SUBMISSION

AUSTRALIAN TECHNOLOGY NETWORK OF UNIVERSITIES

ATN Universities Submission – Inquiry into Australian university graduates

12 June 2026

Key messages:

1. New technologies and economic transformation are rapidly changing the labour market
2. Skills-matching and support for graduate transitions are more important than ever
3. Immersive experience counts as much as academic preparation

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ATN Universities welcomes the opportunity to respond to the Senate's inquiry into university graduate outcomes. Preparing graduates for the workforce is a core way that universities contribute to building productivity and resilience in the economy, and doing it in a fair way is likewise core to our public identity. The inquiry identifies a real problem, but its diagnosis is incomplete. Australians have a right to expect that a university degree delivers on its promises. Surveys of graduates show that by and large, they do. But that is not a reason for complacency, and parts of the picture deserve a clearer look.

Short-term outcomes are changing and in some places deteriorating. In the main, this is because Australia and the wider world are in the early stage of a once in a generation industrial and technological transition. We are already seeing the beginning of these changes and universities are responding, even while navigating a challenging fiscal and political environment. More importantly, change of this kind is becoming the norm rather than a one-off event, and policy settings should be built for that reality. Settings designed to weather a single transition will not serve a system facing continuous change; what is needed is the capacity to adapt and respond as conditions keep shifting.

ATN Universities is making the most direct institutional response to the skills-alignment problem: work-integrated learning (WIL) as embedded and expected for bachelor graduates. We propose that the Senate Committee seek to scale up what our members are already demonstrating, and to support the work being done by Jobs and Skills Australia (JSA) and the Australian Tertiary Education Commission (ATEC) to put in place a more responsive and dynamic system.

1. New technologies and economic transformation are rapidly changing the labour market

There are early signs of a broader industrial-technological shift happening in the global economy that poses shared challenges for universities, industries, governments and tertiary graduates. Changing rates of graduate employment have attracted public attention. Graduate employment tracks employment in the broader economy, and unemployment rose from 2023 to 2024. However, within three years of graduation, around 92% of graduates find full time employment, and QILT reports that these outcomes have remained strong for four consecutive years.

ATN member universities have the highest labour force participation straight out of undergraduate degrees at 94%, and UTS is second in the country with 95% (QILT 2024, 3 year pool). In recent years Curtin University bachelor graduates have reported working full-time more than the sector average at 81%, and earning $2,500 more than the sector average (QILT 2024, 3 year pool). RMIT graduates have high rates of participation in the labour force; 97% for postgraduate coursework and 93% for undergraduates (QILT 2024, 3 year pool).

International comparisons to the UK, Canada, and the United States all show similar softening patterns, with the UK already operating a more interventionist regulatory model under the Office for Students. The OECD continues to place Australia in the upper half of member states on tertiary employment and earnings premiums.

However, there are areas of genuine concern. Fields like information technology and business have seen steeper declines, in some cases six to seven percentage points worse than the overall average. The most plausible explanation is that entry-level roles in those fields are among the first to be affected by the new wave of automation and artificial intelligence commonly called Industry 4.0. Research from JSA has found no confirmed pattern of widespread AI-driven displacement across the labour market as a whole, but there is qualitative evidence of pressure in specific areas, such as junior roles in content creation, data entry, design support, and administrative healthcare tasks. Grattan Institute research indicates that AI's workforce impact will likely be gradual, giving labour markets time to adjust. The World Economic Forum's *Future of Jobs 2025* found 39% of job skills will change by 2030 with 78 million net new roles projected. This shows the early stage of a structural shift that education systems are responding to, rather than a passive failing.

Critically, employer satisfaction remains high. Surveys consistently show that around 85% of employers are satisfied with the graduates they hire. While employers are largely satisfied with the graduates they hire, there is a consistent and well-documented gap between what graduates learn in class and what employers most value in the workplace. The QILT Employer Satisfaction Survey, JSA publications, and industry peak body surveys triangulate the same picture.

Where employers identify gaps, the feedback concentrates on two things: (i) work-embedded experience, and (ii) enterprise skills (communication, collaboration, problem-solving, adaptability, and increasingly, the capacity to work alongside AI tools). These are all skills that are best learned by *doing* rather than studying in a classroom. Academic instruction is foundational to building these skills, but it has real limits when it comes to developing the habits of mind that work demands. More learning needs to happen in or alongside work itself. ATN members have directly contributed to the Commonwealth's thinking on these models, including through commissioned research supporting the Accord process, and ATN Universities will continue to support that work.

