


AUSTRALIAN GOVERNMENT GRANTS AND ASSISTANCE

INDUSTRY SKILLS FUND – OVERVIEW


Paper 014-197


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AUSTRALIAN GOVERNMENT GRANTS AND ASSISTANCE

INDUSTRY SKILLS FUND - OVERVIEW



Paper 014-197



1. Overview Of the Industry Skills Fund

The \$476 million Industry Skills Fund is a programme that provides Australian businesses with access to training so that they are better placed to succeed in a rapidly changing economy. The fund will deliver 200,000 training places and training support services over four years, starting January 2015.

Businesses that apply for funding under the Industry Skills Fund must financially co-contribute to the proposed project.

The fund primarily targets Small and Medium Enterprises (SMEs), including micro businesses (0 to 4 employees), which plan to upskill and reskill their workforces to better position themselves for growth opportunities. Large businesses are also eligible for the fund; however they will be required to make a higher contribution to the costs of training.

Help is available in the following categories:

- **Skills Advice**
Help identifying skills opportunities and maximising training outcomes.
- **Training Grant**
Co-investment for businesses looking to improve the skills of their workforce for an identified growth opportunity.

Businesses may access one or both of these assistance categories depending on business need, eligibility and merit.

An Industry Skills Fund Programme Map is attached as [Addendum 014-197a](#).

2. Glossary

A glossary of the Terms and Definition is attached as [Addendum 014-197b](#).

3. Businesses Going For Growth

The Industry Skills Fund is targeting SMEs, including micro businesses that are preparing to take up growth opportunities outside of their normal day-to-day business operations. Investing in the skills capabilities of these businesses will help them become more productive and competitive.

The fund will prioritise businesses in the industries listed below. If the applicant's business isn't in a priority industry, they may still be eligible to apply.

Priority industries include:

- food and agribusiness;
- mining equipment, technology and services;
- medical technologies and pharmaceuticals;
- oil, gas and energy resources;
- advanced manufacturing; and
- enabling technology and service industries that support one or more of the priority areas listed above:
 - freight and logistics;
 - infrastructure related construction;
 - information and communication technology;
 - professional services – scientific area.

These priority sectors are in fields where Australia enjoys a competitive advantage, is likely to have an opportunity to exploit favourable global market conditions, or has a significant impact on the Australian economy.

Applicants that fall within the priority sectors will be fast-tracked through a streamlined assessment process.

Applicants that don't fall within the priority areas are still able to apply, however they will need to clearly show in their application that they have significant growth potential, and are preparing to reposition themselves to take advantage of economic opportunities.

4. Businesses Located In Northern Australia

The fund provides increased support for eligible businesses that are located in or entering into Northern Australia. For the purposes of the Fund, a business will be considered as located in or entering into Northern Australia if:

- Its primary place of business falls within Northern Australia; or
- It can demonstrate that it has a growth opportunity that expands its operations into Northern Australia.

An interactive map of the Northern Australia region can be found by navigating to <http://www.nationalmap.gov.au/northernaustralia/>

5. How Does The Fund Work and What Will The fund Pay For?

The Industry Skills Fund recognises that businesses may need some tailored advice before they invest in training, but also understand that some businesses may have already identified the training they need to achieve their intended growth outcomes.

Businesses may access one or both of the assistance categories below depending on eligibility, merit and business need. There is also no maximum funding amount for which eligible organisations can apply.

5.1. Skills Advice

Skills Advice is a service within the Industry Skills Fund targeted at SMEs who need help identifying their skills needs. Experienced advisers will work with the applicant's business to understand their growth opportunity and identify the skills needed to increase competitiveness. This advice will be tailored to the applicant's business and may include activities such as analysis of training needs, skills audits and workforce development planning.

Following Skills Advice the applicant will receive recommendations for skills activities that will help the applicant improve their business' growth potential.

Recommendations for improvement will be given in the following categories:

- **Business growth training** – training activities required for the applicant to increase competitiveness for identified growth opportunities.
- **Business growth training support services** – other activities the applicant can complete to increase the impact of business growth training outcomes.

Advisers may recommend training activities to improve normal day-to-day business operations. These training activities won't be eligible for an Industry Skills Fund Training Grant. If the applicant receives, and is interested in, implementing recommendations in the 'Business Growth Training' and/or 'Business Growth Training Support Services' categories and would like some financial help, the applicant can apply for a Training Grant.

