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Department of Education, Science and Training

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Health Workforce Study

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EXECUTIVE SUMMARY

The Council of Australian Governments (COAG) has requested the Productivity Commission undertake a study of workforce related pressures facing the health care system and provide advice on how to build a better and more responsive health workforce. Training of the health workforce is a key consideration.

The education and training system is complex, involving various levels of government, education and training providers, industry and communities. Responsibility for education and training rests with the States and Territories, while the Australian Government contributes to funding and has a national leadership role. Ministerial councils and committees set strategic directions and facilitate co-ordination. To deliver Australian Government priorities, the Department of Education and Training (DEST) works with different levels of government and across portfolios. Mechanisms to increase collaboration and co-ordination on education and training issues that affect the health workforce are provided through DEST representation on the Australian Health Workforce Officials Committee and joint education/health meetings.

The Australian Government has undertaken significant reform of the education and training system. This reform process has been underpinned by the key themes of consistency, quality, equity, diversity, sustainability and choice. An increased number of education and training places are now available in the health area and these will be substantially added to as recent initiatives to increase places for nurses and other health workers are rolled out. Other reforms to benefit this sector include new medical schools and assistance for Indigenous students wanting to work in the health sector.

Nonetheless there are significant challenges ahead as emerging issues associated with demographic and technological change provide an additional imperative. The process of reform is not yet complete with remaining challenges being to enhance national consistency in the vocational education and training system, expand opportunities, increase responsiveness and flexibility and strengthen the focus on industry and business needs. Other challenges include articulation and credit transfer issues, too few Indigenous health workers and questions about the appropriateness of current training.

In considering how to build a better and more responsive workforce, it will be important to take an holistic approach with education and training being only one, albeit important, component of this approach. In addition to increasing the number of people being trained to meet future needs of the health care sector, there is a need to actively explore strategies to improve retention of the existing health workforce and encourage those who are no longer participating as health care professionals to return to the sector.

1 INTRODUCTION

Australia's health care system is facing a range of challenges that will be intensified by population ageing and rapid technological change. The Council of Australian Governments (COAG) has requested that the Productivity Commission undertake a study of workforce related pressures facing the health care system and provide advice on how to build a better and more responsive health workforce.

The Productivity Commission's Issues Paper (June 2005) is the first instalment in this study. In this Paper[1], the Commission identifies issues affecting the health workforce. They include skills shortages, shortcomings in workforce planning, inappropriate skills mix, and issues with productivity and job satisfaction. The Commission also discusses underlying causes of these problems, including fragmented roles and responsibilities, and ineffective co-ordination and conflicting incentives.

The Terms of Reference (Appendix 1) for the health workforce study are broad ranging. We have chosen to concentrate on responding holistically to those affecting the education and training of the health workforce. The Submission sets out the role of education and training in addressing health workforce issues. It provides an overview of the education and training system in Australia – how it operates and the roles and responsibilities of the various players, in particular those of the Australian Government. It also gives information on issues relevant to the education and training of the health workforce and identifies key challenges to the successful provision of health care that the Productivity Commission may wish to consider in its study.

2 THE EDUCATION AND TRAINING SYSTEM AND THE HEALTH WORKFORCE

2.1 Roles and responsibilities in the education and training system

Under the Australian Constitution, the State and Territory governments have primary responsibility for education and training. In practice, the Australian and State and Territory governments assume a shared responsibility in this area. This arrangement does present some whole of government challenges, including potential overlaps and/or gaps leading to complexities in accountability.

Nevertheless, it is possible to make some statements about the delineation of responsibilities between the Australian and State and Territory governments across the continuum of policy development, program implementation and management and service delivery. It is also possible to identify the key mechanisms for whole of government collaborations to ensure effective delivery of education services to the Australian community.

The Australian Government focuses on the development of national and international priorities, policies and strategies. It takes a national leadership role to promote national consistency, coherence, quality and effectiveness of education and training in all sectors across Australia. To do so, it uses a variety of mechanisms and linkages with the States and Territories, industry and the community.

In the higher education sector, the Australian Government has primary responsibility for public funding and a leadership role in setting government policy. A number of Acts regulate the higher education sector and provide the basis for the Australian Government's funding programs for higher education. The Australian Government also has a significant role in quality assurance.

[1] More information available at:
Http://www.pc.gov.au/study/healthworkforce/issuespaper/healthworkforce.pdf

State and Territory governments are responsible for the recognition of new universities and accreditation of higher education courses offered by non self-accrediting providers. On the other hand, self-accrediting higher education institutions have responsibility for their own academic standards and quality assurance processes. These powers are granted under State or Territory legislation.

In the vocational education and training sector, the Australian Government plays a national leadership role. It promotes national consistency and coherence in the provision of vocational education and training and the development of a more demand driven and responsive system. It also contributes around one third of the sector's funding.

States and Territories in turn are responsible for the quality of training, its delivery and the accreditation of training providers in the vocational education and training sector.

2.1.1 A whole of government approach

The system of shared responsibility between the Australian, State and Territory governments for Australia's education and training system is formalised through a set of Government and Ministerial Councils.

The key Ministerial Council in the education, science and training arena is the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA). A second Ministerial Council is proposed for the national training system.

