investment in training and skills keep pace, supporting manufacturers to innovate and stay competitive.

In 2024-25, the Queensland manufacturing workforce averaged 174,000 employees, accounting for 5.8% of the state's total workforce. The Queensland manufacturing workforce has remained stable across the last two years and remains approximately 5.6% larger than pre-pandemic levels.

Most significantly, Queensland has emerged as a national leader in manufacturing growth, being the only state to expand its manufacturing workforce over the past decade. This has increased Queensland's share of the national manufacturing workforce from 18.3% to 19.9%, highlighting the state's growing importance to Australia's manufacturing capabilities.

The changing composition of Queensland manufacturing reflects the state's strengths in energy and resources. Machinery and equipment manufacturing has seen workforce growth of 49% over the last five years, while petroleum and chemicals (10% growth) and metal products (4% growth) have also expanded significantly. These resource-linked sectors are driving Queensland's manufacturing evolution.

Queensland's manufacturing industry is highly regionalised, with approximately half of the workforce based outside the Brisbane metropolitan area—a significantly higher proportion than any other Australian state. This regional distribution creates both opportunities and challenges for skills development and workforce planning.

The industry contributed \$28.9 billion in value-add to the state economy in the year to June 2024, representing 5.7% of Gross State Product. Despite facing challenges including labour shortages and cost pressures, Queensland manufacturing has consolidated its post-pandemic gains and continues to outperform the national average over the longer term.

In part, this growth can be attributed to a supportive policy environment. The Queensland Government continues to demonstrate its commitment to the manufacturing industry through investment in skills and workforce development.

# OUR BOARD

MSQ has entered a new era with the appointment of a refreshed board of directors, bringing significant expertise in governance, commerce and manufacturing to the organisation. The board is led by Chair April Cavanagh, an experienced Non-Executive Director with a background spanning manufacturing, finance, technology and agribusiness. Supporting Ms Cavanagh are directors Jake Gundry, Fiona McDonnell and Natalie Rogers, alongside government representatives. This strategic renewal aligns with MSQ's priority of expanding its team to effectively address the needs of the manufacturing industry. The incoming directors' combined experience will strengthen MSQ's capacity to deliver on its Annual Training Plan and support the upskilling and training of Queensland's manufacturing workforce. This governance enhancement represents another step in MSQ's evolution from start-up to established industry body.

## Our Board as at 30 June 2025

Table 1. Our Board as at 30 June 2025

Name	Position	
<b>April Cavanagh</b>	Chair of the Board	Chair, Toowoomba and Surat Basin Enterprise
<b>Fiona McDonnell</b>	Board Director Employee representative	Group Manager Health, Safety and Environment, Hyne Timber
<b>Natalie Rogers</b>	Board Director Employee representative	Group Operations Manager, All Industries Group
<b>Jacob Gundry</b>	Board Director Employer representative	Chief Executive Officer, Australian Framing Solutions Pty Ltd
<b>Michael Bonanno</b>	Board Director Employer representative	Owner and Managing Director, Callide Manufacturing Company (resigned 23 June 2025)
<b>Chantal Llora</b>	Board Director Government representative	Deputy Director-General, Engagement, Department of Trade, Employment and Training
<b>Jason Kidd</b>	Board Director Government representative	Deputy Director-General, Manufacturing and Regional and Rural Development, Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development

## Board changes during 2024-25

In this reporting period we saw Board changes in March 2025. We farewellled Chair of the Board, Paul Cooper, and Board Directors Nataline Carter, Sheree Taylor, Ann-Marie Allan, Stacey Schinnerl, Steven Koch, and Bernadette Zerba. Our outgoing Board Directors have provided critical guidance and support.

# YEAR IN REVIEW

MSQ strategically aligns its operations with Queensland Government priorities while advancing the MSQ Board's vision for industry transformation. The organisation's comprehensive Strategic Plan articulates three interconnected focus areas, supported by 18 targeted objectives that provide clear direction for MSQ's activities and investments. This framework ensures a coordinated approach to addressing manufacturing's most pressing challenges while capitalising on emerging opportunities to strengthen Queensland's industrial capabilities and global competitiveness.

## FOCUS AREA 1: ATTRACT

Labour supply remains a critical challenge for Queensland's manufacturing sector. The shortage of skilled workers has intensified, with manufacturers struggling to attract qualified talent. This competitive market forces manufacturers to balance higher operational costs while maintaining production targets. This focus area supports industry through targeted initiatives including developing comprehensive attraction strategies for lateral entrants, diverse populations, school leavers, and migrant cohorts; creating campaigns, building relationships with the government; partnering across the broader manufacturing ecosystem and developing rigorous research capability to inform our activities.

