

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Additional Estimates Hearing 2011-12
15 February 2012

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: Clarius Skills Index

REFERENCE: Written Question – Senator Nash

QUESTION No.: AI-254

The latest Clarius Skills Index, released in November, found a serious shortage of professionals in the health, education and engineering sectors and will be substantially hit by a skills gap in the next decade.

1. In education, it states that based on current trends there will be only 73 qualified people available to fill every 107 professionals who retire.
2. In engineering, 18 per cent of those professional employed are just a few years from retirement.
3. In health, for every 110 health professionals who retire, including GPs, nurses, pharmacists, vets and dietitians, there will only be 84 qualified people to replace them.
 - What is the dept's response to the findings
 - What is being done to address this skills gap?

ANSWER

The figures quoted by Clarius are based on the assumption “if the wider population’s qualifications remain unchanged over the next decade-and-a-half”. However, the Government has implemented policies to ensure the Australian economy has the supply of skills it needs to meet future demand.

Through COAG, the Australian Government is implementing a significant suite of reforms to drive greater participation and productivity for the nation. These reforms are directed at improving access, equity and quality in tertiary education.

Following the recommendations of the Bradley Review of Higher Education, the Government announced it would implement a demand driven funding system for undergraduate places from 1 January 2012. Universities are able to determine the number of Commonwealth supported undergraduate student places they offer in particular disciplines. This provides greater flexibility to universities, and enables them to specialise in their course offerings.

During the transitional years of 2010 and 2011, more Australian students than ever before have had the opportunity of a university education as a result of the Government’s higher education reforms. In 2011, in excess of 480 000 undergraduate places are being funded – an increase of 20 per cent since 2008.

Domestic undergraduate commencements have increased markedly from 2008 to 2010 for the fields of education mentioned in the Clarius Skills Index report, including¹:

- Engineering and Related Technologies: 15 per cent increase
- Health: 19 per cent increase
- Education: 14 per cent increase

The Government will be actively involved in ensuring that the demand driven system produces an adequate supply of graduates in all professions and will monitor the sector to ensure that there is not a serious over or under supply in particular disciplines.

Further the Department of Immigration and Citizenship has a range of migration pathways to enable suitably qualified migrants to enter the Australian workforce to meet current and longer term skills needs.

¹ Source: Department of Education, Employment and Workplace Relations (DEEWR) Higher Education Statistics Data Cube (uCube) which is based on the student and staff data collections. Enrolment Count by Year by Field Of Education (Commencing Name=Commencing and Course Level=Undergraduate and Citizenship Category=Domestic) (full year 2011 figures are not yet available)