MCEETYA comprises State, Australian and New Zealand Government Ministers responsible for education, employment, training and youth affairs. MCEETYA's responsibilities cover the national coordination of strategic policy development and delivery of programs and services at the national level, negotiation and development of national agreements, and shared objectives and formats for reporting regarding all levels and sectors of education; employment/labour market programmes and education linkages; adult and community education; youth policy; and cross-sectoral matters.

The proposed Ministerial Council for the national training system will comprise Ministers from the Australian Government and each State or Territory who have responsibility for vocational education and training. It will replace the Australian National Training Authority Ministerial Council (ANTA MINCO) which was disbanded following the 2004 machinery of government changes. Like ANTA MINCO, it will have overall responsibility for the national training system, including in relation to strategic policy, national objectives, national priorities and national performance targets.

While final elements of the new training arrangements are still subject to negotiation with stakeholders, including State and Territory Ministers with responsibility for training, key components of the new system, including the Ministerial Council, are set out in legislation which was introduced into Parliament on 11 May 2005.

MCEETYA (and the proposed Ministerial Council) are supported by a structure of committees which provide advice on issues such as future priorities and other planning issues. The Australian Education Systems Officials Committee (AESOC) is the forum of Australian and New Zealand Chief Executive Officers with responsibility for education and training. One of its roles is to identify the major strategic drivers impacting on the education and training system and determine appropriate national responses.

To deliver on Australian Government priorities, DEST works with different levels of government and across portfolios. Mechanisms to increase collaboration on education and training issues that affect the health workforce are provided through DEST representation on the Australian Health Workforce Officials Committee (AHWOC) and joint meetings of AESOC and the Australian Health Ministers Advisory Council.

AHWOC provides advice to the Australian Health Ministers Advisory Council (AHMAC) on key national level health workforce issues requiring government collaborative action. It also provides a forum for reaching agreement on these issues. AHMAC in turn advises the Australian Health Ministers Council on national strategic issues relating to the coordination of health services and operates as a national forum for planning, information sharing and innovation.

Collaboration between the health and education sectors on health workforce issues has been facilitated through joint meetings of AESOC and AHMAC. These meetings provide a forum to discuss and address issues of mutual concern, such as higher education interface issues, and to explore potential collaborative work. As a result, there is now increased consultation on education and training issues that affect the health workforce, as well as an avenue for State and Territory Health departments and AHWOC to provide direct input to DEST.

The National Nursing and Nursing Education Taskforce is a practical example of the collaboration that is occurring between the health and education sectors, nursing bodies, and different levels of government. This taskforce has been established to implement recommendations from the *National Review of Nursing Education 2002*. A central component of this work is to improve national consistency in nursing and midwifery education and regulation.

The health system and associated issues have featured in the COAG agenda. At its June 2005 meeting, COAG asked for a report from Senior Officials on ways to improve Australia's health system and a plan of action to progress reforms. COAG also agreed to establish a joint Commonwealth-State working group to examine some remaining issues in achieving a national approach to apprenticeships and training.

2.1.2 The Role of Professional Bodies and Colleges

Professional bodies and colleges play an important role in the education and training of the health sector. The Australian Medical College (AMC) and the Australian Nursing and Midwifery Council (ANMC), among others, play important roles at the national level. The AMC is responsible for accrediting medical schools and medical courses and specialist medical colleges' vocational training programs in Australia. The ANMC is a peak body established to bring a national approach to nursing and midwifery regulation. It works closely with the State and Territory nursing and midwifery regulatory authorities to establish national competency standards for nurses and midwives. In addition, the National Specialist Medical Colleges set the standards of training and coordinate the training, education and examination of medical specialists in Australia. State and Territory Nurses and Midwives Boards approve curricula for nurses.

Professional bodies also contribute to training and education policy by providing advice to Government. This occurs through direct contact with Government Ministers, consultative processes as well as more formalised avenues. For example, the Community Services and Health Industry Skills Council (CSHISC) is consulting with all relevant professional and regulatory bodies as part of its review of the Health Training Package. The ANMC is a member of the steering committee overseeing the review. In addition, the CSHISC board of directors comprises government employers nominated by AHMAC and the Community Services Ministers Advisory Council (CSMAC), private employers and unions, including the Australian Nursing Federation.

2.2 Overview of the education and training system

Training for the health workforce occurs in both the vocational education and training system and the higher education system, as well as in clinical settings, such as hospitals, nursing homes or medical centres. Broadly speaking, doctors, dentists, pharmacists, opticians, radiographers and registered nurses are trained through the higher education sector. Enrolled nurses, ambulance officers, dental technologists, medical assistants and other community health workers are generally trained in the vocational education and training sector.

2.2.1 Overview of the higher education system

The Australian Government provides funding under the *Higher Education Support Act 2003* for publicly funded higher education places.

A new Commonwealth Grant Scheme (CGS) has replaced the previous block operating grant system. This Scheme provides funding to higher education providers for teaching activities. The Australian Government provides a contribution, set by discipline cluster, towards the cost of an agreed number of Australian Government supported places delivered in a year. Each higher education institution that receives funds under the CGS enters into a Funding Agreement with the Australian Government, with annual negotiations taking place over the number of places and the discipline cluster mix that the Australian Government will support. Places to be supported may be at the undergraduate level, postgraduate non-research level in negotiated fields and in enabling courses. The Agreement is negotiated in the context of each institution's mission and strategic direction for course provision.