Table 2. Deliverables linked to focus area 1

FOCUS AREA	DELIVERABLE	SUCCESS
ATTRACT	Developing an attraction strategy for laterals, diverse, school, and migrant cohorts	% increase in industry participants
	Developing a campaign appealing to parents and the community	% improvement in community views on the value of manufacturing
	Maximising relationships with the Queensland Government	Bi-monthly meetings with ministers
	Partnering with the broader manufacturing ecosystem (peaks, skills bodies, Australian Made)	Delivery of a stakeholder engagement strategy
	Developing rigorous research capabilities to inform Manufacturing Skills Queensland activities	Development of quarterly industry publications
	Establishing expertise in emerging technologies (look global, act local)	Development of a knowledge framework

### Investing in career readiness

A cornerstone of the Annual Training Plan 2024-25 was the Manufacturing General Induction program, designed to overcome critical barriers for new industry entrants by addressing knowledge gaps, safety concerns, and workplace expectations. The program, developed and released in the financial year, provides essential information on work health and safety, workplace communication, and general business topics such as wages and superannuation, and supporting employers in enhancing employee retention. Available through MSQ's online learning platform, this unaccredited short course offers flexibility for both employers and new employees to complete training at their own pace. The General Induction reduces onboarding time for manufacturers while ensuring consistent baseline knowledge across the industry, particularly benefiting small and medium enterprises that may lack comprehensive internal training resources.

### Perceptions of manufacturing by young people, their parents and schools

MSQ commissioned Enhance Research to conduct comprehensive perception analysis, examining how manufacturing careers are viewed by Queensland's youth, parents, and school influencers. The

groundbreaking "Perceptions of Manufacturing Research" report was delivered in December 2024. This research highlights the disconnect between industry reality and public perception, revealing both challenges and opportunities for attracting young talent to the sector. MSQ will leverage these insights to develop targeted engagement strategies for the industry. The study involved both qualitative data from school influencers and quantitative research with 400 participants across Queensland, establishing a baseline for measuring future perception shifts. MSQ has built upon this foundation by creating strategic frameworks to address key findings, including clarifying career paths and showcasing the innovative nature of modern manufacturing.

### Manufacturing Matters

MSQ launched 'Manufacturing Matters' in January 2025, a comprehensive digital platform designed to showcase the diverse landscape of manufacturing careers in Queensland. This innovative resource highlights career opportunities, providing detailed pathways for students, job seekers, and career changers interested in the manufacturing sector. The platform represents a strategic investment from MSQ's annual training plan, addressing the critical need for industry awareness and



workforce development. Manufacturing Matters serves as a centralised information hub, bridging the gap between education and industry while reshaping public perception of modern manufacturing. MSQ has positioned this digital resource as an ongoing initiative to connect Queensland's next generation of talent with the innovation, technology, and sustainability that define contemporary manufacturing, supporting informed career decisions that align with both individual aspirations and industry requirements.

### **Engaging with schools**

MSQ implemented a comprehensive school engagement strategy through targeted initiatives and structured programs, including the Advanced Manufacturing Gateway to Industry Schools Program. In this inaugural year of program delivery, MSQ has secured partnerships with 40 Queensland schools from an impressive pool of more than 80 applications. MSQ has implemented a multi-faceted engagement strategy including immersive industry tours, virtual reality pathways experiences, and specialised career education pilots that connect students directly with manufacturing career opportunities. The program is strategically designed to influence both students and key decision-makers in their career journeys, with parent and community-focused initiatives including comprehensive work experience guides, structured workplace learning programs, and targeted digital communication. The program is supported by an Industry Reference Group (IRG) that includes stakeholders from the Department of Education, Department of Trade, Employment and Training, Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development, manufacturers, teachers, VET and university leaders providing guidance on program development and delivery to ensure maximum impact.

To enhance the quality of talent moving from education to industry, MSQ has developed targeted educational products for school implementation. During this period, in partnership with Queensland University of Technology, MSQ commenced work on its Pathways to a Trade Program, which provides a curriculum-based pathway and strengthens in-classroom delivery of manufacturing skills education. MSQ has produced practical resources including lessons aligned to careers education, work experience guides and continues to work on developing resources to improve the quality of pipeline talent from school to industry. This program has been supported by industry and educators who have had direct input on resource development to ensure the program meets the requirements of industry and classroom delivery.

### **Teacher Professional Development**

As part of an overarching strategy to attract young people to industry, MSQ has commenced work on a framework to support high school educators. MSQ has identified through consultation that there is a gap in educator training and knowledge of our Industrial Design and Technology teachers across Queensland, with

demand for hands on programs to support skill development and confidence.

### **School to Work Transition – virtual experiences**

MSQ launched an innovative Virtual Reality (VR) career exploration program in early 2025, delivering immersive manufacturing experiences for Queensland students. The initiative features high-fidelity simulations developed through strategic partnerships with industry leaders Volvo (truck manufacturing) and Bridgeman (steel fabrication), with production completed during January 2025. This technology-forward approach is proving effective, as part of program delivery and for events. Post-session feedback is demonstrating increases in both student understanding and interest in manufacturing careers. These simulations are part of a comprehensive suite of digital career exploration resources designed to bridge the perception gap between classroom learning and industry realities.

