



Review of Essential Skills in Demand Lists 2016 Submission Form

1. Background and contact information

1a) Who is this submission on behalf of?

Provide name of individual, firm, or other organisation

New Zealand Nurses Organisation.

NZNO is the leading professional nursing association and union for nurses in Aotearoa New Zealand. NZNO represents over 47,000 nurses, midwives, students, kaimahi hauora and health workers. NZNO is affiliated to the International Council of Nurses and the New Zealand Council of Trade Unions. This submission is informed by consultation with staff, members and member groups including our 20 specialist Colleges and Sections, Te Rūnanga o Aotearoa representing Māori members, the Pacific Nurse Section, Regional Councils, the NZNO Board, and professional nursing, policy, research and industrial advisers.

1b) Contact details

Include phone, email and postal addresses

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1c) Disclosure

Please confirm that you have read and agree to the terms of the disclosure statement below.

Disclosure statement:

- The information contained in this submission, or some of its content, may be provided to others for the purpose of information sharing and /or consultation. If this is the case, personal contact details (individual names, telephone numbers and email addresses) will be treated in confidence.
- The information provided in this form is official information under the Official Information Act 1982 and, accordingly, the Ministry of Business, Innovation and Employment may be required to release this information if a request is made under that Act.
- Occupational statistics collected during the course of the review may be used by the Ministry of Business, Innovation and Employment for other research purposes, but individual employers will not be identified.

I have read and agree to the terms of this disclosure statement.

Name: Marilyn Head

1d) Briefly describe the main activity and characteristics of the organisation making the submission

If a firm, please describe main business activity and number of employees; if another organisation, please describe your organisation's purpose, functions and membership size.

If you are making this submission as an individual, please briefly indicate your interest in the occupation your submission relates to.

NZNO promotes and advocates for professional excellence in nursing by providing leadership, research and education to inspire and progress the profession of nursing. NZNO represents members on employment and industrial matters and negotiates collective employment agreements.

NZNO embraces te Tiriti o Waitangi and contributes to the improvement of the health status and outcomes of all peoples of Aotearoa New Zealand through influencing health, employment and social policy development enabling quality nursing care provision.

2. What occupation does this submission refer to?

Occupation job title and ANZSCO code

Please give the job title and 6-digit ANZSCO code (refer to the relevant PIER).

Registered Nurse (Aged Care) 254412

Registered Nurse (Critical Care and Emergency) 254415

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Registered Nurse (Medical) 254418
Registered Nurse (Mental Health) 254422
Registered Nurse (Perioperative) 254423

3. What ESID list status do you think this occupation should have?

3a) What ESID list status do you propose this occupation should have?

- | | |
|---|--|
| <input type="checkbox"/> Retention on the ISSL | <input type="checkbox"/> Retention on the LTSSL |
| <input type="checkbox"/> Addition to the ISSL | <input type="checkbox"/> Addition to the LTSSL |
| <input checked="" type="checkbox"/> Removal from the ISSL | <input checked="" type="checkbox"/> Removal from the LTSSL |
| <input type="checkbox"/> Transfer from ISSL to LTSSL | <input type="checkbox"/> Transfer from LTSSL to ISSL |

3b) Does your proposal relate to the whole of New Zealand or only some regions? (ISSL only)

Please tick all that apply:

- Certain regions only:**
- Auckland/Upper North Island
 - Waikato/Bay of Plenty
 - Central North Island (including Taranaki, Manawatu and Hawkes Bay)
 - Wellington (including Wairarapa)
 - Canterbury/Upper South Island (including Westland)
 - Otago/Southland

OR

- All of New Zealand**

3c) Give your reasons for the proposed change to the ESID lists

In 3 or 4 sentences please briefly summarise the major reasons for your proposal.

Note: If you have already provided an Occupation Nomination to the Ministry, you may wish to copy the information provided in response to Question 4(c) on the Occupation Nomination form.

Please refer to our [recommendation earlier this year](#), and [previously](#), that consideration is given to removing all nursing categories from the immediate and long term essential skills in demand lists, primarily because:

- there are a large number unemployed New Zealand registered nurse graduates – however we attribute this more to job shortages rather than an oversupply of nurses;
- skills shortages in some areas are attributable to lack of professional safety, heavy workloads and inferior conditions of work (Ravenswood, Douglas, & Teo, 2014) *;
- current employment and immigration strategies are undermining New Zealand's ability to sustain and develop the nursing workforce needed to meet predictable and escalating health demand and priorities, including addressing

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Māori and Pacific nursing workforce shortages (Māori comprise 6% and Pacific 3% of the nursing workforce but 15% and 8% of the population, respectively);

- aged care and mental health are services where the need for cultural awareness, competence and safety is particularly acute, yet Māori nurses who have applied for mental health nursing positions have not been employed;
- the increasing proportion of IQN (27%) (the highest in the world) leaves Aotearoa New Zealand extremely susceptible to global events and policy changes (Zurn & Dumante, 2008) ** and is inconsistent with our international commitments to the World Health Organization's Global Code of Practice on the International Recruitment of Health Personnel (2010) and the Global Strategy on Human Resources for Health: Workforce 2030 (2016) which underpins the UN Sustainable Development Goals (SDGs).