5.2. Training Grant

The Training Grant helps the applicant with the cost of training, including:

- nationally recognised training, including full qualifications and skill sets;
- training that is accredited through state and territory systems, including language, literacy and numeracy training;
- training that is identifiable, transferrable by a learner and builds the capability of a learner;
- high quality, innovative or tailored training that may not yet be part of a training package or accredited course. This can include different combinations of training modules to form new skill sets and training tailored to meet specific business needs; and
- training required to navigate export barriers and/or access foreign markets.

The Training Grant only covers costs directly attributed to the delivery of the training.

5.3. Non Eligible Training

The type of training that is **not eligible** includes:

- training that allows a business to comply with legislative and other regulatory requirements relating to their normal day-to-day business operations;
- training considered part of what a well-managed business should provide to its workforce, through normal day-to-day operations;
- training that is available to businesses through the state and territory Vocational Education and Training systems that are subsidised for employees;
- training that is delivered by the applicant, lead member, or individual member of a consortium; or training delivered by a related party of the applicant, lead member or member of a consortium will not be deemed eligible expenditure.

Related parties include:

- companies/organisations with common shareholdings or directorship; and/or individuals;
- employees or immediate family related to the applicant; and
- consultancy and related activities that do not build capability of a learner to the satisfaction of the Programme Delegate.

5.4. General Co-Contribution

The amount the applicant will have to co-contribute will depend on how many Full Time Equivalent (FTE) employees the applicant has.

The applicant will be required to pay the following percentage of the total project cost:

- Micro Business (0 – 4 FTE employees) – 25%
- Small Business (5 – 19 FTE employees) – 34%
- Medium Business (20 – 199 FTE employees) – 50%
- Large Business (200+ FTE employees) – 75%

Co-contributions must be in cash. In-kind contributions will not be accepted.

5.5. Businesses Located in Northern Australia Co-Contribution

The amount the applicant will have to co-contribute will depend on how many Full Time Equivalent (FTE) employees the applicant has.

The applicant will be required to pay the following percentage of the total project cost:

- Micro Business (0 – 4 FTE employees) – 25%
- Small Business (5 – 19 FTE employees) – 25%
- Medium Business (20 – 199 FTE employees) – 25%
- Large Business (200+ FTE employees) – 50%

Co-contributions must be in cash. In-kind contributions will not be accepted.

6. Who Can Apply?

Individual business or through a consortium can apply. If the applicant's business is not eligible individually, it may still be eligible as a consortium member.

Registered Training Organisations and other training deliverers are not eligible to apply for funding to deliver training to their own workforce and are not eligible to apply on behalf of another entity. They are also not eligible to receive Skills Advice.

Individual businesses currently undertaking an Industry Skills Fund project are not eligible to apply for further funding for the duration of their current project.

Consortia are eligible to apply to undertake Industry Skills Fund projects concurrently where the Department is satisfied there is reasonable justification to do so.

Individuals are not eligible to apply.

6.1. Eligibility For Individual Businesses

Applicants can apply for assistance if they are a solvent Australian enterprise that:

- is non tax-exempt or is a trust with a trustee that is non tax-exempt;
- has an Australian Business Number (ABN);
- is registered for Goods and Services Tax (GST);
- has operated in Australia and filed Business Activity Statements showing ongoing trading in at least three consecutive years; and
- is not named by the Workplace Gender Equality Agency as an organisation that has not complied with the *Workplace Gender Equality Act 2012 (Cth)*. Companies on the current list of non-compliant organisations are not eligible to apply.

6.2. Consortia Requirements

Consortia can only apply for funding if there are at least three beneficiaries of the Fund, for example:

- a lead member and three individual members;
- or a lead member and two individual members, where the lead member is also a beneficiary of the fund.

6.3. Lead Members Of consortia

A consortium can be led by one of a number of businesses in a project or by a separate solvent Australian entity that manages funding on behalf of consortium members.

Examples of the types of organisations that may lead consortia are:

- peak bodies;
- industry associations;
- not-for-profit organisations;
- large businesses;
- Industry Skills Councils;
- regional bodies; and
- community organisations.