In 2005, the Government is funding 408,000 Australian Government supported places at a cost of over $3 billion.

To better inform decisions and investment in relation to funding under the CGS, DEST is developing a set of National Strategic Principles for higher education provision. DEST will consult with AHWOC and other stakeholders about these Principles. The Principles will be used to inform the Government in its decisions on the allocation of new Australian Government supported places, the movement of existing places between campuses and the protection of discipline areas of national importance (including to address skills shortages) to ensure that the higher education sector is best meeting the social, economic and cultural needs of the nation.

2.2.2 Overview of the vocational education and training system

Since 1992 the Australian and State and Territory governments have worked collaboratively to operate a national vocational education and training system. The national training system has been characterised by:

- competency-based training where the outcomes of training required by Australian industry are defined in Training Packages;
- portability and recognition of training qualifications across Australia, no matter where the qualification was awarded;
- a consistent framework for regulating training providers and course accreditation (the Australian Quality Training Framework); and
- industry leadership through strategic advice to governments, and in the formulation of policy and continuous improvement of Training Packages through Industry Skills Councils.

In October 2004 the Prime Minister announced changes to the vocational education and training system. From 1 July 2005 the functions of the Australian National Training Authority transferred

to DEST. Early in 2005, the Department issued a directions paper, *Skilling Australia: New Directions for Vocational Education and Training,*[2] which sets out possible arrangements for a new national training system in Australia.

Skilling Australia proposed a continued national approach and continued industry leadership, as well as ways to strengthen the vocational education and training system. The new arrangements aim to make the training system more flexible and responsive to industry needs. This will allow the system to deliver highly skilled workers more quickly, with a stronger emphasis on quality, more streamlined governance arrangements and easier access to training for employers.

While Ministers are yet to formally agree on all aspects of the new training system, the key components of the system are likely to be:

- The *Ministerial Council,* which will consist of Ministers from the Australian Government and each State and Territory who have responsibility for vocational education and training.
- The *National Industry Skills Committee,* which is responsible for advising the Ministerial Council on matters relating to vocational education and training, including workforce planning, future training priorities and other related issues.
- The *National Quality Council,* which is responsible for monitoring quality assurance procedures in the vocational education and training sector. It is also responsible for ensuring national consistency in the application of the standards for auditing and registering vocational education and training providers under the Australian Quality Training Framework.

In addition to the National Industry Skills Committee, the network of ten Industry Skills Councils will continue to support the development, implementation and continuous improvement of training and identify current and future industry skills and training needs. The Community Services and Health Industry Skills Council is the relevant Industry Skills Council covering the health workforce.

Under the new training arrangements, the Australian Government will allocate its funding under the Australian Government-State Training Funding Agreement. This is a multilateral agreement which sets out co-operative arrangements between the parties and outlines commitments to national training priorities and targets. Cascading bilateral agreements between each State and Territory and the Australian Government set out each State or Territory's commitment to addressing national priorities and targets, including commitments to joint action in addressing specific skill needs.

In addition to providing funds through State and Territory funding agreements, the Australian Government funds the New Apprenticeships Program and the New Apprenticeships Incentives Programme. These programmes provide financial incentives to encourage employers to offer employment-related training to encourage people to acquire and expand their working skills. New Apprenticeships encompass traineeships and apprenticeships in sectors of the Community Service and Health industry, including those where skills shortages are foreseen.

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[2] More information available at:
Http://www.dest.gov.au/sectors/training_skills/publications_resources/profiles/skilling_australia_new_directions_vocational_education_train.htm

3 TRAINING THE HEALTH WORKFORCE – ISSUES AND CHALLENGES

3.1 Australian Government policy directions for education and training

The Australian Government's education and training reform agenda is underpinned by the key themes of consistency, quality, equity, diversity, sustainability, diversity and choice.

The Australian Government's priorities for higher education were identified in the *Our Universities: Backing Australia's Future*[3] package of reforms that formed the cornerstone of changes to higher education announced in the 2003-04 Budget. These reforms are structured around four key policy principles. These are:

- Sustainability – increased resources and greater flexibility for universities.
- Quality – incentives to improve performance and greater accountability.
- Equity – increased number of student places, greater availability of income-contingent loans, lowering of the repayment threshold and incentives to improve participation and outcomes for disadvantaged groups.
- Diversity – incentive and performance based funding for teaching and research, support for re-structuring and collaboration and additional funding for regional institutions.

There are five guiding principles for reform of the vocational education and training system. They are:

- Processes are simplified and streamlined and enhanced national consistency.
- Young people have opportunities to gain a wide range of lasting skills that provide a strong foundation for their working lives.
- Training opportunities are expanded in areas of current and expected skill shortages.
- Industry and business needs, both now and for the future, drive training policies, priorities and delivery.
- Better quality training and outcomes for clients, through more flexible and accelerated pathways are assured.