### **Partnerships and engagement**

Strategic leadership engagement has elevated MSQ's government relationships in 2024, with the CEO maintaining regular dialogue with key officials across the Department of Trade, Employment and Training, Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development, and Department of Education. A comprehensive stakeholder engagement framework, submitted to the Department of Trade, Employment and Training in March 2024, now guides these interactions with clearly defined objectives and measurable outcomes. Use and development of the Customer Relationship Management (CRM) system has significantly enhanced MSQ's stakeholder intelligence capabilities, facilitating comprehensive data analytics and systematic relationship monitoring across Queensland's manufacturing ecosystem. Quantifiable evidence of organisational expansion is demonstrated through metrics captured in the CRM, which document engagement with hundreds of previously unconnected manufacturers during this reporting period. These new industry connections have generated valuable strategic dialogues and yielded critical insights regarding workforce development imperatives and operational challenges facing Queensland's manufacturing sector.

### **Research and insights**

For the 2024-25 period, MSQ has continued to build its comprehensive research portfolio. In February 2025, MSQ published its State of the Sector reports, commissioned from the Ai Group to provide economic analysis and detail industry performance across Queensland's manufacturing sector. This report highlights current trends, challenges, and opportunities facing manufacturers. Complementing these annual industry assessments, MSQ has developed a quarterly Training, Skills and Workforce Update series, with publications throughout 2024-25. These concise reports provide the latest data on manufacturing workforce trends, drawing from the Australian Bureau of Statistics (ABS) and National Centre for Vocational Education Research (NCVER) datasets. In addition, MSQ has

continued to add to its data warehouse of information, with information recorded from surveys and industry consultations.

### **Events and engagement**

Throughout the past year, our organisation successfully delivered a diverse range of engagement programs across multiple formats, with a strong emphasis on expos, conferences and industry tours. These initiatives reached a substantial audience, demonstrating our extensive community impact. We fostered significant industry connections by engaging numerous employers and training organisations, while simultaneously connecting with school students, educators, and job seekers.

## FOCUS AREA 2: RETAIN

The retention of skilled talent remains a significant challenge for Queensland manufacturers, with many reporting increasing difficulties in maintaining their workforce as major projects in adjacent industries attract experienced personnel. This migration of talent not only depletes the manufacturing sector of critical capabilities but also undermines innovation potential and productivity growth. MSQ tackles these retention challenges by benchmarking industry practices, crafting messaging that positions manufacturing as future-focused, leveraging community partnerships to amplify industry value, collaborating with unions and industry bodies, building robust data capabilities, and influencing supportive public policy development. Through these initiatives, MSQ facilitates stakeholder interactions that foster information sharing and collaborative solutions to enhance workforce stability across Queensland's manufacturing sector.

Table 3. Deliverables linked to focus area 2

FOCUS AREA	DELIVERABLE	SUCCESS
RETAIN	Benchmarking retention challenges and opportunities	Turnover/attrition rates
	Developing top-down messaging for a sustainable, inclusive, future-focused manufacturing industry	Improvement in employee satisfaction
	Amplifying manufacturing's message through community relationships	Development of a community engagement plan
	Partnering with unions, industry (Ai Group) and employers (directly)	Establishment of an industry advisory reference group
	Building a data warehouse for manufacturing industry data	Scoping building of a data warehouse, build a repository of validated data
	Shaping the development of public policy	Submissions to government policy reviews and processes

### Supporting employee engagement and retention

MSQ's commitment to addressing retention challenges is demonstrated through strategic investment in three key areas in the 2024-25 Annual Training Plan. Our Future of Trades, Transformation and Leadership programs equip manufacturing leaders with critical skills in mental health awareness and resilience to effectively engage their teams. Concurrently, our Training and Skills initiatives feature industry-specific training that create clear pathways for career advancement, encouraging long-term industry commitment. Our diversity programs directly address retention challenges faced by underrepresented groups. These targeted investments reflect our practical commitment to maintaining Queensland's manufacturing talent pipeline against competing workforce demands.

### Driving transformation through top-down leadership development

Effective leadership is crucial for talent retention in manufacturing. MSQ's comprehensive leadership development offerings include the Leadership Excellence Series, providing targeted short courses on critical skills from strategy to Industry 5.0 concepts. This is complemented by specialised Mental Health Awareness and Resilience Training, equipping leaders with tools to foster psychologically safe workplaces and build resilient teams. Our funded places in the Engineering Cadetship Program operated by CQUniversity provide critical support for aspiring technical leaders, particularly benefiting regional manufacturers. The Leading Competitive Systems and

Practices Course rounds out our leadership initiatives by enhancing operational excellence capabilities. In the 2024-25 financial year, 304 manufacturing leaders have participated in these programs, strengthening leadership pipelines across all organisational levels and enabling manufacturers to maintain engaging workplace cultures that encourage long-term employee commitment.