Where consortia applications are granted funding, the lead member of the consortium will be responsible for signing the Funding Agreement with the Commonwealth and therefore responsible for financial, administrative, legal and reporting obligations and the achievement of project outcomes.

Consortia should have clear and well defined governance structures that attribute roles and responsibilities to individual members. Consortium members are expected to collaborate throughout the project period, from first considering the actions to be taken, to the implementation of training solutions. It is expected that lead members will bind the individual members in contractual arrangements to ensure project outcomes are achieved.

The Department will not be party to any contractual arrangements between lead members and individual consortium members.

Governance structures should set out a formal dispute resolution mechanism as well as processes to deal with complaints. Disputes and complaints between lead members and individual members should be dealt with internally by the consortium.

The lead member is responsible for both receiving member co-contribution amounts and disbursing funding to organisations delivering project activities; i.e. organisations delivering training and/or training support services agreed in the Funding Agreement.

The co-contribution amount each individual member of a consortium is required to provide to the lead member will be based on how many FTE employees the individual member has.

The Industry Skills Fund does not provide management fees to consortia lead members to administer projects. This does not prevent consortia members from providing a lead member with a management fee; however, such fees will be excluded from the co-contribution element and will not be considered as any part of the cost of training.

6.4. Beneficiaries of Consortia (Individual Members)

All individual members of a consortium that will benefit from the training project must be solvent Australian enterprises that satisfy:

- **one** of the following eligibility requirements:
 - is non tax-exempt or is a Trust with a trustee that is non tax-exempt; or
 - is a sole trader or partnership and has an Australian Business Number (ABN); and
- **both** of the following eligibility requirements:
 - has operated in Australia and filed Business Activity Statements showing ongoing trading in at least three consecutive years; and
 - is not named by the Affirmative Action Agency as an organisation that has not complied with the *Workplace Gender Equality Act 2012* (Cth). Companies on the current list of non-compliant organisations are not eligible to apply.

Where a lead member of a consortium meets the eligibility criteria they are deemed eligible to be a beneficiary of the fund.

7. Learners – Eligible

Training Grants will only be provided for employees, including new and/or existing employed workers, that:

- have not previously completed the training course that they are training for under the project;
- have permanent residency, that is, as an Australian citizen or as a permanent resident of Australia; or a New Zealand passport holder who has worked in Australia for at least six months;
- are of legal working age in the state or territory of employment;
- satisfy any training programme prerequisites, where applicable; and
- satisfy any licensing prerequisites, where applicable.

8. Available Support

The Industry Skills Fund is delivered through AusIndustry, which provides tailored advice and support at all stages from enquiry through to application and funding.

The first step in seeking assistance through the Industry Skills Fund is to:

- call the Single Business Service on 13 28 46 or
- visit business.gov.au/industryskillsfund and complete a simple online enquiry form.

The initial phone call or enquiry form will consist of a series of questions that will determine:

- eligibility;
- whether the applicant has identified a growth opportunity, and if so, what the opportunity is;
- whether the applicant's business is in a priority industry or eligible as part of the Northern Australia initiative;
- whether a related skills need has been identified, and if so, what the need is; and
- whether a training solution has been found, and if so, what the solution is.

The applicant is not required to have identified a skills need or a training solution before the applicant contacts the Single Business Service. If this is the case, the applicant may be directed to the Skills Advice service.

8.1. Does The Applicant (Individual Business) Require Skills Advice?

If the applicant is a small or medium individual business that is eligible for the Industry Skills Fund and could benefit from support to determine the training solution that will help their business grow, they may be referred to Skills Advice. This service will provide tailored advice and training recommendations to increase the likelihood of the applicant's business meeting its growth objective.

8.2. Does The Applicant (Individual Business) Require A Training Grant?

If the applicant is a small or medium individual business that is eligible for the Industry Skills Fund and are already aware of a growth opportunity, a related skills need and a training solution to meet that need, they may submit an application that addresses the Merit Criteria for the fund.

The proposal will be assessed by the Department with assistance from a Skills Adviser.

8.3. Consortia

Consortia will be expected to have undertaken economic analysis and workforce development before approaching the fund for assistance. If this has not occurred, the lead member of the consortium will be expected to undertake this work before an application can be progressed.

