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Dear Mr Whelan

Australian College of Nursing (ACN) welcomes the opportunity to provide comments on the Health Workforce Scholarship Programme.

As the major administrator of scholarships for nurses, ACN has accumulated substantial experience and expertise in this area over many years.

Along with a review of relevant literature and reports, ACN consulted with its members about the Health Workforce Scholarship Programme. This process has elicited valuable evidence to inform the future direction of the scheme and how it will best support the nursing profession in its quest to improve the health of Australians and care for them in times of illness.

Please do not hesitate to contact me for further discussion about ACN's submission.

Yours sincerely

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Acting Chief Executive Officer  
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## Submission to the Health Workforce Scholarship Programme Stakeholder Consultation

### An evidence-based strategy for targeting nursing scholarships

#### Introductory statement

The Australian College of Nursing (ACN) welcomes the federal government's support for the education of nurses so communities benefit from quality nursing care.

In this submission ACN presents evidence from health workforce studies which illustrate the potential effectiveness of scholarships as a strategy to address gaps in nursing workforce supply. There is clear evidence from the Australian College of Nursing that the demand for scholarships generally far exceeds their availability<sup>1</sup>. This high demand for scholarships by practising nurses may indicate that applicant nurses may be responding to gaps in the workforce skills they identify in their regions or at their workplaces as well as seeking to address their career needs.

In conjunction with a review of relevant empirical research, ACN consulted with its members regarding the strategic direction the Health Workforce Scholarship Programme should take for the nursing profession. ACN members showed strong interest in this consultation and asserted that workforce shortages exist in aged care, mental health, midwifery and broadly across rural and remote areas. Based on the results of the two avenues used to gather evidence ACN believes that workforce shortages can be targeted with scholarships if they are principally designed to attract, retain and professionally develop nurses in rural and remote Australia. It is ACN's view that scholarships should (1) address shortages in the nurse workforce experienced by specific geographic areas and/or (2) enhance nurses' clinical capability through skill development that meets both health service provider staffing gaps and current/or emergent health care needs of the community. Finally, ACN considers that any bonding of scholarship recipients for any period must be proportionate to the value of the scholarship received. Generally ACN is concerned that bonding of scholarship recipients may dissuade prospective applicants unless they are already living and practising in an area of workforce shortage. In such cases, bonded scholarships could potentially support measures to up-

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<sup>1</sup> Australian College of Nursing. 2015. Nursing and allied health scholarship support scheme selection report 2015. Canberra.

skill and retain nurses rather than attract nurses to areas of supply shortage except in particular circumstances.

## Existing nurse workforce supply

### A complex picture of nurse workforce supply

According to the Australian Institute of Health and Welfare in 2014 there were more than 300,000 nurses employed in Australia<sup>2</sup> comprising 249,968 registered nurses and 51,011 enrolled nurses. The nurse FTE per 100,000 of the Australian population equated to a mean of 1134 with a range from 1044 in NSW to 1608 in the NT. Data from the Graduate Careers Council of Australia in late 2014<sup>3</sup> show that approximately twenty percent of graduates from programs leading to registration as a nurse are unable to find employment for around four months following the completion of their degree. Similar employment prospects seem to exist for nurses who have undertaken studies leading to an enrolled nurse qualification<sup>4</sup>. Broadly viewed, these data indicate that Australia is not experiencing an acute shortage in nurse supply. However, concurrent with this picture of an appropriate nurse supply there are indications in Department of Employment reports of regional difficulties with the recruitment of skilled nurses. For instance, shortages of experienced nurses are estimated to remain in some areas of mental health<sup>5</sup> and aged care along with continuing suggestions of widespread but sporadic shortages in rural and remote areas.

The long-term picture of future nurse supply looks somewhat more complex. Data and conclusions from the Department of Employment suggest that “underlying demand for registered nurses continues to increase as a result of the growth and ageing of the population, advances in medical technology and an increasing incidence of chronic disease”<sup>6</sup>. At the same time the demand for enrolled nurses is unclear. However, the existing nursing workforce data and data about demand for nurses is considered incomplete<sup>7,8</sup> so that reliable future estimates remain elusive.

<sup>2</sup> AIHW. 2014. National health workforce data Set: nurses and midwives 2014.

<sup>3</sup> Graduate Careers Australia. 2014. GradStats: employment and salary outcomes of recent higher education graduates. Melbourne.

<sup>4</sup> NCVET. 2014. National vocational education and training statistics: student outcomes 2014. Commonwealth of Australia, Canberra.