NZNO represents a substantial number of IQN who are essential to the health system, but who are also highly vulnerable in some situations. We know that there has been almost no attention paid to fully supporting and retaining these skilled and productive nurses. We strongly recommend that IQN who are currently employed are not affected by any ESID list changes and that the immigration prospects they currently have are protected.

* Ravenswood, K., Douglas, J., Teo, S. 2014. *The New Zealand Aged Care Workforce Survey 2014: A future of world programme Report*. AUT: Auckland. Retrieved May 2015 http://www.aut.ac.nz/_data/assets/pdf_file/0004/542155/NZ-Aged-Care-Workforce-Survey-report.pdf

** Zurn, P & Dumonte, J. *Health Workforce and International Migration: Can New Zealand Compete?*. OECD Health working paper N.33. OECD Publications: <http://www.oecd.org/dataoecd/46/41/40673065.pdf>

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4. Information and data relevant to the review

We would particularly like to receive information that provides more detail in relation to the indicators reported in the PIER. **Please refer to the relevant PIER when completing this section.**

It is important that the information that you provide is as specific and robust as possible. Please provide details about the source of your information, how many employers or individuals it represents, and when the information was obtained.

As a general guide, the Ministry is looking for evidence that has a **reasonable breadth of coverage** across the industry (i.e. represents the views or situation of a reasonable proportion of employers and/or employees and/or trainers or other stakeholders); and is **specific** (i.e. clearly stated facts in relation to the occupation).

Evidence should be **able to be substantiated** in some way, for example sourced to a survey, administrative data, or employer/employee feedback.

Information that does not meet these standards may not be sufficient to support your case.

Additional material may be attached in a separate document, if necessary. Where you are appending detailed reports or other information please cite these under the relevant headings below.

4a) Skill level

Please note any comments that you wish to make on the skill section of the relevant PIER.

The skill designations are correct but we note that the Immediate Skill Shortage List (ISSL) includes Anaesthetic Technicians (311211). We draw your attention to the fact that this area of work is within the nursing scope of practice and as there are nurses who are New Zealand citizens or resident without employment, this category should be removed from the list.

NZNO is not confident that the PIERs give an accurate reflection of nursing workforce supply and demand. We are aware that funding constraints have impacted nurse staffing with staffing shortfalls, delayed recruitment, reductions/amalgamations of some senior nursing positions, and underemployment (eg substantive contracts of 0.8 FTE to manage demand variance without having additional permanent nursing capacity "on the books").

Salary

To be included on the LTSSL, average ordinary time full-time earnings in the occupation must be at least \$45,000 per annum. What evidence can you provide that earnings for this occupation reach or exceed \$45,000 per annum?

Please provide details of the source and robustness of this information.

Registered Nurse (Aged Care) 254412	\$40,900
Registered Nurse (Critical Care and Emergency) 254415	\$55,700
Registered Nurse (Medical)254418	\$52,400
Registered Nurse (Mental Health)254422	\$65,300
Registered Nurse (Perioperative) 254423	\$51,000

The base salary range in the [Collective Agreements](#) NZNO negotiates on behalf of members in a range of employment settings is broadly consistent with the statement that: "Nurses with one to five years' experience usually earn \$47K-\$64K per year. Senior nurses with more experience and responsibility can earn \$67K-\$110K per year". However it is not immediately clear to us if or why there should be such a

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difference in average base salary between each category, other than for Aged Care nurses. The abysmal average salary of \$40,000 for RNs in Aged Care is considerably below the *first step* on the RN scale in our CAs and absolutely reflects the findings of numerous reviews such as *Caring Counts* (New Zealand Human Rights Commission, 2012) * that this sector is defined by low wages and poor, unsafe conditions for skilled professionals, despite its high returns to investors. Retention of this category of RNs on the ESID lists undermines safety, fairness and self-sufficiency.

We note that under the Employer Accreditation (EA) scheme, which most DHBs subscribe to, the base salary for IQN recruits is expected to be \$55,000. The higher base salary for RNs compared with other occupations was originally set to safeguard employment, development and leadership opportunities for the upcoming New Zealand nursing workforce, to ensure a reliable and sustainable nursing workforce. However, as the above figures demonstrate, this level no longer satisfies that requirement and DHBs have subsequently stopped specifying recruitment needs in any nursing category, and have certainly not limited it to those on the ESID lists. If they are recruiting IQN with 3 years experience or more, regardless of the availability of first and second year RNs.

