



australian
nursing federation

Providing a nursing workforce for Australians
into the future

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Jill Iliffe
Federal Secretary

Ged Kearney
Assistant Federal Secretary

Australian Nursing Federation
PO Box 4239
Kingston ACT 2604

Ph: 02 6232 6533

Fax: 02 6232 6610

Email: anfcanberra@anf.org.au

Website: www.anf.org.au



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Issue - National nursing workforce supply

Proposal

That an additional 3,000 HECS funded registered nurse places at Australian universities be introduced over the next four years, with 1,000 first year places commencing in the 2008 academic year.

Cost implications

\$93m over four years.

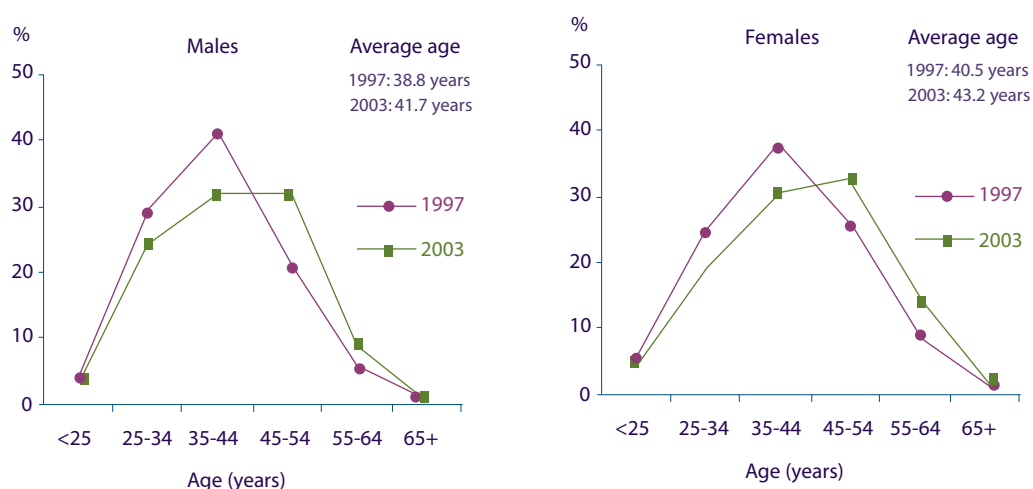
Rationale

Despite a number of Australian Government initiatives to increase funded places for the educational preparation of registered nurses in the higher education sector, there remains a significant undersupply of registered nurses to meet the future health needs of the Australian community, particularly considering the ageing of the nursing workforce and the rapidly ageing population of Australians in the next three decades.

Between 1995 and 2001, the number of full-time equivalent nurses per head of population declined markedly¹. Data from 2003 indicate that this decline has slowed however, it is important to note that the number of full time equivalent nurses per head of population is still lower than it was in 1989. The ageing of the employed nursing labour force represents a serious and growing threat to the capacity of our health system to meet the future health care needs of the population (see figure 1).

Figure 1 Age distribution of employed nurses 1997-2003

Source: AIHW 2005a *Nursing and Midwifery Labour Force 2003* p.4



1. In 1995 there were 1,127 FTE nurses per 100,000 population. In 2001 the number had decreased to 1,031. The number had increased to 1,106 which is still below the 1989 figure of 1,171 (Australian Institute of Health and Welfare 2003, 2005 *Nursing Labour Force 2001, 2003*)

The ageing of the nursing workforce has been significant over the past 15-20 years, with the proportion of nurses aged 45 years and over increasing by 17 percentage points between 1987 and 2001. In 2003 the average age for registered nurses was 43 years and for enrolled nurses 43.5 years. The proportion of nurses over the age of 45 increased to 46.5%, with 14.3% over the age of 55 years. These figures have implications for nursing education and for workforce planning as nearly 50% of nurses will be contemplating retirement within the next 15-20 years and it is likely they will be those with the most experience and with specialist qualifications or expertise.

The ageing nursing workforce is compounded by the data showing that at least half the nursing workforce is working part time. In 2003, 48.6% of registered nurses and 56.1% of enrolled nurses worked part time. In 2003, average hours had increased slightly from 2001, from 30.7 hours per week to 32.5 hours per week.

It is no surprise that nurses are seeking to achieve a better balance between work and family responsibilities and the generally high stress of nursing employment by working part time. With the existing shortfall and the propensity for part time work, Australia needs to significantly increase the number of nurses entering the nursing education stream to maintain the existing number of nurses in the workforce and to ensure there are sufficient nurses for future needs.

The average nurse in Australia is now aged over 40, working part-time and contemplating retiring at age 55. This paints an alarming picture for the future of our nursing workforce. Unless urgent action is taken to educate more nurses we risk not having enough nurses to provide for our ageing population in the future.

It is also important to note that even with the slight slowing in the decrease in nursing numbers in recent years, the burden on nurses remaining in the workforce has increased significantly. This is due to an increase in the number of admissions to hospitals and the trend toward shorter hospital stays, resulting in high levels of patient acuity.

For example, from 1995-1996 to 2003-2004 the number of admissions to hospitals increased from 5.3 million to 6.8 million (Australian Institute of Health and Welfare 2005b). In that same period, the number of full time equivalent nurses decreased overall, placing additional pressures on an already stressed nursing workforce.