A lead member may submit a funding proposal that addresses the Merit Criteria for the fund.

8.4. Entrepreneurs' Programme

The Entrepreneurs' Programme (EP) is another industry programme delivered through AusIndustry, and offers an alternative access point to the Industry Skills Fund for those businesses that are identified as positioning for a growth opportunity and have uncovered a skills need through engagement with the EP Business Growth Services.

Access to the Industry Skills Fund through the EP Business Growth Services will be at the recommendation of the EP Adviser. This entry point will be seamless through the Single Business Service and will not require businesses to reapply.

9. Can Applicants Apply More Than Once?

It is possible for both individual businesses and Lead Members of a consortia to apply for the Industry Skills Fund more than once, it must be able demonstrate at a minimum (in addition to ordinary requirements):

Individual Businesses

- That it has the capacity and capability to successfully manage multiple projects at the same time.
- That its workforce is capable of sustaining and completing the training related to multiple projects simultaneously.
- That it can financially support concurrent project expenditure.
- That it is not a large sized business.
- If Industry Skills Fund Skills Advice has previously been provided, either all recommendations received have been implemented, or justification has been received as to why they were not implemented, to the satisfaction of the Department.

Consortia

- That it has the capacity and capability to successfully manage multiple projects at the same time.
- That it has an individual member(s) that is currently undertaking a project, it is capable of sustaining and completing the training related to multiple projects simultaneously.
- That it can financially support concurrent project expenditure.
- That it is not a large sized business.
- If Industry Skills Fund Skills Advice has previously been provided to an individual member of the consortium, either all recommendations received have been implemented, or justification has been received as to why they were not implemented, to the satisfaction of the Department.

10. How Are Applications Assessed?

Applications for funding will be assessed against the Industry Skills Fund Merit Criteria.

All applications and funding proposals must address the Merit Criteria. The strongest applications will be granted funding.

Applicants will need to clearly communicate and demonstrate how their applications meet the following criteria:

- (a) how they are positioning themselves to take up a growth opportunity. A growth opportunity could occur when the business:
 - diversifies into new or emerging markets; and/or
 - adopts new or emerging technologies; and/or
 - enters export markets; and/or
 - responds to significant domestic market opportunities; and/or
 - repositions themselves because of market driven structural adjustment;
- (b) how the productivity gains created from the proposed project will deliver benefits to the Australian economy;
- (c) how the proposed project will address critical skills gaps or shortages, and allow the business to be more competitive for the identified growth opportunity;
- (d) the value for money offered by the proposed project;
- (e) the capability and capacity of the Applicant and the training provider to carry out the proposed project.

Where a business has received Industry Skills Fund Skills Advice, performance against the Merit Criteria will have been assessed as part of the recommendation process. As such, the business is only required to submit a streamlined application for assessment against Merit Criteria 8((d)) and ((e)) only.

Where an applicant clearly is from an identified **Priority Industry**, as Australia has a competitive advantage and/or favourable market conditions, claims to Merit Criteria (a) and (b) will be strengthened. The identification of applicants as being in a Priority Industry will be at the discretion of the Department.

11. Merit Criterion A – Growth Opportunity

The applicant clearly articulates and demonstrates how they are positioning themselves to take up a growth opportunity such as:

- diversifying into new or emerging markets;
- adopting new or emerging technologies;

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- entering export markets;
 - responding to significant domestic market opportunities;
 - repositioning themselves because of market driven structural adjustment.

Information and evidence which may address this criterion includes (but is not limited to):

- a description of a new direction and/or growth opportunity for the company;
- details of the goals for the company in relation to the growth opportunity;
- inclusion of relevant facts and figures to support the proposal;
- proposed strategies to pursue and achieve the identified growth opportunity;
- information from a business plan which may include details relating to:
 - overall strategy;
 - timelines for growth initiatives;
 - marketing strategy;
 - a Skills Matrix;
 - finance requirements including forecasting.

12. Merit Criterion B - Productivity

The applicant clearly articulates and demonstrates how the productivity gains resulting from the proposed project will deliver benefits to the Australian economy.

