

# We got it wrong on university, skill shortages

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Australia's post-secondary education sector needs to be overhauled as young people flood the job market with worthless degrees while hundreds of occupations that require only vocational qualifications struggle to find applicants for well-paid jobs.

Australia's skills tsar Barney Glover says 15 years of government policies designed to encourage young people to enrol in university have tipped the scales too far, leaving graduates without bright futures and vast tracts of industry without the skills they need.

"In the decade to 2021, with both political parties in power, higher education qualifications grew by 67 per cent and vocational qualifications by 25 per cent, with the total population growing by 14 per cent," said Professor Glover, who is the commissioner for Jobs and Skills Australia, the federal agency tasked with mapping the nation's skills needs now and into the future.

"It really does put an imbalance into the post-secondary profile. We need to rebalance that to meet the jobs of the future."

In NSW more than 90 per cent of the 400 occupations on the critical skills shortage list require only vocational qualifications.

A large reason for the shift away from vocational and into higher educa-



Co-owner Stacey Toskas at NICCO Timber Windows and Doors in Sydney with second-year joinery apprentice Rebecca Daley. PHOTO: DOMINIC LORRIMER

tion has been federal government policy. A 2008 national review recommended that 40 per cent of young people hold a university degree by 2020, leading to massive growth in the student population.

A second review known as the uni-

versities accord, published this year, recommended the proportion of young people with a degree rise to 55 per cent.

Professor Glover said it was time to "reduce the discrepancy between where and what students are studying now and the job requirements of the

future. Our projections show that 90 per cent of jobs growth in the next 10 years will require post-secondary education with 44 per cent requiring a VET qualification and others requiring both VET and higher education.

"This is even more stark when you consider the construction and infrastructure intensive period ahead as we build houses and transition to decarbonise the economy."

Stacey Toskas, marketing director and co-owner with her husband John of NICCO, which makes bespoke solid timber windows and doors, knows the difficulty of finding skilled staff.

Before the pandemic, skilled joiners and woodworkers from Ireland and the UK meant they had a constant source of labour.

That came crashing to a halt when the borders closed.

While 500 people recently applied for a job as a drafter, mostly people with engineering and architecture degrees, Ms Toskas has found it difficult to recruit not just skilled labour but apprentices – an avenue the company had not previously embraced.

She started doing expos in school halls and is gradually getting word out.

"There is a lack of awareness. It's partly that mentality from parents that their kids need to go to university, but we have this huge skills shortage in construction. There's a lucrative, interesting, sustainable future if you think a bit differently," said Ms Toskas,

who now has six apprentices among a staff of 45.

One of them is Rebecca Daley, 24, who heard the call of a trades apprenticeship but not before completing two vocational qualifications in visual arts and starting a university degree in animation.

Steve Whan, NSW Skills Minister, on Saturday released a four-year blueprint on how the state will manage the challenges of chronic skill shortages.

One of the biggest barriers, he said, was parental expectations: "I've just been to the navy site on Garden Island. I asked the apprentices 'what brought you into it?' And out of about six, four said their dad was in a trade."

However, as policy expert Andrew Norton pointed out, most of the growth in universities over the past decade has come from people who would probably have done better financially with a vocational degree.

Professor Norton said the graduate premium, the additional amount of money people make over a lifetime because they hold a degree, has been diminishing over time, as more people gained degrees.

"The graduate premium is still there for people at the upper end of the ATAR spectrum, but it's relatively high risk for people who are lower down the ATAR scale," he said.

"So unless they really enjoyed their three years at university, it's probably not going to be money well spent."