These reforms are particularly important in addressing the emerging challenges for training the health workforce due to demographic change, rapid changes in technology and globalisation.

3.2 Responsiveness to skills shortages

As the Australian community ages the total demand for health care services will rise and the mix of skills required will also move toward a greater emphasis on meeting age related health care needs. Continuing advances in medical technology will also require new and constantly updated skills. New technology may also result in new demand for services.

Against this backdrop of rising demand for skilled workers in the health care system, demographic changes, including population ageing and increased part-time work, is putting added pressures on the health workforce. With globalisation of the labour market, competition for skilled health care practitioners will intensify as Australia must compete with other countries to secure skilled workers in an environment of sustained economic growth. Skilled migration therefore represents at best a partial response to skills shortages in the health care system. A continuing challenge for the education and training system is to produce domestic solutions to address these skills shortages and to respond flexibly to changing skills mixes.

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[3] More information available at: Http://www.backingaustraliasfuture.gov.au/

3.2.1 Increased health related places

The number of health related places in the education and training system has increased over the last few years, due in part to Government initiatives as well as providers responding to increased student demand.

Demand for health related places in the higher education sector is strong. Eligible applications for these places increased by 29 per cent between 2001 and 2004, compared with an increase of just over 9 per cent for the higher education sector overall. A substantial proportion of this increase is due to strong growth in the number of applications for nursing.

Over the same period, health related places increased by 15 per cent from 46,772 in 2001 to 53,800 in 2004. Substantial increases occurred in nursing and medical studies. More increases will follow as recent Government decisions to inject extra funding for higher education places in the health area are rolled out. The number of additional places for nurses in higher education will increase from 210 in 2004 to 4,798 by 2008. There will be an additional 3,631 places in other health related disciplines including dentistry and physiotherapy by 2008. Additional places in radiation therapy will also be provided.

Five new medical schools have been established at Australian universities with places and capital funded by the Australian Government. A further three will be established shortly. The anticipated total Australian Government supported load in medicine courses in 2009 will be approximately 9,200 equivalent full time student load (EFTSL). This equates to a 30 per cent increase in the number of Australian Government supported medicine places at Australian universities since 2000.

While national data for applications for health related courses in the training sector is not available, data on the number of enrolments indicate strong interest in these areas. Enrolments in health related courses were 107,000 in 2004, or around 6 per cent of overall enrolments[4]. Nursing, dental studies and complementary therapies have all shown strong and consistent growth since 2002[5]. The number of New Apprenticeships commencements in the health sector increased by 14 per cent from 15,090 in 2002 to 17,220 in 2004, mainly driven by substantial increases in medical and dental services. More increases in health related places in vocational education are anticipated as Government initiatives to increase opportunities in community services and nursing take effect.

More information on the number of health related places and Government initiatives related to training the health workforce is included in Appendix 2.

3.2.2 Responsiveness of the education and training system to skills shortages

Responding to current and emerging skills shortages is a key issue for the education and training system.

States and Territories plan the number of publicly funded vocational education and training places to be delivered based on input from local industry and an assessment of State and Territory priorities and economic development needs. The plans are collated on an annual basis and subject to endorsement by the Ministerial Council and final approval by the Federal Minister. Under this arrangement, the plans seek to be responsive to local needs but also consistent with nationally identified priorities.

[4] Course enrolments by course field of education, 2002 to 2004, Australia, NCVER.
[5] Unpublished NCVER data.

New arrangements for the vocational education and training system aim to increase the responsiveness of the system to skills shortages. Australian Government legislation and funding agreements between the Australian Government and State and Territory governments will set out the arrangements for funding to be directed to national priorities. Bilateral agreements with each State and Territory will specify which industries and regions will be priorities for skills needs and the strategies that will be most effective in a particular State. The Community Services and Health Industry Skills Council will continue to provide advice on industry training and skills development needs.

In higher education, selection criteria for the allocation of new Australian Government funded places take into account workforce shortages and disciplines which have been given National Priority status. Universities can request that the Minister agree to 'cluster shifts' in the context of the annual negotiation of funding agreements. In a number of cases, these shifts have resulted in increased student load in health related courses. It is also possible for universities to institute new courses by shifting their load within their existing cluster profile. For example, Griffith University started a new dentistry course in 2004.

While enrolled and registered nurses are trained in different parts of the system, there is flexibility to adjust the mix of enrolled and registered nurses. State and Territory health authorities have the ability to influence this mix through their involvement in determining the selection criteria for the allocation of new higher education places. Equally, if they determine that they have sufficient registered nurses to meet current and future needs they can request that no new nursing places be allocated to universities in their jurisdictions. States and Territories can also manage their supply of enrolled nurses by increasing or decreasing funding in this area to meet anticipated targets.

Under current arrangements universities are able to close courses without consultation with the Australian Government. DEST is developing a new clause for funding agreements that will require consultation with and agreement by the Minister before courses of national importance can close. Some health courses may be included as nationally important due to existing or developing workforce shortages. DEST will circulate this clause to State and Territory health departments and AHWOC for comment.

3.2.3 Recruiting from overseas

The Australian Government has recently moved to increase the number of skilled places in the Migration Program and promote skilled migration as a mechanism to assist Australian employers in overcoming skills shortages. The number of skilled places will be increased by up to 20,000.