Information and evidence which may address this criterion includes (but is not limited to):

- increased employment opportunities and/or projected employment;
- improved business and technical capabilities;
- projected increase in competitiveness, both domestically and globally;
- technology gains;
- projected increase in Taxation revenue;
- increased export of products/services;
- increased supply of skilled labour;
- improved employee productivity measures which may include:
 - revenue or output growth per employee;
 - decreases in product turnaround time; and/or
 - decreases in percentage rework.

13. Merit Criterion C – Links Between The Growth Opportunity and Training

The applicant clearly articulates and demonstrates the links between the growth opportunity, the skills gaps identified in staff capability, and proposed staff training.

Information and evidence which may address this criterion includes (but is not limited to):

- the skills profile required to succeed with the identified growth opportunity compared to the applicant's current skills profile (i.e. a skills matrix);
- a detailed explanation of how the proposed training project will address skills gaps linked to the proposed training and the identified growth opportunity;
- in the case of consortia, economic and workforce development analysis to support the proposed project (commensurate with project size);
- an explanation of how the proposed training will deliver a clear, tangible and transferable benefit in terms of skills development to the individual participants receiving training, through:
 - the use of nationally recognised and/or accredited VET training where such training exists which is relevant to the skills need

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- in the case of non-accredited training:
 - a clear and reasonable justification as to why VET training is not suitable for the individual situation;
 - a clear demonstration that the individual participant will receive a tangible and transferrable benefit through undertaking the training (which may include indicators such as training being internationally recognised, having industry endorsement or providing some other benefit to employees which is transferrable in the broader labour market);
 - an explanation of how the proposed support services (where applicable) have a direct relevance to both the training being delivered and the identified growth opportunity and are intended to make the training more effective.

14. Merit Criterion D – Value For Money

The applicant clearly articulates and demonstrates the value for money of the proposed project.

Information and evidence which may address this criterion includes (but is not limited to):

- a minimum of two written training provider quotes addressing training needs, providing clear identification of training outcomes including qualifications/skill sets/units of competency; or justification for why the applicant is unable to provide two quotes (for example due to the lack of providers of a particular qualification);
- justification of the choice of training provider and provision of a clearly itemised budget and detailed training plan; and
- details of any contribution towards the project from other sources in addition to the mandatory co-contribution.

15. Merit Criterion E – Capability And Capacity To Manage

The applicant clearly articulates and demonstrates both their capability and capacity and that of their chosen training provider to carry out the proposed project.

Information and evidence which may address this criterion includes (but is not limited to):

- a detailed project management strategy including staff availability for training and business continuity management during training (commensurate with project size);
- details of project governance structures (commensurate with project size and complexity);
- risk management plans (commensurate with project size and complexity);
- identification of the title and previous experience of the Project Manager within the business who will oversee the project;
- evidence of prior experience of the training provider in delivering the proposed training;
- details of the performance of any known previous projects undertaken by the applicant or training provider utilising Australian government funding;
- in instances where the training provider does not fall under the jurisdiction of a formal regulator (e.g. the Australian Skills Quality Authority), evidence of high quality processes and delivery, which may include ISO accreditation, documented complaints and refund protocols, a clear trading history etc.

16. Information To Be Provided

While all funding proposals and applications must address the Merit Criteria, extra information may be needed to assess project risk and compliance procedures.

17. Assessment Process

The Department will first assess the application against the eligibility criteria. If the application is eligible, it will assess against the Merit Criteria. The application will be assessed against each Merit Criterion, and a recommendation about whether the project should be funded will be made to the Programme Delegate.

The Programme Delegate will ultimately decide which applications are eligible and worthy of funding (the Delegate is an employee of the Department who has been authorised by the Minister to make these decisions).

The Programme Delegate may seek recommendations from AusIndustry staff or a Programme Advisory Committee on the eligibility and/or merit claims of the project proposal. Projects assessed as having a higher risk than 'low' will be referred to the Programme Advisory Committee for recommendation.

While all applications will be assessed against the same Merit Criteria, the application will be scored relative to the project size, complexity and funding amount requested. A risk assessment for each application will be made on this basis.

The application may not be accepted if the applicant has not adequately addressed the eligibility or Merit Criteria, or the applicant may be asked to provide additional information.

18. Decisions On Applications

The applicant will receive a decision within fifteen working days of submitting a complete application. If however the Programme Delegate seeks advice from the Programme Advisory Committee, the assessment timeframe will be extended by an extra ten days.