### Diversity in manufacturing

Central to MSQ's Annual Training Plan is a commitment to building diverse and inclusive workplaces, recognising that inclusive cultures are key to retaining talent in Queensland's manufacturing sector. Our signature Women in Trades Mentoring Program delivers targeted support to female apprentices and trainees through structured mentoring relationships with experienced industry professionals, directly addressing the disproportionate attrition rates among women in manufacturing trades. In the past financial year, the program successfully connected 58 mentees with 50 mentors. This initiative is complemented by a suite of resources developed by Diversity, Equity and Inclusion (DEI) specialists, designed to equip Queensland manufacturers with practical tools for recruiting and retaining diverse talent. The Workplace Gender Diversity Assessment (WGDA) provides actionable insights to identify and remove workplace barriers, while the Women in Trades Manufacturing Toolkit offers specialised e-learning modules tailored to the unique challenges women face in male-dominated environments. Together, these programs empower manufacturers to foster inclusive, supportive workplaces

that not only attract diverse talent but also ensure long-term retention across all demographic groups.

### **Data warehousing and benchmarking retention**

Manufacturing Skills Queensland places a strong emphasis on using data and evidence to guide the design of programs and research. Reliable data is equally critical for government and industry partners as they plan and make decisions about workforce and training needs. Throughout the year we expanded our data capture to include diversity and school programs to enable greater visibility and benchmarking of priority cohorts. MSQ continued to deliver research quarterly updates to the industry and published its 2025 State of the Sector and Future of Trades reports. MSQ commenced exploration of a more structured data warehouse, with a business intelligence capability.

Over the last two years, the manufacturing workforce in Queensland has remained stable, gently fluctuating between 174,000 and 184,000. As of June 2025, Queensland's manufacturing sector showed encouraging workforce trends despite ongoing challenges. Approximately 4,900 Queenslanders were unemployed after previously working in manufacturing, with an average job search period of 22 weeks. The sector's vacancy rate was modelled at 2.1%, reflecting continued demand for skilled workers. Apprenticeship data reveals positive momentum, with 7,325 manufacturing apprenticeships or traineeships commenced in 2024. Though 31% (2,270) were cancelled within the first year, both commencement and retention figures improved compared to 2023. Most significantly, the percentage of apprentices and trainees employed directly by manufacturers rose by 5 percentage points to 52% between 2023 and 2024. To ensure accurate industry insights, MSQ regularly cross-references stakeholder engagement data with official statistics from the Australian Bureau of Statistics (ABS) and the National Centre for Vocational Education Research (NCVER). *Sources: NCVER, Apprentices and trainees 2024 and ABS, Labour Force detailed, June 2025.*

### **Direct engagement – Industry Workforce Advisor program**

MSQ continued to deliver the Queensland Government's Industry Workforce Advisor (IWA) program for manufacturing on behalf of the Department of Trade, Employment and Training throughout 2024-25. The IWA program directly engaged with employers to provide crucial support to small and medium-sized enterprises with workforces of up to 200 staff. Through this initiative, businesses gained access to complimentary workforce planning assistance, helping them navigate the complexities of developing comprehensive workforce strategies. Effective workforce planning forms the cornerstone of successful business strategy and serves as a vital tool for enhancing employee retention. During the 2024-25 period, MSQ collaborated with more than 67 Queensland manufacturers to facilitate the

development of tailored workforce plans. Of these partnerships, 47 manufacturers successfully finalised their workforce plans. Additionally, MSQ facilitated connections between eligible manufacturers and the Workforce Connect Fund Human Resources Support Grant, resulting in 46 successful grant awards. The value of the IWA program is reflected in feedback from Queensland manufacturers. In a post-program survey, 71% of participants reported increased confidence in their workforce planning capabilities, while 62% noted tangible improvements in employee attraction and retention. One manufacturer from Mackay commented, saying the experience has enabled his business to grow, through recruitment of a trades assistant, which has enabled him to take on a school-based apprentice, and given him an opportunity to focus on growth through new product research and design, highlighting the program's practical impact on business operations.