2. Skills-matching and support for graduate transitions are more important than ever

The public is right to expect universities to do what is in our power, and education-side skills-matching and support for graduate transitions are our responsibility. Acknowledging that the system broadly works is not the same as saying there is nothing to do. It is a finding that the skills employers most value are the skills least efficiently developed by classroom-only teaching. More learning needs to happen in or adjacent to work contexts. This is the design principle of applied universities and goes back to the ATN Universities' origins representing institutes of technology. We already have scale across the tertiary spectrum, with all members working closely with TAFEs in their state or directly delivering vocational education alongside degrees. RMIT University and ATN observer Swinburne University are dual-sector providers, delivering courses across the full tertiary spectrum. This breadth of options will be increasingly important for catering to learner cohorts at different life and work stages. School leavers, mid-career switchers, and those returning to study after time in the workforce each enter with different needs, and a responsive system needs to be built to serve them all.

ATN member universities lead the sector on WIL. Across our network, WIL is embedded at scale through placements, internships, cooperative education, industry projects, and workplace simulations. ATN member universities have built curriculum architecture, staffing structures, and industry relationships specifically to make applied learning the norm rather than the exception. In addition to facilitating WIL, ATN member universities are responding to needs for better skills-matching through curriculum architecture (industry co-design of new course), staff models (industry practitioners as adjunct and sessional academic staff), and

applied research that feeds directly into teaching content. We are continuing to invest in the model the best evidence supports for meeting the challenge for Industry 4.0.

Matching the effective supply of skills to effective demand will take more than any single intervention, and ATN will be engaging closely with ATEC through its Tertiary Roadmap on the architecture that makes this possible. That Roadmap will cover much of the critical infrastructure under discussion in the sector, including degree apprenticeships, the National Skills Taxonomy, and supports for lifelong learners.

3. Immersive experience counts as much as academic preparation

Policy response needs to amplify work experience alongside academic study as the most evidenced intervention for skills alignment, and one that ATN already operates at scale. The Committee's most impactful single action is to recommend sustained Commonwealth co-investment in WIL, the intervention with the strongest evidence base for improving graduate transitions. The mechanisms are well-understood: WIL develops the enterprise skills employers most value, creates direct employer-graduate relationships that often convert into employment, allows students to test career intentions before committing, and builds workplace navigation confidence.

Graduates who participate in WIL are significantly more likely to be employed and less likely to report skills underutilisation. WIL accelerates labour market entry, correlating with reduced further study: nearly a 12 point difference. 29% of graduate employment is WIL-mediated (19% hired by WIL employer, plus 10% through the WIL network). However, only 56% of graduates report having had a WIL experience. This varies widely between fields, with some (such as teaching) having mandatory placements, but broader and deeper access to these experiences is strategic priority for ATN members.

ATN members provide broad access to WIL across fields. More than 99% of students at the University of Newcastle undertake a career ready placement for all degree programs, with a minimum of 140 hours of relevant WIL. RMIT embeds WIL as an integral part of program design in almost every course, with minimum WIL requirements built into core courses so that the majority of students have access to it. All Deakin University students can access WIL through placements, industry projects, field-based experiences, simulations and global programs, with WIL built into every faculty.

ATN members invest heavily in building students' skills for adaptable and changing careers. UTS embeds innovation and entrepreneurship at scale, working with industry and the startup ecosystem to offer 107 entrepreneurial subjects, with one third of UTS students receiving formal innovation and entrepreneurship training in their coursework. Curtin University's Futures Intensives are challenge-based units delivered as face-to-face intensives where interdisciplinary student teams work on real-world challenges with community and industry partners, supported by academic mentors.

This approach delivers results for graduates; ATN members perform at or above the all-university sector average on collaborative skills (average of 89%). Individual ATN members rank above the all-university average on every graduate-skill attribute employers rate: foundation, adaptive, collaborative, technical, employability, and overall satisfaction.

As well as our members providing these experiences directly, the vocational education and training (VET) sector is the natural partner here. The expertise embedded in TAFEs and industry skills bodies on workplace-relevant competency design, assessment, and employer engagement is a national asset. The Australian Universities Accord identified tertiary harmonisation as a structural priority, and implementation remains the present challenge.

ATN universities are structurally positioned for this. RMIT and Swinburne are dual-sector providers, and UTS, Deakin, Curtin, and Newcastle have substantial articulation arrangements with TAFE providers that provide published, guaranteed credit into their higher education courses. ATN supports advancing harmonisation as an explicit national priority, with funding architecture that incentivises rather than discourages these cross-sector pathways.

Australian higher education is delivering on its core promise. ATN Universities represents the nation's most "hands on" universities, focused on these issues of new technologies, transformation in the economy, skills-matching, and the power of immersive experience alongside academic preparation.

I would welcome an opportunity to speak in-person to the Committee on how we can work together on these issues.

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About ATN Universities

ATN Universities is a national network of Australia's most industry-engaged universities: Curtin University, Deakin University, RMIT University, the University of Newcastle and the University of Technology Sydney. Swinburne University of Technology joined the network in 2026 as an observer. Together, we educate more than 320,000 students and operate Australia's largest transnational education network, with 13 overseas campuses in 10 countries. Our mission aligns directly with Australia's economic priorities: a modern workforce, stronger business and technological innovation, and diversified export markets.