With many developed countries experiencing population ageing and an associated decrease in growth of the workforce, international competition for skilled health professionals will escalate. In its Industry Skills Report[6] the Community Services and Health Industry Skills Council states that a net negative migration flow in the future for some forms of health labour is possible, given relative remuneration between Australia and a number of other OECD countries.

The Industry Skills Report goes on to say that currently, the balance of global market effects still seems to favour Australia. A net gain of 2,272 health professionals resulted from migration to and from Australia in 2001–02. The largest gains were for nurses followed by medical practitioners. Migration resulted in net losses of occupational therapists, physiotherapists, speech pathologists and other health professionals.

[6] More information available at: Http://www.cshisc.com.au/docs/upload/CSHIndustrySkillsReport-FINAL160505.pdf

DEST will consider the potential for improved access to skills recognition for health workers where this is appropriate. In addition, a joint Commonwealth-State working group has been established to consider an appropriate system for recognition of overseas qualifications in the vocational education and training sector.

3.2.4 Workforce retention

An education and training response will not, of its own, address problems of skills shortages. It is therefore important that any package of solutions address workforce retention, as well as strategies to encourage re-entry, in the health care sector. In its recent report, the Community and Health Industry Skills Council identified job redesign and changes to recruitment policy and practice and employee relations as key areas for consideration to address health workforce retention issues.[7] More information on this report is in Appendix 3.

In addition, in a number of States the cost and availability of indemnity insurance for students and supervisors is emerging as an issue contributing to skills shortages in the health workforce.

3.3 Appropriateness of training

Changes in technology and community expectations have implications for both the knowledge and skills needed by health workers. In the future, new competencies will be required to address the needs of an ageing population. It is anticipated furthermore that there will be an increased emphasis on chronic diseases and disease prevention, along with increased demand for complementary and alternative health care and community-based care. This will require a shift in the skills mix needed as well as the areas of specialisation.

In a multi-cultural society health care professionals working with specific client groups may also need additional skills or a different mix of skills.

Changes in service delivery have implications for the training students receive in clinical settings. These changes include reductions in the length of time patients spend in hospitals, the growing use of day surgery, and increases in the amount of surgery undertaken in the private sector. As a result a key challenge in the current environment is to ensure a broad range as well as adequate levels of clinical exposure for students. Further work is required to understand the impact of these trends.

Such changes have given rise to much discussion about the appropriateness of training for medical students. This debate has been occurring against a background of poor information. DEST is undertaking a study to enable informed decisions to be made about the selection and assessment of students, design of course content and mode of training delivery which will deliver strong learning and career outcomes. This study is in the development stages and is expected to be completed by mid 2006. It will be undertaken in collaboration with AHWOC, the Australian Medical Workforce Advisory Committee, the Australian Medical Council and the Department of Health and Ageing.

In the vocational education and training sector, Training Packages specify skills needed for the various occupations. A review of the Health Training Package to ensure the appropriateness of training in meeting the skills needs of the health workforce is scheduled to be finalised by December 2005. This review will identify and address new skills mixes and clustering of competencies standards to reflect changing roles and workplace requirements. The revised Health Training Package will be more flexible and streamlined and will include a range of

[7] More information available at: Http://www.cshisc.com.au/docs/upload/CSHIndustrySkillsReport-FINAL160505.pdf

qualifications not incorporated in the current package, including enrolled nursing, dental technology and medical assistants.

A challenge for vocational education and training is whether the current system of reviewing Training Packages ensures they are able to respond to emerging needs in a timely way.

Consideration of whether training is occurring in the most appropriate sector is also needed. For example, in 1984 training for registered nurses was transferred to the higher education sector while training for enrolled nurses remained in the vocational education and training sector. The *National Review of Nursing Education 2002* made a case for continuing to train registered nurses in universities, based largely on the need for registered nurses to be recognised as professionals.

The vocational education and training system is also capable of delivering training which is tertiary qualified and of professional standing. The system has many advantages as it is competency based, flexible and industry led. The competency based system facilitates re-skilling, up-skilling and reduced course length. Qualifications based on Training Packages are nationally recognised, portable, transferable and are designed to articulate with other VET qualifications. In addition, the system of industry councils ensures that training is responsive to employer needs.

Training in the vocational education and training system has also become increasingly popular for nurses. It is expected to be more attractive once enrolled nurse qualifications are included in the Health Training Package. Growth in enrolled nurse commencements between 2001 and 2004 is conservatively estimated at around four times that for registered nurses, making the numbers commencing in each sector now more comparable[8].

Similar observations apply to the allied health professions.

3.4 Flexibility and length of training

A key principle of Australia's vocational education and training system is that competency, and not duration of training, is the basis of training and assessment.

One of the aims of the new training system is to offer more flexible options for students and employers. The current arrangements where many New Apprenticeships still take four years to complete is being reviewed. The Australian Government will take a leadership role to ensure that there is a continuous shift away from rigid time based approaches. A joint Commonwealth-State working group is to examine, among other issues, shortening the duration of apprenticeships where competencies are demonstrated.