### **Direct engagement – Industry Skills Advisor program**

MSQ continued to deliver the Industry Skills Advisory program on behalf of the Queensland Government throughout 2024-25. In early 2025, MSQ was advised it had successfully won the opportunity to continue to deliver the services on the government's behalf, under the new program name – Industry Skills and Jobs Advisor program. Our Industry Skills and Jobs Advisors actively engaged with employers and industry stakeholders to provide high-quality, evidence-based advice and intelligence on current and emerging industry trends, regional skills requirements, training solutions, employment growth, and workforce opportunities. During this period, our Industry Skills and Jobs Advisors delivered several high-impact projects, including the VET Emerging Industries (VEI) funded Green Ammonia Manufacturing Skilling project which supported the contextualisation and development of the units of competence required to manufacture green ammonia from green hydrogen, which will be used by manufacturers to upskill employees in advanced manufacturing technologies; the Aeroskills Industry Readiness Program, a prevocational pathway program leading directly to job outcomes in regional Queensland; and provided strategic advice to the Department of Trade, Employment and Training based on industry feedback on qualifications to be made available on the new Career Ready qualification list. Queensland manufacturers played a pivotal role in shaping the outcomes of national training package reviews to ensure they remained aligned with the state's industry needs. Their direct involvement influenced key updates across several areas, including MSM: Precast Concrete Manufacturing Skills, MEM: Blacksmithing, MEM: Graduate Diploma of Engineering, MEM: Non-Destructive Testing Skills, and AMP: Essential Meat Processing Skills.

### **Advisory and reference groups**

We take a proactive approach to bring together key collaborators — small, medium, and large

manufacturers, peak bodies, industry councils, experts, training organisations and government — to develop, trial, and deliver skills, training and workforce development programs to build the capability of manufacturing in Queensland. Throughout 2024-25, we coordinated meetings of our Strategic Advisory Group and several Industry Reference Groups which were renamed and realigned with key manufacturing capabilities and federal training packages. This change coincided with our renewal of the Industry Skills and Jobs Advisor program. These updated Industry Reference Groups include Engineering, Defence Manufacturing and Aeroskills; Food and Beverage; General Manufacturing; Manufactured Products; and Meat Processing. Additionally, MSQ has actively facilitated several other strategic committees including the Centre of Excellence Advisory Group, the Inclusivity Employer Working Group, and the Advanced Manufacturing Gateway to Industry Schools Project Reference Group. These collaborative forums have been instrumental in ensuring industry needs are identified and addressed through targeted skills and workforce development initiatives.

#### **Partnering and engaging with peaks and unions**

MSQ continues to foster strong, productive relationships with peak bodies and unions throughout 2024-25. Our collaborative approach ensures that industry and workforce interests are effectively represented in all solution design processes, maintaining the highest quality standards. Peak body and union representatives remain valued contributors to our advisory and reference groups, providing critical insights that inform and guide strategic discussions and decision-making. These partnerships strengthen our collective capacity to address emerging challenges and opportunities in Queensland's manufacturing sector.

#### **Supply Queensland**

The launch of Supply Queensland represents a significant milestone in our efforts to strengthen local manufacturing networks. This innovative supply chain and skills mapping portal, developed by MSQ with vital support from the Queensland Government and powered by BenchOn technology, creates a digital ecosystem where Queensland manufacturers can connect directly with government projects, major contractors, and fellow manufacturers. By facilitating these connections, Supply Queensland enables businesses to identify new opportunities, build strategic partnerships, and access previously untapped markets. The portal's rapid adoption—reaching 500 registered members and establishing multiple subscription arrangements by the close of the financial year—demonstrates the manufacturing sector's enthusiasm for this initiative and its potential to transform how Queensland businesses collaborate within local supply chains.

#### **Public submissions**

In the period, MSQ participated in a range of public discussions, including engaging with the Manufacturing Alliance to inform training packages and work programs. MSQ was also pleased to make a submission to the Queensland Productivity Commission as part of their Construction Productivity Initial Stakeholder Consultation.

## FOCUS AREA 3: DEVELOP

Through strategic collaboration with industry stakeholders, peak bodies, educational institutions and workforce specialists, MSQ designs interventions that not only resolve immediate skills deficiencies but also build sustainable talent pipelines aligned with emerging technological requirements. This multifaceted approach encompasses rigorous skills forecasting, tailored program development, and meticulous delivery frameworks that collectively enhance manufacturing competitiveness while supporting career progression pathways for the existing workforce.

Table 4. Deliverables linked to focus area 3

FOCUS AREA	DELIVERABLE	SUCCESS
DEVELOP	Mapping and enabling career development in the industry	Career map developed
	Establishing better transferability of recognised qualifications and skills	Number of overseas qualified workers
	Identifying strategies to help deliver on the Queensland Energy and Jobs Plan commitment for 100,000 jobs	A pilot commenced in the first six months
	Enhancing linkages between regional manufacturing hubs and industry	Establishment of a partnership agreement with manufacturing hubs
	Identifying and partnering with quality training providers	Prioritising a shortlist of suitable training providers
	Partnering with global industry leaders	Number of global experts partnered with

### Training and skills initiatives

MSQ's skills-focused programs directly address retention by creating clear career advancement pathways within manufacturing. The Manufacturing Industry Trainer Program enables experienced workers to formalise their knowledge transfer capabilities, supporting both succession planning and recognition of career progression. This is reinforced by our Operational Excellence Program and 5S and Value Stream Mapping Transformation Pilot, which engage workers in continuous improvement activities while developing valuable cross-functional skills. The ESG Micro-credential equips decision-makers with sustainability knowledge increasingly valued by workers, particularly younger talent. These initiatives have collectively supported 104 manufacturing workers in developing new skills, fostering an environment of continuous learning and improvement that creates the professional development opportunities essential for retaining skilled manufacturing talent in today's competitive labour market.

