Aged care hit hardest by nursing shortfall: primary care also hit by pay disparities

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The country's aged residential care facilities need 34 per cent more nurses to ensure safe care, estimates a report by consultants Infometrics for nurses' union NZNO [Image: iStock]

Essentials

‣ **NZNO today released a report commissioned from Infometrics which estimates nearly 2800 more nurses are needed to ensure safe staffing across four key sectors.**

‣ **The starkest shortage is in aged residential care but primary care nurse exit rates rose from 11 per cent in 2018, to 32 per cent in 2023.**

‣ **The ageing workforce and pay disparities were contributory factors.**

Sidenotes

How many more nurses does New Zealand need: Infometrics Report 2025

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Nearly 2800 extra nurses are needed to ensure safe staffing in four key sectors, with the starkest shortage being in aged residential care, a report by Infometrics consultants estimates.

Thirty-four per cent more nurses (1550) were required in aged care, compared to 6 per cent more (274) in general practice and 3 percent (635) in public hospitals to meet safe staffing standards, the study finds.

The Infometrics report, *How many more nurses does New Zealand need?*, was commissioned by nurses' union NZNO and released today to mark the opening of its annual conference in Wellington.

The pay gap between aged care, general practice and Māori provider nurses with counterparts working for Health New Zealand Te Whatu Ora had, along with funding shortfalls, led led to high staff turnover in these sectors, the report says.

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But Infometrics consultant Rob Heye notes in the report that lack of data was "challenging" across many settings, including nurse employment data for general practices and Māori health providers. This left him unable to calculate vacancy rates. He calls for a central repository of data about the general practice nursing workforce, including vacancy and turnover rates and the number of patients they serve.

The estimated 274 more general practice nurses needed for safe-staffing, the report says, was based on "crude estimates" of meeting the needs of the currently unenrolled population and those struggling to get a timely general practice appointment, so was "probably an underestimate".

Aged Care biggest gap

Table 2

Estimates of nurses needed for optimal care

Nursing shortage	Year	Metric	Funded FTEs	Shortage	Increase required	Method
Te Whatu Ora funded hospitals	2022-24	Total FTEs	21,689	635	3%	To meet CCDM recommended staffing
Aged residential care	2024	RN FTEs	4,581	1,550	34%	Australian mandated care minutes
General practice	2024	Total FTEs	4,884	274	6%	To cover unenrolled population
Mental health and addiction	2022	Total FTEs	3,910	330	8%	To meet unmet mental health population needs
Total			35,064	2,789	8%	
Alternative measures of shortage						
Te Whatu Ora funded services	2023			28%		Ward shifts below target
Aged residential care (ACANZ members)	2023			83%		Facilities not fully staffed

Source: Infometrics calculations

The Infometrics report estimates nearly 2800 extra nurses are needed to ensure safe staffing across four major health sectors with the biggest shortage bing in aged residential care [Source: 2025 Infometrics report for NZNO]

Vacancy rates for sectors where the researchers could find budgeted versus actual employed nurses showed aged care had the highest, at 15 per cent or 741 nurses short, in 2023. The next highest was the mental health and addictions sector at 12 per cent.

But the report notes that with reports of 1200 aged residential care beds closed in recent years due to nursing shortages, filling funded vacancies does not equate to safe staffing. Using the recently introduced Australian minimum care standards for aged care, it estimates that an extra 1550 registered nurses (34 per cent above current numbers) will be needed.

Over the last decade though, the report notes, the rest home/residential care nursing workforce has has had the slowest growth, increasing by only 20 per cent compared to 33 per cent across all settings. Projected demand for aged care beds though, based on last year's **Sapere report** on the sector and recent EY projections, indicate aged care nursing numbers will need to grow by 47 per cent to meet population need in 2034, the report estimates.

Pay disparity hitting Māori providers and general practices

Table 3

Projected demand for nurses

Projected increase in nurse FTE

Setting	Methodology	2024	2034	2024-34	
Aged residential care	EY population change scenario	4,741	6,957	2,216	47%
General practice	Constant nurse-to-population ratio	4,884	5,261	377	8%
Mental health and addiction	Constant nurse-to-population ratio	4,079	4,393	314	8%
Māori health providers	Constant nurse-to-Māori population ratio	562	679	117	21%
Total		14,266	17,290	3,024	21%

Source: Infometrics projections

> The funding model for Māori health providers brings "unique challenges", along with pay disparity, to recruiting nurses to meet projected demand, says the Informetrics report [Source: 2025 Infometrics report for NZNO]

NZNO kaiwhakahaere Kerri Nuku, in a media release today, says **the Infometrics report found Māori and iwi health providers struggling to recruit nurses** because of fragmented and often short-term funding channels, and funding not keeping pace with the increasing needs of their patients.

"To keep up with projected growth of the Māori population, the number of nurses working for iwi and Māori providers would need to rise from 551 FTEs to 679, a rise of 128," Ms Nuku says.

The report also noted nurses working in Māori health were older than the general nursing workforce with 39 per cent aged 55 years or over compared to 28 per cent of nurses across all settings. Similarly 37 per cent of nurses across all primary health settings were 55 or older with many fewer nurses in the 30-39 year age group.

"The loss of experienced primary care nurses either through retirement or moving to higher paid jobs elsewhere in the health sector means that new entrants cannot be adequately trained and supported," the report notes.

The ageing workforce and pay disparities have also contributed to exit rates for primary care nurses increasing recently, the report says, from 11 per cent in 2018 to 32 per cent in 2023. This compares with an exit rate of 8.6 per cent for all nurses in 2023.

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