

**Submission
No 34**

SKILL SHORTAGES IN NSW

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Office of the Vice Chancellor

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Committee on Economic Development
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Dear Chair

Inquiry into skill shortages in NSW

I would like to make some brief comments for this Inquiry, specifically the term of reference, “identifying strategies for government to assist in addressing skill shortages,” noting the Committee’s particular reference to regional communities. While skilled migration is integral in helping to overcome many skill shortages, I would encourage the Committee to also consider the human and other resources we have in this State and the role universities can play in this area.

As brief background, Southern Cross University (SCU) is headquartered in regional New South Wales (Lismore), with campuses in Coffs Harbour (servicing the mid-north coast and its surrounds down to Kempsey) and Tweed Heads/Gold Coast. We offer undergraduate and postgraduate courses across a range of professional areas, including in the health and human sciences (nursing and allied health disciplines such as midwifery and occupational therapy), education, law, business, arts and social sciences (including the creative arts and social welfare), engineering (with the first intake in 2013), environmental sciences and tourism.

We have a diverse student cohort that makes an important contribution to the NSW and Australian governments’ equity targets: around 25% of our domestic students are from a low socio-economic background; 60% are from regional or remote locations; and 2.8% of students identify as Indigenous.¹ Reflecting this, SCU has a suite of access and outreach activities, such as the UNI-BOUND High School Outreach program. Through UNI-BOUND, we work with 13 NSW secondary schools, which have been identified under the State Priority Schools Program as serving high concentrations of low socio-economic status communities. Other criteria we use are the proportion of Indigenous students and the transition rates to post-school study options. These access and

¹ Southern Cross University, 2012 Institutional Performance Portfolio, April 2013.

Professor Peter L Lee Vice Chancellor FTSE

outreach activities, as well as the support we give students once they embark on university-level study (such as through SCU College and mentoring programs) are integral to reducing the attainment and socio-economic gaps between regional and metropolitan NSW.

In March 2013, the Regional Universities Network (RUN), of which we are a member², released a commissioned study examining the economic contribution of each member university to its local region.³

Part of the study examined the universities' contributions to their local region from a human capital perspective, through analysis of the Graduate Careers Survey undertaken by the Graduate Careers Council. For SCU, 66% of our Bachelor level graduates employed four months after graduation, were employed in a regional location: 58% either in the SCU footprint or regional NSW; 6% in regional Queensland and 2% in a regional location in another state. Indeed, all the RUN universities had similarly high 'study in the bush – stay in the bush' profiles. Other findings highlighted the importance of regional campuses in increasing the proportion of locals holding a university-level qualification and the higher income a university-qualified workforce is able to command.

Another RUN report examining university regional engagement activities also highlighted their role in addressing skill shortages and workforce needs, and in building capacity in key regional industries of significance to the national economy.⁴ This report made the following observation:

“Regional Australia needs access to high-level skills and well-qualified people if it is to meet the demands of a rapidly changing economy and build strong and resilient communities. There is a significant differential, however, in higher education attainment between city and regional Australians, with the differential increasing with distance from a major city.”⁵

It referred to ABS data (2008) showing that 27% of people aged 25-64 who lived in major cities held a Bachelor degree or above, declining to 15% for those living in inner regional areas, 13% for outer regional areas and only 10% for very remote areas. Moreover, there are a range of factors that contribute to these differing participation rates, citing one government study:

² Other members include the University of New England (in NSW); the University of Ballarat (Victoria); the University of the Sunshine Coast, Central Queensland University and the University of Southern Queensland (all based in Queensland). Each RUN member is headquartered in a regional city or town.

³ Regional Universities Network, *Economic Impact Study*, March 2013 available at http://www.run.edu.au/resources/Economic_Impact_Study.pdf

⁴ Regional Universities Network, *Engaging with regions, building a stronger nation*, June 2013, available at http://www.run.edu.au/resources/RUN_regional_impact_study_vol_1.pdf

⁵ *Ibid*, p13.

“These [factors] include distance from a university campus; the socioeconomic status of people living in regional and remote areas; differences in aspirations and attitudes of regional students; Year 12 retention and completion, and the cost of university study. Many of these factors are interrelated.”⁶

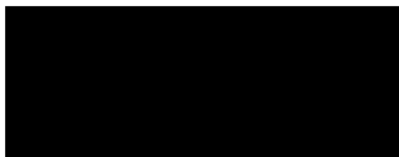
The RUN report references other important studies about the role of regional universities in meeting the demand for professional skills. These show that graduates from regional universities are substantially more likely to remain in regional areas for employment, compared with those students who move from a regional area to study at an urban institution and who are then less likely to return to a regional area post-graduation. Other studies have shown that regional graduates are better prepared for professional practice in regional areas, especially where courses have integrated employment-focussed work experiences into the study.

SCU has responded to the demand for skills by developing programs of relevance for regional Australia. For example, this year we commenced an undergraduate Engineering program, with a special focus on the regional issues, and are in the process of expanding the suite of engineering and regional planning programs that we offer. We have also expanded our offerings in allied health and have invested (with government support) in a mobile state-of-the-art clinical learning and simulation laboratory.

Given this background, the role of regional universities such as SCU in helping to address the skill shortages and demands for regional NSW should be recognised. I would encourage NSW to be a strong advocate of their regional universities, both in terms of its engagement with the Commonwealth as well as its own funding priorities.

I look forward to the release of the Committee’s report.

Yours sincerely

A large black rectangular redaction box covering the signature of Professor Peter Lee.

Professor Peter Lee
Vice Chancellor

⁶ Department of Education, Employment and Workplace Relations 2010, *Regional Participation: the Role of Socioeconomic Status and Access*, Canberra: AGPS in RUN 2013, p13.