19. Application Is Successful

If the application is successful, the applicant must enter into a Funding Agreement within twenty-one days of it being issued.

A Funding Agreement is a legal agreement between the business/lead member and the Commonwealth government. It sets out the responsibilities of both parties. The applicant must not start any project activities (including paying for or attending courses) until the department has advised the applicant that the application has been approved.

The Minister may publicly announce successful applicants including the:

- name of the applicant;
- title of the project;
- location; and
- grant amount.

Details of successful applicants will also be published online.

20. Unsuccessful Application

Where an application is unsuccessful, applicants will be notified in writing by the department.

There is no appeal process for unsuccessful applicants. At the department's discretion, unsuccessful applicants may be offered Skills Advice.

Feedback on unsuccessful applications will be available on request.

21. Funding Agreements

Depending on the duration of the proposed project and the risk rating assigned, the applicant may be asked to enter into a certain type of Funding Agreement. This will range from an agreement with a single payment on project completion, to multiple payments on the achievement of milestones and reimbursement of the co-contribution based on actual costs to date.

A Funding Agreement will be negotiated with successful applicants. All Funding Agreements will pay in arrears and will require project reporting conditions to be met.

The three types of Funding Agreements available are as follows:

- **Reimbursement** – single payment on the completion of training and payment of fees. This type of agreement is suitable for projects of short duration (e.g. three months or less), or where the business or consortium is willing to carry the cost of training and would prefer minimal reporting requirements.

Split payment – first payment to reimburse fees paid in the first month of the project and second and final payment on completion of training and payment of fees. This type of agreement is suitable for projects of short to medium duration (e.g. six months or less), or where the business or consortium requires a part payment at the start of a project, is willing to carry part of the cost of training and would prefer reduced reporting. At least 30% of the government co-contribution amount will be held with the final payment to encourage training project completion.

- **Multiple payments** – payments of actual costs incurred at the completion of a negotiated period (e.g. at the completion of every six month period). This type of agreement is suitable for projects of longer duration (e.g. greater than six months), and projects of high value and/or risk. At least 10% of the government co-contribution amount will be held with the final payment to encourage training project completion.

22. Changes To Funding Agreements

If the applicant wants to propose changes to a Funding Agreement, they must put their request in writing **before** the agreement end date. The Department will consider changes to timeframes, activities, learner numbers and the funding amount.

The department will **not** consider changes after the agreement end date.

Where a project is three months or less in duration, proposed changes to the Funding Agreement will not be looked upon favourably and will only be accepted for consideration at the discretion of the department.

23. Tax Obligations

Funding may attract the Goods and Services Tax (GST). Grant payments are increased to compensate for any GST that the applicant may have to pay.

Funding is treated as assessable income for tax purposes, unless the applicant is given a special exemption.

24. Reporting

The funding recipient (in the case of a consortium project, this will be the lead member) is required to submit reports on activity as specified in the Funding Agreement.

In general, reports will include:

- training and/or support service commencements and completions;
- an overview of project activity and achievement of outcomes, key performance indicators and deliverables, lessons learnt and actions taken to increase workforce capability, and the operation and sustainability of consortia (if applicable); and
- an evaluation of the project.

The type of agreement the applicant has entered into with the Commonwealth will determine when they are required to submit reports and the specific information required. These will generally coincide with scheduled payments.

All reporting requirements will be set out in your Funding Agreement.

25. Priority Industries – Growth Sectors

The Australian government has announced five key industries known as the “Growth Sectors” for the Entrepreneurs’ Program relating to the Business Growth Program. The Growth Sectors are:

- Advanced Manufacturing;
- Food and Agribusiness;
- Medical Technologies and Pharmaceuticals;
- Mining Equipment, Technology and Services;
- Oil, Gas and Energy Resources; or
- Enabling Technologies and Services:
 - Freight and Logistics
 - Infrastructure Related Construction
 - Information and Communications Technology
 - Professional Services

26. Definition Of Advanced Manufacturing

Businesses that provide high value-added manufactured goods and service solutions in the full suite of activities from:

- concept;
- research and development;
- design;
- production;
- logistics;
- marketing; and
- after-sales services.