### Career mapping

Career mapping, which commenced in Q4 2023-24, was functionally completed during 2024-25 to inform our Manufacturing Matters project. This comprehensive initiative successfully mapped almost 200 distinct manufacturing occupations across various sub-sectors including aerospace and defence, food and beverage, general manufacturing and engineering, polymers and plastics, textiles and clothing, and timber and wood and more. For each occupation, we established clear educational and career pathways, linking school subjects to vocational and higher education qualifications. The mapping provides detailed

information on salary expectations, required skills and attributes, future demand projections based on industry data, and potential career progression opportunities. This valuable resource now serves as a foundation for our work, and our Manufacturing Matters digital web resource.

### Supporting Queensland's renewable energy opportunities

MSQ continues to play a vital role in supporting manufacturers explore opportunities in the renewables supply chain through our Industry Engagement Manager, Renewables, who connects manufacturers with renewable energy manufacturing opportunities across the state. During this period, our work saw us connect with more than 54 employers and attend 179 engagements including events. The 2024-25 program focused on deepening engagements and relationships and expanding our reach to additional businesses in the renewable manufacturing supply chain. A comprehensive skills mapping analysis and economic modelling report delivered to the Department of Trade, Employment and Training provides the foundation for our ongoing work in this area.

### Quality training partnerships

We prioritise partnerships with registered training organisations that demonstrate excellence in manufacturing-specific education, regional reach, and flexible delivery models. Our selection framework emphasises industry relevance, technological currency, and proven outcomes in workforce development. To support manufacturers, we've engaged TAFE Queensland, CQUniversity, Leadership Management

Australia, SkillsLab and other training providers to deliver high quality products.

**Strong linkages with Queensland's manufacturing hubs**

MSQ has further strengthened its collaborative relationship with manufacturing hubs throughout 2024-25, maintaining regular monthly engagements to exchange opportunities, data, research findings, and program updates. These productive interactions have evolved into strategic partnerships, with manufacturing hub representatives actively participating in key Industry Skills and Jobs Advisory program initiatives and supporting extended industry and school engagement. The manufacturing hubs continue to play a vital role in supporting our strategic objectives by facilitating meaningful connections between employers and our initiatives, creating a more integrated approach to manufacturing advancement across Queensland. This coordinated effort has enhanced our collective ability to address industry challenges and capitalise on emerging opportunities within the sector.

## FOCUS AREA 4: SUSTAINABILITY

A key priority for MSQ throughout 2024-25 has been exploring pathways to ensure our long-term organisational sustainability. We have actively engaged with the Queensland Government to explore viable options that balance government support with industry investment. This strategic focus on sustainability reflects our commitment to maintaining MSQ as a resilient, valuable organisation that can continue supporting and strengthening domestic manufacturing capability across Queensland. Our sustainability efforts acknowledge the essential role MSQ plays in the manufacturing ecosystem and our responsibility to secure the resources needed to deliver ongoing value to the sector.

Table 5. Deliverables linked to focus area 4

FOCUS AREA	DELIVERABLE	SUCCESS
SUSTAINABILITY	Ensure the sustainability of the organisation into the future	Options for sustainability

### Sustainability

The Queensland Government initially committed \$16.5 million to support MSQ's mission to build a sustainably skilled workforce for the manufacturing industry. During 2024-25, MSQ secured additional funding of \$8 million to continue its essential work, while the Queensland Government continues to review options for long-term organisational sustainability. This additional investment demonstrates the Government's ongoing commitment to strengthening Queensland's manufacturing capability while sustainable funding models are being explored.

### Centre of Excellence

MSQ is proud to support the establishment of the new \$7.1 million Manufacturing Centre of Excellence in Maryborough, announced in August 2024. This state-of-the-art training facility will feature advanced capabilities in machining, CNC technology, robotics, and augmented welding, complemented by extended reality training tools. With Downer as a foundation partner, the Centre will specifically support the Queensland Train Manufacturing Program while developing broader manufacturing skills across the Fraser Coast region, creating a sustainable pipeline of skilled workers for Queensland's growing manufacturing sector.