Nationally endorsed competency standards and qualifications for recognising and assessing peoples' skills are specified in Training Packages. The current review of the Health Training Package will result in increased coverage, overcoming one of the current limitations in applying competency standards.

Credit transfer and recognition of prior learning can both operate effectively to reduce the length of time it takes to acquire or upgrade qualifications. This not only means students can join the workforce more quickly but also frees up places for others to learn. It can also reduce unnecessary and duplicated learning thereby reducing the cost of training, helping to increase participation in education and training, and removing a potential barrier to people wishing to refresh or upgrade skills.

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[8] NCVER data (unpublished).

The Australian Qualifications Framework National Principles and Operational Guidelines for Recognition of Prior Learning[9] provides guidance to all education and training sectors on how to develop policies and procedures for the recognition of prior learning. Nonetheless the uptake of recognition of prior learning has been patchy to date.

As of 1 July 2005, the Australian Quality Training Framework Standards for Registered Training Organisations[10] in the vocational education and training system requires that recognition of prior learning is to be offered to learners on enrolment. DEST will continue to monitor progress in this area.

Articulation between vocational education and training and higher education remains an area of concern. Currently there is no national system for credit transfer, but rather credit transfers are based on individual agreements between institutions.

There has been some move towards an increased national approach. In 2001 the Australian Vice Chancellors Committee (AVCC) and ANTA developed, with participating universities, national credit transfer arrangements for holders of TAFE qualifications in some fields of study. In 2002 the Australian Qualifications Framework National Policy Guidelines on Cross Sector Qualification Linkages were issued including a guide to credit levels between diploma and bachelor qualifications in the same fields.

At its meeting in May 2005, MCEETYA endorsed a series of initiatives to further strengthen credit transfer and articulation from vocational education and training to higher education. This included endorsing a set of Good Practice Principles for Credit Transfer and Articulation. Over the next twelve months a national study of current practices in credit transfer and articulation between vocational education and training and higher education will be undertaken to identify gaps in practice and make recommendations for initiatives to drive further improvement.

3.5 Equity and access

Equity, including access to education for all Australians, is a key concern for the Australian Government and has been a guiding principle for reform. Two areas for particular attention are improving participation and outcomes for Indigenous Australians and improving access to education and training in rural and regional areas.

3.5.1 Improving participation and outcomes for Indigenous Australians

The health status of Indigenous people is well below the rest of the Australian population with the life expectancy of Indigenous Australians estimated to be seventeen years lower than for the rest of the Australian population.[11]

A whole of system approach is required if we are to make significant inroads to improving the health status of the Indigenous community. At its June 2005 meeting, COAG members reaffirmed their commitment to work together in an ongoing partnership to improve outcomes for Aboriginal and Torres Strait Islander Australians. In particular, COAG noted the importance of governments working together with local Indigenous communities (especially on health and education issues) on the basis of shared responsibility.

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[9] More information available at: Http://www.aqf.edu.au/rpl.htm
[10] More information available at: Http://www.dest.gov.au/sectors/training_skills/policy_issues_reviews/key_issues/nts/aqtf/standards_2005.htm
[11] More information available at: Http://www.pc.gov.au/gsp/reports/indigenous/keyindicators2005/overview.pdf

From a health workforce training perspective, an important strategy to address these challenges is to increase the numbers of Indigenous health care workers in Indigenous communities.

Raising Indigenous students' academic foundations to enable them to move smoothly from school into vocational education and training or higher education is vital if Indigenous people are to take up fulfilling careers in the health care sector. Initiatives in this area include the *Pathways into Health - Workplace Learning* initiatives[12] for Aboriginal and Torres Strait Islander school students. Findings from this project will help develop strategies to attract and retain young Indigenous people into the profession by establishing appropriate pathways through VET in Schools and School-based New Apprenticeship programmes.

Course design and mode of delivery are important. The revised Blueprint, *Partners in a Learning Culture – Australia's National Aboriginal and Torres Strait Islander Strategy for vocational education and training,*[13] highlights the importance of culturally appropriate and flexible delivery as critical in all aspects of designing, developing and delivering vocational education and training to Indigenous Australians.

On the ground, other practical obstacles remain, including the reluctance of Registered Training Organisations to deliver training in thin markets and isolated locations where their costs are so much higher. There is also a high level of need in Indigenous rural and remote communities for para-professionals in the health area.

3.5.2 Access to education and training in rural and regional areas

There is a shortage of health professionals in some areas of Australia. The Australian Government has taken a three pronged approach to addressing this shortage through education and training.

The first is to use the education and training system to require graduates to practice in locations where there are difficulties in attracting health care professionals. The Australian Government has introduced two bonding schemes for undergraduate medical students and around twenty per cent of students commencing medical studies each year are now participating in one of these schemes. These bonding schemes have conditions which require the recipient to work in a regional or rural area for a fixed time.

The second approach is to financially assist students to attend institutions outside their local areas. Around 10,000 students from rural and remote areas, many of whom are from low socio-economic and/or Indigenous backgrounds, move away from home each year to commence higher education. For many of these students and/or their parents, the cost of accommodation represents a significant burden. Commonwealth Accommodation Scholarships provide students from low socio-economic backgrounds from rural and regional areas with financial assistance for accommodation costs when they move to undertake higher education. In 2005 there are over 3,500 such scholarships available. There are also specific initiatives to assist Indigenous students in rural and remote areas to relocate or to attend residential schools and to take up clinical placements.