We suggest NZNO's CAs (See website), particularly the DHB MECA would be a more useful and accurate source of salary and other information than MBIE's careers site.

- New Zealand Human Rights Commission. (2012). *Caring counts: report of the inquiry into the aged care workforce*.

4b) Scale

Please provide any information that may be relevant concerning the 'scale' of the occupation. This could include information on the total number of people employed in this occupation in New Zealand, or the number of work visas your organisation or its members have sought.

Please note any other comments that you wish to make on the scale section of the relevant PIER.

We question the use of **2013 census** data to ascertain nursing numbers in specific clinical categories. We strongly recommend that you use the current, relevant and accurate workforce data that the [Nursing Council of New Zealand](#) is paid to provide to Health Workforce New Zealand and that is generally available online.

4c) Shortage

Please refer to the shortage section of the relevant PIER. We are interested in your response to the information provided, as well as any additional information (such as industry surveys and reports) you can provide.

Describe and provide any additional evidence you have on the question of shortage.

*For example, if you consider that **there is an occupational shortage**:*

- *evidence of difficulties employers are having recruiting staff (depending on the occupation, difficulty for a single employer is unlikely to be sufficient)*
- *estimated apprentice or graduate trainee numbers and the number of workers leaving or retiring from the industry, and reasons for leaving*
- *forecasts and reports on the growth of the industry.*

*Alternatively, if you consider that **there is not an occupational shortage**:*

- *evidence of suitably trained people available (or soon to be available) to work in the occupation*

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- *forecasts and reports on the growth of the industry.*

There is not an occupational shortage

5. Other factors relevant to determining whether a change to the ESID lists is appropriate

In addition to the evidence of shortage, a key aspect of the review process is to consider whether there are **other factors** that make it appropriate to add or remove an occupation from the lists. These factors may not be included in the PIER assessment, partly because the range of potential factors is broad, and often robust quantitative measures are not nationally available.

However, those directly involved in an occupation or industry often hold valuable quantitative and qualitative information relevant to the decision-making process. It is therefore important that you provide as much information as you can in the following three areas.

Please be as specific and detailed as possible and provide the source of your information (e.g. survey, study, administrative data or collated feedback).

5a) Labour market conditions

The Ministry **must** be satisfied that the industry has a commitment to the provisions of New Zealand employment legislation available to workers. It is important that the hiring of overseas workers is not being used as a strategy to keep wages or terms and conditions of employment to a minimum.

- i. *Describe briefly the **policies and practices** your organisation, or the organisations this submission represents, have in place to ensure the industry meets New Zealand employment legislation (including obligations under the Employment Relations Act 2000, the Health and Safety in Employment Act 1992, the Minimum Wage Act 1983, the Holidays Act 2003, the Parental Leave and Employment Protection Act 1987 and the Human Rights Act 1993).*

- ii. *Provide detailed information on **wage ranges** applicable to this occupation*

As above – refer to [Collective Agreements](#)

- iii. *Provide information on **employment terms and conditions** applicable to this occupation (e.g. working hours, employee benefits)*

- iv. *You may also wish to provide information on the following, if relevant:*
 - *information on trends in work hours in response to growing shortages*
 - *the breadth and scale of shortage, and whether some regions are facing shortages, while others are not (and why this is the case)*
 - *whether there are barriers such as transport, childcare, or work hours, which employers could address to make working in the occupation more attractive to suitably skilled people?*

Trends: Hours of work are moving away from 12 and 10 hour shifts towards 8 hours shifts. About half the nursing workforce is employed parttime. While overall the nursing population is ageing, there has been a significant increase in younger nurses as the

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number of nurses aged under 30 grew by 2,258 (41%) between those two dates, while the number aged over 50 fell by 350 (-2%). IQNs contributed to this growth, with the number of IQNs increasing by 10% (compared with growth of 4% in the New Zealand-Qualified Nurse population).

Retention, of both locally and internationally qualified nurses, is a significant issue for Aotearoa New Zealand (NNO, 2014, p18-20) *. Under the Trans-Tasman Mutual Recognition Act 1997 (TTMR) Australian and New Zealand registration standards are equal, and this is certainly a factor in the considerable influence this larger, more affluent neighbour has on nurse retention and migration. Australian workforce researcher Lesely Ann Hawthorne (Hawthorne, 2012)** has published comprehensively on Aotearoa New Zealand's extremely poor migrant retention rate across several industries, including health.

Regional/specialty shortages: note that the Ministry of Health has a voluntary Bonding Scheme (VBS) for new graduates in hard-to-staff location and hard-to-staff specialties of aged care and mental health.