If not already engaged in advanced manufacturing practices, have potential to develop and embed high value-manufacturing capability, or develop advanced business model manufacturing (e.g. servitisation and globally competitive design). Advanced manufacturing is a set of leading-edge, capabilities, processes, practices and technologies used in manufacturing to add value to products and services to meet market demands.

27. Definition Of Oil, Gas And Energy

A business involved in the:

- Exploration;
- Development;
- Extraction; and
- Associated services of energy and fuels from oil, gas, coal and uranium.

The sector includes, but is not limited to, businesses involved in:

- Coal Mining;
- Oil and Gas Extraction;
- Petroleum Exploration;
- Petroleum refining and Petroleum Fuel manufacturing;
- Other Petroleum and Coal Product Manufacturing;
- Gas Supply; and
- Pipeline Transport.

For the purposes of the Entrepreneurs' Program, oil, gas and energy does not include businesses involved in energy generation and supply other than gas.

28. Definition Of Medical Technologies And Pharmaceuticals

A business that provides:

- medical or pharmaceutical products services;
- specialist materials and technologies through the following areas;
- manufacturing medical devices or pharmaceutical products;
- drug discovery and design;
- research and development of medical devices and pharmaceutical technologies;
- provision of specialist medical practices where research is at a least a significant part of the enterprise;

-
- supply of critical medical technologies for the health industry equipment dealing or wholesaling of specialist medical equipment; and
 - complementary medicines.

For the purposes of the Entrepreneurs' Program, medical technologies and pharmaceuticals does not include hospitals, medical and other health care services, residential care services, social assistance services and retailers of medical and pharmaceutical goods.

29. Definition Of Mining Equipment, Technology And Services

Businesses that provide and/or supply specialised services, technologies and equipment for use in the mining and minerals extraction industries.

Goods and services include such things as, but are not confined to:

- mining equipment manufacturers;
- mining engineering services;
- mineral processing technologies;
- core mining and processing equipment;
- metallurgical and other mineral extraction technologies and equipment;
- drilling and blasting products;
- equipment and services;
- specialist communication equipment;
- mine software products and providers;
- simulation equipment and software;
- analytical laboratory services and other related equipment; and
- services and technologies where the primary function is to support the mining and mineral extraction industries.

"Mining" includes:

- exploration;
- mining (extraction);
- quarrying and processing (including smelting and refining of metals, minerals); and
- operations and maintenance and decommissioning and closure of mining operations.

"Oil and Gas" refers to equipment and services used in the upstream oil and gas industries (offshore and onshore fields) and includes:

- a range of activities from drilling, seismic acquisition and processing;
- operations and maintenance;
- design and construction;
- logistical support; and
- laboratory testing and technical services.

30. Definition Of Food And Agribusiness

Food and Agribusiness is defined as businesses that:

- undertake food or beverage production or supply integral services or technologies to support food or beverage production;
- provide integral services, technologies or inputs to support primary production of food and beverages.

This definition excludes businesses that are food retailers (including restaurants and cafes) or primary producers, except where they can demonstrate they also substantially undertake the above activities.

31. Definition Of Professional Services

Businesses that provide supporting technologies or services to one or more of the five Growth Sectors:

- Advanced Manufacturing ([Paper 014-175](#))
- Food and Agribusiness ([Paper 014-188](#))
- Medical Technologies and Pharmaceuticals ([Paper 014-184](#))
- Mining Equipment, Technology and Services ([Paper 014-185](#))
- Oil, Gas and Energy Resources ([Paper 014-180](#))

or, if not already working with one of the sectors, have skills, capability, intellectual property or expertise to add significant value to the sectors in the future.

Professional services include:

- scientific research;
- architectural;
- engineering and technical services;
- advertising services;
- other professional, scientific and technical services; and
- computer system design and related services.

Other professional scientific and technical services defined as:

- professional photography services;
- interpretation services;
- meteorological services;
- non-financial asset broking services;
- translation services; and
- weather station operation.

If your business operates in these types of industries then your business could be eligible for a Business Evaluation and/or a Business Growth Grant.