## A TRAINING PLAN FOR THE MANUFACTURING INDUSTRY

MSQ remains committed to implementing targeted investments and training programs that enhance the skills and qualifications of the current and future workforce. Building on the success of our inaugural plan, MSQ has developed the 2025-26 Annual Training Plan (ATP) for the manufacturing industry.

The development of this plan involved comprehensive stakeholder consultation across Queensland. We engaged with industry employers, leaders, professionals, and experts to guide our investment in training, skills, and workforce development. This plan is informed through our year-round engagement and a dedicated consultation program involving forums, in-person meetings, online consultations, surveys, and case studies.

The 2025-26 ATP represents a strategic investment of \$5.012 million across four key focus areas. This targeted allocation of resources is designed to support manufacturers and equip Queenslanders with the skills required to excel in an evolving manufacturing industry. The plan builds upon the solid foundation laid by our previous plan, ensuring continued access to many of the successful programs initiated in 2024-25 while introducing new initiatives to address emerging challenges and opportunities.

Our investment strategy focuses on four priority areas:

- Attraction and Engagement (\$1.135m) - Creating a dynamic workforce pipeline and fostering employee commitment
- Transformation and Leadership (\$1.195m) - Supporting industry through evolution and disruption
- Training and Skills (\$1.69m) - Investing in critical skills for industry
- Diversity in Manufacturing (\$992k) - Harnessing diversity to drive progress and innovation

The plan addresses key industry challenges including skills shortages, technology adaptation and leadership gaps, critical regional training gaps, industry image and attraction challenges, and lack of workforce diversity and inclusion.

Through this comprehensive plan, MSQ continues its mission to future-proof Queensland's manufacturing industry, ensuring it remains competitive, innovative, and sustainable for generations to come.

## FROM START-UP TO SMALL BUSINESS

MSQ has experienced significant growth, transitioning from start-up to small business. This growth is underpinned by the implementation of essential core business systems and foundational materials, including business plan, industry engagement framework, and policy framework.

We've strengthened our corporate foundation by refining policies, enhancing processes and optimising business systems. This maturation has delivered improved resource management, sharper decision-making and greater operational efficiency—essential elements in building a resilient and responsive organisation.

As part of our commitment to building a resilient organisation, we implemented an Employee Assistance Program and placed special emphasis on the wellbeing of our team. This aligns with our broader approach to mental health and resilience, which we also promote through our industry programs. The wellbeing initiatives include access to professional support services, mental health awareness training, and promoting a healthy work-life balance. This focus on team wellbeing has been integral to our successful growth, enabling our staff to effectively support Queensland's manufacturing industry while maintaining their own professional resilience.

Our organisational development reflects the same principles we advocate for in the manufacturing sector: the importance of investing in people, creating supportive work environments, and building sustainability into our operational model. As we continue to grow, these principles will remain central to our approach.

## FINANCIAL SUMMARY

The Queensland Government has invested \$24.5 million in support of MSQ. This is paid subject to the delivery of services under agreement with the Department of Trade, Employment and Training and MSQ. MSQ has funding until 30 June 2027.

In 2024-25, our focus was on the implementation of training, skills and workforce development initiatives.

MSQ's financial position is reported to the Board and Department of Trade, Employment and Training via financial statements, to ensure expenditure is in line with the agreed cost model. MSQ remains financially viable in accordance with the original business case and Funding Agreement.

# CORPORATE GOVERNANCE

Manufacturing Skills Queensland (MSQ) is an independent body established with funding by the Queensland Government. Our work supports the Queensland Government's investment in manufacturing.

MSQ was established by the Queensland Government with two foundational Members:

- Minister with responsibility for training and skills development
- Minister with responsibility for manufacturing

The MSQ Board guides the organisation's strategy and ensures investment in manufacturing skills and training, through the Annual Training Plan, meets the needs of industry. Our Strategic Plan is prepared and submitted by the Board each year for responsible Ministers' approval. In addition, MSQ is required to submit an Annual Training Plan to the Department of Trade, Employment and Training by 30 April each year.

Our governance framework is designed to ensure accountability, transparency, and effectiveness in all our endeavours. We are committed to upholding the highest standards of governance, empowering stakeholders with the information they need to understand our decision-making processes and strategic direction.

The Board's role encompasses setting strategic direction, ensuring regulatory compliance, managing risk, and providing oversight of organisational performance. Our constitution outlines specific objectives that guide our strategic and business planning, including industry engagement, talent attraction, supply chain analysis, training plan development, and delivery of value-adding services to the manufacturing sector.

Through robust governance structures and processes, MSQ maintains its focus on building a sustainably skilled workforce for a future-proofed manufacturing industry.

## AUDIT

The external audit function of MSQ is performed by the Queensland Audit Office (QAO). MSQ works with the QAO to undertake annual audits against an agreed scope and set of priority focus areas. Recommendations from completed audits are provided to the Audit and Risk Committee, and Executive Leadership Team for implementation.