Barriers: Access to Return-to-Nursing education and training (required by NCNZ after 3 years without an Annual Practising Certificate) is very limited and very expensive for individuals, though it is highly cost effective in terms of retaining and leveraging nursing skills. Such courses do not attract the high fees that overseas students contribute to educational institutes.

NZNO recently conducted an informal survey of childcare and breastfeeding facilities in DHB hospitals which employ many thousands of nurses and midwives, and found there were almost no supported childcare facilities and largely inadequate breastfeeding facilities, despite the legal obligation to provide them.

We also note that there is a robust case for facilitating an alternative registration pathway for the large pool of Pacific Nurses, for whom there is a critical need, who are currently underutilised as health care assistants.

*National Nursing Organisations. (2014). *Report from the National Nursing Organisations to Health Workforce New Zealand*, 26.

** Hawthorne, L. (2012). *HEALTH WORKFORCE MIGRATION TO AUSTRALIA Policy Trends and Outcomes 2004-2010*. Melbourne.

New Zealand Human Rights Commission. (2012). *Caring counts: report of the inquiry into the aged care workforce*. Retrieved from <http://www.hrc.co.nz/eeo/caring-counts-report-of-the-inquiry-into-the-aged-care-workforce/>

5b) Training and industry initiatives

The Ministry **must** be satisfied that the industry has a commitment to fully utilising the domestic labour market before the industry considers employing overseas workers.

Your submission **must** include information on the following:

- demonstrated industry commitment to training, and
- industry initiatives to enhance domestic recruitment.

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- i. *What steps are being taken by the industry and employers to address this shortage? In the short-term? In the long-term?*

This may include data on trends in firm/industry investments in training, information on trainee numbers and people who are currently nearing completion of qualifications.

- ii. *What strategies are in place to recruit New Zealanders?*

Include examples of training and industry initiatives.

- iii. *Does your industry have an agreed skills plan? (i.e. a plan for upskilling the current workforce and/or potential workforce)?*

If yes, describe the expected outcomes of the plan (or attach a copy).

- *What are the **goals** of the plan?*
- *What **processes** are in place to achieve the goals?*
- *What are the **timeframes** for the goals?*

If your industry does not have an agreed skills plan, what plans are in place to develop one? Within what timeframe?

5c) Wider economic factors

Wider economic factors may have an influence on occupational shortages. Is there anything else that you would like to comment on?

For example, are there reasons associated with productivity, innovation or competitiveness that you think the Ministry should take into consideration? Please provide evidence.

It is clearly not productive to train nurses who will not be able to find jobs and develop careers, or to recruit nurses who will not, or are unable to, stay. Workforce shortages are predictable: it was clear three years ago what the number of New Zealand graduates seeking jobs in 2015-2016 would be, but there was no coordination between the tertiary sector, MBIE, the Ministry of Health, employers or Immigration New Zealand to develop a coherent strategy to utilise them effectively to meet either health or workforce priorities.

What is needed is a comprehensive long term health workforce plan that aligns employment, education, regulation and immigration policies and that is commensurate with Aotearoa New Zealand's international obligations. Immigration must be seen in the global context, and in relation to international health and labour agreements, standards and codes that aim to reduce poverty, improve health and safety and combat concentration of wealth and power in fewer and fewer hands. We particularly draw your attention to:

- **Article 3.6** of the WHO Global Code of Practice on the International Recruitment of Health Personnel (2010) which enjoins member states "to create a sustainable health

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workforce and work towards establishing effective health workforce planning, education and training, and retention strategies that will reduce their need to recruit migrant health personnel. Policies and measures to strengthen the health workforce should be appropriate for the specific conditions of each country and should be integrated within national development programmes”; and

- **Target 2.2** of the Global Strategy on Human Resources (2016) for Health for middle and high income countries that “ *all countries meet at least 90% of their health personnel needs with their own human resources for health...*”.ie Our target should be to reduce the proportion of IQN 10% of the nursing workforce.

The Ministry of Business, Innovation and Employment would like to thank you for contributing to this review.

Appendix: List of the occupations selected for the 2016 ESID review

Occupation	ANZSCO Occupation Code
Agriculture and Forestry	
Apiarist	121311
Fruit or Nut Grower	121213
Health and Social Services	
Registered Nurse (Aged Care)	254412
Registered Nurse (Critical Care and Emergency)	254415
Registered Nurse (Medical)	254418
Registered Nurse (Mental Health)	254422
Registered Nurse (Perioperative)	254423
ICT, Electronics and Telecommunications	
Cabler (Data and Telecommunications)	342411
Telecommunications Cable Jointer	342412
Recreation, Hospitality and Tourism	
Chef	351311
Other Sports Coach or Instructor	452317
Trades	
Bricklayer	331111
Composite Technician	399999
Floor Finisher	332111
Stonemason	331112
Upholsterer	393311
Transport	
Ship's Engineer	231212
Ship's Master	231213
Ship's Officer	231214