Over the next ten years, Australia will require up to 13,500 new registered nurses each year to meet the demand for nursing services (Hogan 2004; Australian Health Workforce Advisory Committee 2004). However in 2004 only 5,631 students completed training (Hogan 2004). Despite this shortfall, in 2004 4,545 eligible applicants for nursing courses were turned away from university because there were not enough nursing places. In 2005 that number was 2,716 and in 2006 it was 2,408.

As the shortage of nurses is a worldwide trend, Australia cannot rely on other countries for nurses to supplement the Australian nursing workforce. The aggressive recruitment of nurses from developing countries is also increasingly being recognised as potentially exploitative for the individuals concerned and unethical from both an individual and population point of view (International Council of Nurses 2002).

The only effective solution to our nursing workforce shortage is to increase the number of Australian educated nurses.

Between 2001 and 2005 a number of reports were commissioned examining the entry level and specialist nursing and midwifery workforces. These reports have made recommendations on the number of additional nursing places required to meet the Australian community's future health and aged care needs. These include:

- *Job Growth and Replacement Need in Nursing Occupations* (Shah and Burke 2001) commissioned by the National Review of Nursing Education which found a projected shortfall of 2.2% by 2006 and an annual growth rate of 2.5%.
- *The Nursing Workforce 2010* (Karmel and Li 2002) commissioned by the National Review of Nursing Education projected an annual increase in demand for registered nurses of 2.56%; a projected demand by 2010 of 180,522 registered nurses; and a projected shortfall in 2010 of 40,000 registered nurses. They estimated that a projected 120% increase of nursing graduates was required to balance health workforce needs in 2020.
- *The Australian Health Workforce Advisory Committee* (2002) examining the midwifery workforce in Australia identified a shortage of 1,847 midwifery positions. The Council of Deans of Nursing and Midwifery (Australia and New Zealand) extrapolated from this and concluded that Australia has gone from a position of exiting 3,000 midwives per year to exiting around 300 graduates in 2005.
- *The Australian Nurse Supply and Demand* (Preston 2003) study commissioned by the Australian Council of Deans of Nursing (Australia and New Zealand) predicted a nurse shortfall of 2.2% by 2006. The projected requirement for graduates in 2006 was 10,182 but the supply was projected to be 6,131, leaving a shortfall of 4,051 nursing graduates or 39.8% of the projected requirement.
- *The Australian Health Workforce Advisory Committee* in their 2004 meta-analysis of four national nursing workforce planning reports found that for supply to meet demand between 10,182 and 12,270 new graduate nurses are required to enter the workforce in 2006 and between 10,712 and 13,483 in 2010. New enrolled nurse requirements are projected to be between 5,734 in 2006 and 6,201 in 2010 (Australian Health Workforce Advisory Committee 2004)².
- The 2005 Productivity Commission's Review of Australia's Health Workforce, is the most recent addition to the debate. The Productivity Commission has acknowledged that increased funding for education and training places will be an important part of the policy package for overcoming current workforce shortages and addressing increased demand for health workers in the future. While not quoting actual figures, that report does make recommendations for changing the processes and responsibility for allocating the quantum of funding available for university-based education and training for health workers (Productivity Commission 2005a; Productivity Commission 2005b).

2. Note: these data reflect completions rather than entrants to nursing undergraduate courses, but have provided a basis for projections on the numbers of entrants to university nursing places that are required.

Although each of the nursing workforce reports differs slightly in its findings due to the various data sources and methodologies, there are strong common themes in the identification of key drivers of supply and demand and findings in terms of projected supply and demand. These factors include:

- the general inadequacy of the number of nursing graduates over recent years to meet demand (in terms of both replacement and growth in demand for health and aged care services);
- the ageing of the nursing workforce (and the 50% projected retirements over the next decade); decreasing hours worked; and turnover; will have an effect on the ability of the nursing workforce supply to replace itself; and
- the growth in demand for health services, which is expected to increase especially in the aged care sector but also across acute care sectors (Australian Health Workforce Advisory Committee 2004).

While there is some variation in the projected supply and demand in each report, they all show that the current numbers of student nurse places are inadequate to meet projected future demand. Table 1 (see attachment 1) provides a summary of the available data and the projections obtained from the research cited above.

While it shows that the gap between the shortfall of projected nursing graduates to be narrowing, there is still a concerning deficit of approximately 3,500 graduates predicted for 2008 against the predicted needs.

The ANF proposes that this shortfall be addressed by the allocation of an additional 3,000 HECS funded nursing undergraduate education places over the next four years, with 1,000 first year places commencing in the 2008 academic year. This will go a considerable way to redressing current and future nursing workforce shortages and to ensuring that Australia has enough nurses to meet our future health care needs.

The Australian Nursing Federation (ANF) was established in 1924. The ANF is the national union for nurses, with branches in each State and Territory of Australia. The ANF is also the largest professional organisation in Australia, with a membership of over 150,000 nurses, employed in a wide range of enterprises in urban, rural and remote locations in both the public and private sectors. The ANF's core business is the industrial and professional representation of nurses and nursing.

The ANF participates in the development of policy in nursing, nursing regulation, health, community services, veteran's affairs, education, training, occupational health and safety, industrial relations, immigration and law reform.

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