## COMMITTEES

### Audit and Risk Committee

The Audit and Risk Committee provides advice and assistance to the MSQ Board on financial and performance reporting responsibilities, budgets, risk oversight and management, and systems of internal control.

MSQ's Audit and Risk Committee is responsive to Queensland Audit Office requirements, relevant provisions of the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and *Corporations Act 2001*.

## ADDITIONAL ADVISORY AND INDUSTRY COMMITTEES

### Strategic Advisory Group

The Strategic Advisory Group advises MSQ on challenges and opportunities facing Queensland's manufacturing industry. Chaired by MSQ's CEO, this group helps identify issues and develop solutions benefiting the entire manufacturing ecosystem. Their advice spans workforce initiatives, training solutions for workers adapting to new technologies, attraction and retention strategies, diversity enhancement, and emerging trends affecting industry skills needs. The group plays a crucial role in shaping MSQ's Annual Training Plan, ensuring industry perspectives guide our strategic direction.

### Industry Reference Groups

MSQ facilitates six specialised Industry Reference Groups to ensure we hear directly from stakeholders across Queensland. These groups play a pivotal role in shaping Queensland's manufacturing workforce and helping align training and skills priorities with industry needs.

Our current Industry Reference Groups include:

- Engineering, Defence Manufacturing and Aeroskills
- Food and Beverage
- General Manufacturing
- Manufactured Products
- Meat Processing
- Schools

These groups bring together representatives from manufacturers and key stakeholders from all regions of Queensland. Through these structured engagement channels, MSQ ensures its programs

and investments directly address the diverse needs of Queensland's manufacturing subsectors while maintaining a statewide perspective.

## EXECUTIVE LEADERSHIP TEAM

The MSQ Executive Leadership Team is led by the CEO and is responsible for implementing MSQ's strategy and day-to-day operations. The team met regularly in the financial year to discuss and approve a range of strategic and operational matters, with the purpose of achieving the objectives set out in the organisation's strategic and operational plans.

# LOOKING AHEAD

The Queensland manufacturing industry continues to demonstrate remarkable resilience and adaptability in a changing economic landscape. With approximately 174,000 Queenslanders employed in manufacturing, the industry has consolidated its post-pandemic gains and established itself as the only state to expand its manufacturing workforce over the past decade.

Queensland's manufacturing future is increasingly linked to the state's strengths in energy and resources. The rapid growth in machinery and equipment (49%), petroleum and chemicals (10%), and metal products (4%) sub-industries since 2019-20 reflects a significant shift in composition, with resource-linked sectors leading expansion. This alignment with Queensland's energy and resource industries creates substantial opportunities for continued growth and specialisation.

The highly regionalised nature of Queensland manufacturing—with approximately half the workforce based outside the Brisbane metropolitan area—positions the industry uniquely compared to other states. This regional distribution creates both opportunities for growth in emerging industrial hubs and challenges in addressing skills availability across diverse geographic locations.

Looking forward, Queensland manufacturers face both opportunities and challenges:

- **Workforce development:** With job vacancies modelled at approximately 2.1% and 55% of manufacturers reporting difficulties filling advertised positions, addressing skills shortages remains critical. The evolving qualification profile of the workforce—with younger cohorts bringing higher education levels—points to the need for continued investment in training and skills development.
- **Technological adaptation:** The strong capital expenditure of \$2.7 billion in 2024-25 (8.0% of state capex) reflects ongoing investment in capacity. Maintaining this investment trajectory will be essential for productivity growth.
- **Diversity and inclusion:** While the female share of the workforce has grown to 27%, recent fluctuations demonstrate the need for systemic, long-term approaches to workforce diversity rather than relying on expansion cycles alone.
- **Regional specialisation:** The continued growth of manufacturing in regional Queensland, particularly in areas connected to resource and energy projects, presents opportunities for specialised manufacturing clusters with targeted skills development programs.

## A new strategic direction

In 2025-26, MSQ will undertake a comprehensive reset of our corporate strategy to ensure close alignment with both the evolving needs of manufacturers and the strategic priorities of state policy. This strategic refresh presents an opportunity to refine our focus and enhance our impact across Queensland's diverse manufacturing landscape.

We look forward to an exciting new chapter with the planned opening of the Centre of Excellence in Maryborough, which will serve as a hub for skills development and innovation in the region. This facility represents a significant step forward in our mission to develop world-class manufacturing capabilities in Queensland.

Simultaneously, we remain committed to delivering against our Annual Training Plan, providing targeted support across workforce attraction, leadership development, skills enhancement, and diversity initiatives. Through these coordinated efforts, MSQ will continue to strengthen the foundation of Queensland's manufacturing sector, positioning it for sustainable growth and competitive advantage in an increasingly complex global market.