<sup>5</sup> Redknap, R., Twigg, D., Rock, D. and Towell, A. 2015. Nursing practice environment: A strategy for mental health nurse retention? International Journal of Mental Health Nursing, 24, 262-271.

<sup>6</sup> Department of Employment. 2015. Registered Nurse Occupational Report ANZSCO 2544 New South Wales. Commonwealth of Australia, Canberra.

<sup>7</sup> Crettenden, I., McCarty, M., Fenech, B., Heywood, T., Taitz, M. & Tudman, S. 2014. How evidence-based workforce planning in Australia is informing policy development in the retention and distribution of the health workforce. Human Resources for Health, 12, 7.

<sup>8</sup> Francis, K. 2012. Health and health practice in rural Australia: where are we, where to from here? Online Journal of Rural Nursing and Health Care, 5, 28-36.

### **Factors making attraction of nurses to the bush difficult**

The nursing workforce is an aging population both at entry level as well as at experienced professional level<sup>9</sup>. For instance, from 2008 to 2012 the average age of the nursing and midwifery workforce increased from 44.1 to 44.6 year while the proportion of employed nurses and midwives aged 50 or older increased from 35.1% to 39.1% over the same period. Future commitments to rural or remote practice by nurses may therefore not be feasible given family responsibilities/existing community ties and potential other social/professional/financial commitments of families and/or children. ACN considers that generally incentives that reward nurses for their commitment to rural or remote practice may assist efforts to address workforce gaps. Incentives delivered in the form of scholarships could be used to attract experienced or newly registered nurses to rural and remote fields of practice and to retain nurses in this workforce (see Crettenden et al., 2014). However, for these scholarships to constitute effective incentives they should adequately offset the professional, lifestyle and fiscal impacts of professional development.

### **ACN's proposed targeting of scholarships**

Given that there are current shortages of nurses only in select fields of nursing practice at differing skill levels and only in select geographic areas, any national scholarship scheme should seek to address this specificity of shortage. ACN proposes a three-pronged approach to scholarships that supports:

- attraction of new nurses to areas of shortage;
- retention of experienced nurses; and
- skill development of early career and experienced nurses.

#### **Attraction of new entrants to nursing to rural and remote areas of shortage.**

The attraction of new entrants to nursing from rural and remote geographic areas is considered a key long-term factor in their successful retention in the profession. Thus, ACN considers undergraduate scholarships still important, despite the reported oversupply of newly graduated nurses referred to above. An area of focus that may yield benefit is increased and better targeted funding of scholarships to support rural and remote clinical nursing placements to attract rural-minded students from urban areas. These scholarship supported placements might constitute a first component in a development pathway in which students may later access transition support scholarships for early career registered or enrolled nurses to work with rural and remote health care providers.

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<sup>9</sup> AIHW. 2012. <http://www.aihw.gov.au/publication-detail/?id=60129545333&tab=2>. Accessed 09 September 2015

### **Retention and redistribution of nursing workforce**

In the next few years a scholarship focus on retention and redistribution of the nursing workforce is likely to have the greatest impact on the highly specific skill shortages described above<sup>10</sup>. ACN suggests the following target groups to support the retention of nurses and/or their transition to a different area of clinical practice:

- Enrolled nurses seeking to gain skills in areas such as Aged Care and Mental Health, particularly those early career enrolled nurses seeking long-term careers in these fields of practice.
- Early career and experienced registered nurses seeking to expand their repertoire of generalist skills by up-skilling in either Mental Health, Aged Care or Rural/Remote Health.
- Experienced registered nurses seeking to transition into a different specialty field of practice such as from general acute care to fields such as Mental Health, Aged Care and Rural and Remote practice.
- Experienced registered nurses seeking to study shorter continuing professional development courses where new knowledge and skills can be readily acquired and, on completion of the course, be readily consolidated and applied.
- Experienced registered nurses receiving scholarship support for experiential learning through clinical placements in large specialist clinical units to increase specific clinical skills required in the community they serve. Examples of such skills might include dialysis patient care and chemotherapy administration.
- Registered nurses seeking to enter emergent fields of practice that align closely with national health priorities such as primary health care reform.
- Registered nurses seeking to up-skill in fields such as Management, Education and Research in order to grow the existing workforce capability.