The third approach is to increase opportunities for students to access training where they live. The University of Tasmania and Griffith University now have clinical training components in regional areas. The Rural and Regional Skills Shortage Special Commencement Incentive provides an additional payment to employers in rural and regional areas to employ a New Apprentice in an eligible skills shortage area.

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[12] More information available at: Http://www.cshisc.com.au/docs/upload/PathwaystoHealth-21Sept04.pdf
[13] More information available at: Http://www.dest.gov.au/archive/iae/analysis/learning/1/learning.htm

While there are strategies in place to increase the supply of health care professionals in rural and regional areas, it is likely that skills shortages in these areas will persist. This makes it necessary to examine the skill set required for health care professionals practicing in these communities, often without the support of other health care professionals. The Medical Training Study, referred to in 3.3 is one such step in addressing this issue for medical students.

3.6 Quality

High quality education and training is vital if Australia is to continue to produce a competitive and productive workforce to underpin sustained economic growth.

Trainees also need to be assured that their skills are recognised nationally and meet the quality standards and expectations of employers.

The Australian Qualifications Framework provides agreed national guidelines for qualifications in vocational education and training and higher education and includes a public register of accredited institutions and courses. It also provides for national articulation of awards offered in the Australian vocational education and training and higher education sectors.

In the vocational education and training sector, nationally endorsed competency standards, qualifications and assessment guidelines are provided in Training Packages. These provide the industry, industry sector or enterprise with nationally agreed benchmarks for training and assessment. They are developed in consultation with employers, unions, professional bodies, regulation authorities, State Training Authorities, Registered Training Organisations and DEST. Training is delivered by Registered Training Organisations that are registered by the relevant State Training Authority and required to meet Australian Quality Training Framework's *Standards for Registered Training Organisations*.[14]

Despite this system, there are some issues with unrecognised or unregulated training programmes or courses within the health sector. Some employers and enterprises develop their own in-house training which is not based on national industry Training Packages competencies and qualifications and does not necessarily conform to quality standards. Skills and competencies gained via this route may not be recognised more broadly, with the potential to impede worker mobility within the sector. Work is needed to find more effective ways to encourage employers to deliver programmes or courses that are based on national training competencies and will therefore be nationally recognised.

3.7 Using competition to improve quality and responsiveness

Under 'User Choice' principles operating in the national training system, employers of New Apprentices and New Apprentices themselves are provided with choice in the selection of the training provider and thereby the location and form of training. The operation of 'User Choice' is designed to stimulate market-like conditions and thereby seeks to improve the quality and responsiveness of training.

However there are some challenges. Many current arrangements for managing demand for public funds for the off-the-job component of a New Apprenticeship create artificial barriers to 'User Choice'. For instance, where RTOs are allocated fixed budgets for 'User Choice' at the start of each year, employers can only exercise choice until the budget for a particular provider is exhausted. On a State by State basis, the Australian Government is seeking to remove these

[14] More information available at:
Http://www.dest.gov.au/sectors/training_skills/policy_issues_reviews/key_issues/nts/aqtf/standards_2005.htm

types of impediments, free up more funds to provide genuine choice for employers and New Apprentices and achieve greater consistency and transparency, particularly in pricing.

There are also inconsistencies between States in relation to additional regulation applied to 'User Choice' training. It is proposed that the new National Vocational Education and Training Quality Agency might work with States to develop a single national 'User Choice' contract to ensure a consistent approach to any requirements that RTOs must meet to access 'User Choice' funding.

3.8 National coherence and consistency

Overlaps and inconsistencies between different Training Packages create inefficiencies in training delivery. While the national training system provides nationally recognised qualifications, there are some impediments to achieving consistency, especially in relation to nursing. States and Territories can offer a range of training courses on a variety of time scales with varying quality. Currently there are thirty seven State-accredited enrolled nursing courses delivered through the national training system.

The Community Services and Health Industry Skills Council is currently reviewing the Health Training Package, in particular the development of Enrolled Nurse qualifications. Once the New Health Training Package is endorsed the number of State accredited enrolled nursing courses will be reduced, thereby increasing national consistency.

The endorsement of the Enrolled Nurse qualifications will go a long way to resolving inconsistencies in training, but it will not fully address issues with skills portability due to differences in legislation and regulation across the States and Territories. Each State has its own legislative and regulatory requirements for enrolled nurses. In some States, anyone who is already registered as a nurse in another State can work as a nurse, while other States require documentary evidence of nursing practice and/or educational qualifications.

This lack of national consistency hinders the mobility of enrolled nurses wishing to take up positions in different jurisdictions. A joint Commonwealth-State working group and the National Training Quality Council are progressing work on harmonising licensing and mutual recognition of skills qualifications across Australia and will examine broad legislative and regulatory issues.

