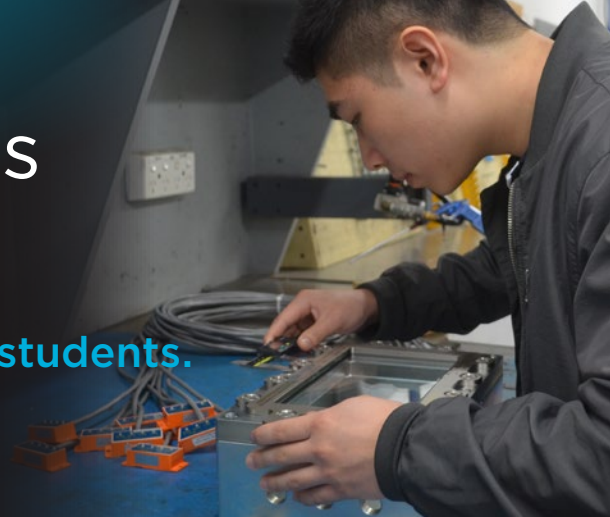


Generation STEM Links Cost-Benefit Analysis

Connecting industry with STEM tertiary students.
Building the future workforce.



Generation STEM Links is a CSIRO-delivered internship program that connects industry with tertiary STEM students through paid placements across NSW. CSIRO conducted a cost-benefit analysis to assess the program's value for money, and broader social benefits.

Between 2022 and 2025, the Generation STEM Links program (the program) facilitated 250 placements, supporting employers to access skilled talent, strengthen workforce capability and help students gain workplace experience.

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 facilitating internship opportunities.

Program reach

250 placements delivered

Participating businesses

- 79 businesses engaged
- 86% small and medium enterprises (SMEs)
- 23% regional or remote businesses
- Placements across manufacturing, professional services, agriculture, mining and emerging technology sectors.



Student participation

202 students completed placements by December 2025:

- 34% from culturally and linguistically diverse backgrounds
- 34% from low socioeconomic areas
- 33% women
- 9% from regional and remote areas
- 2% Aboriginal and Torres Strait Islander students
- 2% students with disability.

Strong employment and workforce 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 is managed by CSIRO and made possible by the NSW Government's \$25 million endowment to the Science and Industry Endowment Fund (SIEF).



SCIENCE AND
INDUSTRY
ENDOWMENT
FUND



Benefits for industry

A low-risk recruitment model

Industry partners reported that the program:

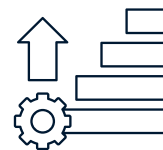
- ✓ **reduced recruitment effort** through candidate screening and matching
- ✓ helped **fill workforce capability gaps**
- ✓ **improved productivity** through project support
- ✓ provided **access** to high-quality STEM candidates
- ✓ **reduced hiring risk** through internship-to-employment pathways.



Supporting government priorities

Generation STEM Links aligns with government priorities throughout Australia to:

- strengthen pathways from education to employment
- increase productivity and support innovation and economic growth
- improve workforce readiness and graduate employability
- strengthen STEM talent pipelines and address emerging skills needs
- support regional workforce development and access to opportunities
- elevate work-integrated learning opportunities
- support diversity and inclusion in STEM careers
- raise industry involvement in workforce training and development.



Better pathways into STEM careers

Generation STEM Links strengthened pathways from study into employment.

Compared with broader work-integrated learning outcomes nationally, the program achieved substantially higher rates of students securing employment with their placement host.



Supporting SMEs and regional businesses

Generation STEM Links reduced barriers that often prevent SMEs and regional businesses from participating in work-integrated learning.

Program features enabled businesses with limited HR capacity to participate in internships and build future workforce capability.



Increasing diversity in STEM

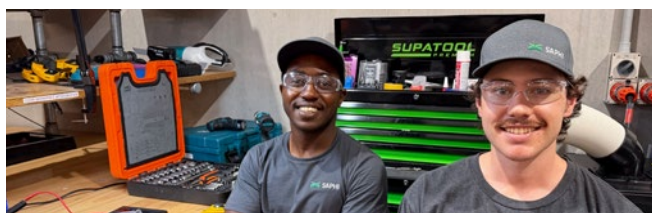
The program improved access to meaningful STEM workplace experience for underrepresented groups.

The program's capability-based recruitment approach helped broaden access to high-quality STEM opportunities while supporting workforce diversity objectives.



Limitations of study

- The monetised results are conservative because they exclude benefits that could not be quantified reliably.
- Limited evidence of long-term outcomes was available.
- Low participation rates from industry partners in the study limited some findings.



Conclusion

Generation STEM Links delivered substantial economic and social benefits for students, employers and the broader STEM ecosystem.

The program generated **\$12.3 million in benefits from a \$2.0 million investment**, creating significant value for industry, while helping students transition into STEM careers. The strongest returns occurred where the program created internship opportunities that would not otherwise have existed, demonstrating the importance of targeted support for SMEs, regional businesses and underrepresented students.

Every \$1 invested generated approximately \$6.13 in economic value.

Source: Cherry, K. L. and Clark, J. T. (2026). *Generation STEM Links: Cost-Benefit Analysis*. CSIRO, Australia

CSIRO referred to the NSW Government Guide to Cost-Benefit Analysis (TPG23-08) to complete this cost-benefit analysis with external consultant Inform Economics.

Find out more at csiro.au/education/programs/generation-stem-links-program

Email generationSTEM@csiro.au

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