

Generation STEM Links Cost-Benefit Analysis

Program evaluation summary

July 2026

Generation STEM Links is a CSIRO-delivered internship program that connects industry with tertiary STEM students through paid placements across NSW.

This evaluation assessed whether Generation STEM Links delivered value for money and broader social benefits.

The program connected tertiary STEM students in New South Wales (NSW) with paid industry placements, with a particular focus on small and medium enterprises (SMEs), regional businesses, and students from underrepresented backgrounds. The analysis examined costs and outcomes for students, industry partners, government, and the wider STEM workforce system.

Evaluation approach and methods

This study presents an ex-post cost-benefit analysis (CBA) consistent with NSW Treasury guidance. Between 2022 and 2025, the program facilitated 250 placements, with 202 completed 200-hour placements included in the final analysis. Outcomes observed in the program were compared against a counterfactual scenario representing likely outcomes in the absence of Generation STEM Links. A mixed-methods approach combined:

- program administrative data (2022–2025)
- student and employer surveys and interviews
- published labour-market and workforce datasets
- economic modelling and Monte Carlo simulation (1,000,000 iterations) to test uncertainty in key assumptions.

Only benefits judged attributable to the program were monetised.

Key findings

Economic outcomes

The program generated positive economic returns:

\$12.3 million
Total economic benefits
(range \$11.4 to \$13.2 million)

\$10.3 million
Net Present Value (NPV)

\$2.0 million
Program costs

6.13:1
Benefit-cost ratio

 This indicates that **every dollar invested** generated approximately **\$6.13 in economic value**.

INDUSTRY captured most benefits (**\$11.0 million**), largely through reduced recruitment costs, faster hiring, and productivity gains.



STUDENT benefits were estimated at **\$1.3 million**, primarily through earlier entry into STEM employment and increased income.



 Almost **98% of total benefits** were attributable to **PLACEMENTS** that would not have existed without the program, highlighting the importance of creating additional internship opportunities.

Employment and workforce outcomes

The program produced strong employment outcomes:

76% of completed placements resulted in employment offers. 

91% of students offered employment accepted. 

80% of sampled businesses hosted an intern for the first time through the program. 

Generation STEM Links is a deliverable of Generation STEM, managed by CSIRO and made possible by the NSW Government's \$25 million endowment to the Science and Industry Endowment Fund (SIEF).



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Qualitative findings



Stronger workforce pathways:

Paid, industry-based placements improved students' opportunities in STEM careers and enhanced employment outcomes.



Low-risk recruitment

for industry: Industry reported gaining access to high-quality candidates through a recruitment-style model that reduced hiring costs and risk.



Enhanced productivity and capability:

Industry described how interns supported project delivery while helping businesses build capability to host future students.



Improved access and equity:

Program data demonstrates the program increased opportunities for underrepresented students and reduced barriers for SMEs and regional businesses.



System-level benefits:

Examples of stronger industry-tertiary partnerships contributed opportunities to build a larger and more diverse pipeline of work-ready STEM graduates.

Overall, Generation STEM Links generated **positive social and economic returns**, demonstrating value as a workforce development and equity initiative.



Key implementation learnings

Several factors appear central to program effectiveness:

- The recruitment-style matching process provided employers with high-quality, pre-screened candidates.
- Paid placements supported student participation and reduced financial barriers.
- Dedicated support from program staff improved internship experiences for both students and employers.
- SMEs and regional businesses particularly benefited from reduced administrative burden, recruitment support, and flexible placement design.
- The program strengthened capability for some industry partners to supervise interns and engage with future work-integrated learning opportunities.

Evaluation limitations

Data related constraints narrowed the focus to short-term outcomes and excluded potential benefits from the economic analysis:

- Limited longitudinal data prevented measurement of longer-term impacts such as career progression, lifetime earnings, retention, or innovation outcomes.
- Post-graduation survey response rates were low.
- Industry interview participation was lower than anticipated.

Consequently, reported economic benefits should be considered conservative estimates of total program value.

Conclusion

The evaluation found that Generation STEM Links delivered positive net economic and social benefits. Program evidence highlighted contributions to increased paid STEM internship opportunities, improved transitions from education to employment, strengthened industry workforce capability, and increased participation among underrepresented students.

Most importantly, value was generated through the creation of placements that would not otherwise have existed. Although longer-term impacts remain to be assessed, the evidence indicates that Generation STEM Links represents an effective and scalable model for supporting STEM workforce development, industry engagement, and equitable access to work-integrated learning opportunities.

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