### **Scholarship selection criteria and scholarship amount**

Scholarship selection criteria will need to be developed for each cohort with potential factors under consideration ranging from financial need to academic/professional ability depending on the aim of the scholarship offered, e.g. as an attraction or retention measure.

The value of each scholarship will likewise need to be adapted to the target group if they are to constitute an effective incentive. For example, the amount of scholarship support for early career/newly registered or enrolled nurses transitioning from urban practice to rural and remote practice may need to be greater than that for nurses already based in similar regions. Likewise, scholarship amounts for continuing professional development courses and rural/remote clinical placements will ideally need to be allocated differing funds because of substantial associated cost differences.

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<sup>10</sup> Crettenden, I., McCARTY, M., Fenech, B., Heywood, T., Taitz, M. & Tudman, S. 2014. How evidence-based workforce planning in Australia is informing policy development in the retention and distribution of the health workforce. Human Resources for Health, 12, 7.

ACN believes that the type of health care profession supported should not influence the value of the any scholarship.

### **Bonded scholarships and return of service considerations**

Bonding may prove an attractive option for applicants who reside in areas of existing workforce shortage, particularly if there is an associated guarantee of employment. However, in the long-term the attractiveness and effectiveness of any bonded scheme is likely to wane as professionals grow in their abilities and develop lifestyle interests beyond living in rural and remote areas. In establishing a scheme that features bonding the following should be considered:

- Bonded scholarships may provide an opportunity to enter rural and remote practice for nurses who might not otherwise undertake the preparatory education required for this specific area of practice.
- ACN is of the view that bonded schemes and other reciprocity requirements may dissuade the majority of potential applicants. This would particularly be the case if (1) graduate obligations are not clear for applicants or (2) are perceived to be out of proportion to the value of the scholarship.
- When bonded scholarships are provided, cost of living offsets may be a more important consideration for applicants rather than fee offsets largely because of the potential substantial costs of re-location and other lifestyle demands in rural and remote areas.
- Student's discretion over scholarship expenditure should be a key feature of any scheme that offsets cost-of living.
- Continued funding, where applicable, should be based on continued enrolment and academic success.

### **Evidence of the far reaching benefits of scholarship for nurses**

Typically in health professions other than nursing, educational scholarships are predominantly provided as living allowances either for entry to the profession for particular groups such as those from rural and remote areas or for high performing school students. Nursing scholarships tend to be differently targeted in that the majority are awarded for postgraduate coursework study to allow employed nurses to gain formal qualifications in a related field of nursing. The fact that the demand for such scholarships exceeds supply has been noted above.

In order to ensure scholarships provide a real incentive<sup>11</sup> for nurses to either (1) move to a different field of clinical practice, (2) move geographical location to a rural and remote setting, or (3) change practice location and field of clinical practice, given that there may be considerable personal and professional costs, these scholarships will have to provide significant value. The value may have to include educational and re-location costs if they are to be an effective.

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<sup>11</sup> Buykx, P., Humphreys, J., Wakerman, J. & Pashen, D. 2010. Systematic review of effective retention incentives for health workers in rural and remote areas: Towards evidence-based policy. Australian Journal of Rural Health, 18, 102-109.

An important consideration when reflecting on the potential value of scholarship support for nurses is evidence about the far reaching benefits that scholarships may elicit. Baillie and Taylor<sup>1213</sup> who studied the effectiveness of nursing scholarships found that the overall impact of scholarships extended far beyond the scholarship recipient.

They concluded that (p. 13):

*“While acknowledging the limitations of one person’s development..., the results...do seem to demonstrate that it is possible for an individual’s development to have this wider ripple effect on the team and practice environment. What these scholarships appeared to do for the participants was to develop their leadership and other related skills and attributes, enabling them to make identifiable changes to practice, shift aspects of the culture of practice and thereby develop practice in ways that enhanced patient care.”*

## Conclusion

ACN recommends that scholarships for nurses should comprise a three-pronged approach below:

- Retention of qualified nurses (enrolled and registered nurses) in specialty areas of shortage such as Aged Care, Mental Health and Rural/Remote practice.
- Attraction of student nurses with supported clinical placements to rural/remote areas coupled with the option of transition support once they become newly registered or enrolled nurses and choose to enter rural and remote practice.
- Skill and knowledge enhancement of early career and experienced nurses in areas of shortage to facilitate long-term practice development of the current and future nursing workforce.

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<sup>12</sup> Baillie, L. & Taylor, R. 2015. The ripple effect: personal scholarships and impact on practice development. International Practice Development Journal, 5, 1.