32. Definition Of Freight And Logistics

Businesses that provide supporting technologies or services to one or more of the five Growth Sectors:

- Advanced Manufacturing ([Paper 014-175](#))
- Food and Agribusiness ([Paper 014-188](#))
- Medical Technologies and Pharmaceuticals ([Paper 014-184](#))
- Mining Equipment, Technology and Services ([Paper 014-185](#))
- Oil, Gas and Energy Resources ([Paper 014-180](#))

or, if not already working with one of the sectors, have skills, capability, intellectual property or expertise to add significant value to the sectors in the future.

33. Definition Of Infrastructure Related Construction

Business that supply goods, services or technologies to deliver infrastructure or improve the productivity and use of existing infrastructure that is directly related to one or more of the five growth sectors:

- Advanced Manufacturing ([Paper 014-175](#))

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- Food and Agribusiness ([Paper 014-188](#))
 - Medical Technologies and Pharmaceuticals ([Paper 014-184](#))
 - Mining Equipment, Technology and Services ([Paper 014-185](#))
 - Oil, Gas and Energy Resources ([Paper 014-180](#))

or, if not already working with one of the sectors, have skills, capability, intellectual property or expertise to add significant value to the sectors in the future.

Services include:

- Construction
- Energy
- Transport
- Water
- Communication
- Waste

34. Definition Of Information And Communication Technology

Businesses that provide supporting technologies or services to one or more of the five Growth Sectors:

- Advanced Manufacturing ([Paper 014-175](#))
- Food and Agribusiness ([Paper 014-188](#))
- Medical Technologies and Pharmaceuticals ([Paper 014-184](#))
- Mining Equipment, Technology and Services ([Paper 014-185](#))
- Oil, Gas and Energy Resources ([Paper 014-180](#))

or, if not already working with one of the sectors, have skills, capability, intellectual property or expertise to add significant value to the sectors in the future.

Services include:

- telecommunications services;
- internet service providers;
- web search portals and data processing services;
- sensor technologies;
- satellite systems;
- digital control and monitoring systems; and
- library and other information services.

35. Professional Advice

Your professional accountant will be able to assist you with a review of your eligibility for Industry Skills Fund assistance and to give you details of the local office of AusIndustry.



014-197b Glossary of Terms

| Term | Definition |
|-------------------------------------|---|
| Applicant | An entity that makes an application for funding under the Industry Skills Fund. |
| Consortium Project | A project undertaken by a group of two or more enterprises where a Lead Member is the responsible party in regards to payments and project outcomes. |
| Co-contribution | The recipient's financial contribution to the total cost of the project as set out in the Funding Agreement. |
| Department | The department administered by the Minister. |
| Eligible Applicant | An applicant that satisfies the eligibility requirements. |
| Full Time Equivalent (FTE) | The ratio of the total number of paid hours during a period (part time , full time, contracted) by the number of working hours in that period. One FTE is equivalent to one employee working full-time. |
| Funding Agreement | An agreement entered into by a recipient and the Commonwealth for the provision, by the Commonwealth, of funds. |
| Goods and Services Tax (GST) | Has the same meaning as in the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth). |
| Individual Member | A member of a consortium that will benefit from the training project. |
| Lead Member | The party responsible with regards to payments and project outcomes for a Consortium Project. |
| Minister | The Minister responsible for the Education and Training portfolio. |
| Non Tax-Exempt | Not exempt from income tax under Division 50 of the <i>Income Tax Assessment Act 1997</i> (Cth) or under Division 1AB of Part III of the <i>Income Tax Assessment Act 1936</i> (Cth). |
| Programme Advisory Committee | The body by the same name established by the Programme Delegate to consider and assess eligible applications and make decisions for funding under the Programme. |
| Programme Delegate | An employee of the department who has been empowered by the Minister, or is otherwise duly authorised, to carry out the relevant functions in respect of the Industry Skills Fund. |
| Priority Industry | An industry that the Programme Delegate has identified as being of immediate priority in regard to the productivity and competitiveness of the Australian economy. |
| Project | The set of activities that is the subject matter of the applicant's application for funding. |
| Recipient | An entity that is awarded funding under the Industry Skills Fund. |
| Support Services | Eligible activities that will support the training outcomes of a project, these may include mentoring and skills advice. |
| Training | Both accredited and non-accredited training, including skill sets, skills analysis and gap training as well as full qualifications that will assist businesses to diversify and improve their productivity and competitiveness in a global market. |

AN IMPORTANT MESSAGE

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