Less formal regulation that affects national consistency is the practice of State and Territory Training Authorities assigning nominal hours to training programs and nominal durations to contracts of training under New Apprenticeships. While not necessarily mandated in State legislation or industrial awards the practice is common. As these nominal durations can be inconsistent across States and Territories, this can cause problems for learners who move during their contract period and confusion for employers who employ and train New Apprentices in more than one State or Territory.

Recently, the issue of clinical placements for students in health disciplines has emerged as a significant concern, especially in rural areas. A number of universities have expressed concern about both the rising cost and limited availability of clinical placements to support most, if not all, health courses. These rising costs may affect the ability of universities to take on additional places in allied health courses.

During recent funding agreement meetings with higher education providers, DEST raised the issue of how best to ensure that adequate clinical placements are available when allocating new places. DEST will require higher education providers to confirm that they have adequate arrangements for clinical placements before being allocated new places, and will consult State and Territory Governments on the availability of relevant clinical placements in the public sector.

Further work is required in this area to ensure that the cost of clinical placements does not limit the number of skilled workers in the health workforce.

4 CONCLUSION

The education and training system involves various levels of government, education and training providers, industry and communities. The Australian Government contributes to funding and has a national leadership role, while responsibility for providing education and training rests with the States and Territories.

To deliver on Australian Government priorities, DEST works with different levels of government and across portfolios. Mechanisms to increase collaboration and co-ordination on education and training issues that affect the health workforce are provided through DEST representation on the Australian Health Workforce Officials Committee and joint meetings of AESOC and AHMAC.

Recent reforms have improved the responsiveness and flexibility of the education and training system. However the process of reform is not yet complete with remaining challenges being to enhance national consistency in the vocational education and training system, expand opportunities, increase responsiveness and flexibility and strengthen the focus on industry and business needs. Other challenges include improving articulation and credit transfer, increasing the number of Indigenous health workers and improving on the appropriateness of training.

Population ageing and rapid technological change provide an added impetus to the need to ensure the education and training system can provide adequate numbers of appropriately trained health workers. An ageing population will place mounting fiscal pressure on the Australian Government, rendering piecemeal approaches increasingly inadequate. Whole of system approaches will be needed to address future health workforce requirements. Within this framework, the education and training system is one, albeit important, component of what must be a whole of government solution.

5 APPENDICES

Appendix 1: Terms of Reference

- **Health Workforce**

The following **terms of reference** were received by the Commission on 15 March 2005.

- **PRODUCTIVITY COMMISSION ACT 1998**

The Productivity Commission is requested to undertake a research study to examine issues impacting on the health workforce including the supply of, and demand for, health workforce professionals, and propose solutions to ensure the continued delivery of quality health care over the next 10 years. The study is to be undertaken in the context of the need for efficient and effective delivery of health services in an environment of demographic change, technological advances and rising health costs.

In undertaking the study, the Productivity Commission will have regard to the National Health Workforce Strategic Framework and other relevant bodies of research.

- **Background**

Australian governments agree that the success with which health services are delivered across the nation is advanced through the commitment, care and professionalism of the Australian health workforce.

Accordingly, on 25 June 2004, the Council of Australian Governments (COAG) agreed to commission a paper on health workforce issues, including supply and demand pressures over the next 10 years. COAG also agreed that the paper should address the issue of general practitioners in or near hospitals on weekends and after hours.

For the purpose of this study, 'health workforce professional' includes the entire health workforce, from those trained in the vocational education and training (VET) sector to medical specialists. The education and training sector includes vocational, tertiary, post-tertiary and clinical education and training.

COAG Resolution

COAG agreed:

"HEALTH

COAG today discussed the issue of health and reiterated the importance of moving ahead on improving health services.

COAG agreed to commission a paper on health workforce issues, including supply and demand pressures over the next 10 years. The paper will take a broad, whole of government perspective, including health and education considerations, and will cover the full range of health workforce professionals. In considering these issues, the paper will look at the particular health workforce needs of rural areas.

It was also agreed that the paper will address the issue of general practitioners in or near hospitals on weekends and after hours.

This paper will be considered by COAG within 12 months."

Scope

In reporting on Australia's health workforce, the Productivity Commission should:

1. Consider the institutional, regulatory and other factors across both the health and education sectors affecting the supply of health workforce professionals, such as their entry, mobility and retention, including:

a. the effectiveness of relevant government programmes and linkages between health service planning and health workforce planning;

b. the extent to which there is cohesion and there are common goals across organisations and sectors in relation to health workforce education and training, and appropriate accountability frameworks;

c. the supply, attractiveness and effectiveness of workforce preparation through VET, undergraduate and postgraduate education and curriculum, including clinical training, and the impact of this preparation on workforce supply;

d. workforce participation, including access to the professions, net returns to individuals, professional mobility, occupational re-entry, and skills portability and recognition;

e. workforce satisfaction, including occupational attractiveness, workplace pressure, practices and hours of work; and

f. the productivity of the health workforce and the scope for productivity enhancements.

2. Consider the structure and distribution of the health workforce and its consequential efficiency and effectiveness, including:

a. workforce structure, skills mix and responsibilities, including evolving health workforce roles and redesign, and the flexibility, capacity, efficiency and effectiveness of the health workforce to address current and emerging health needs, including indigenous health;

b. analysis of data on current expenditure and supply of clinical and non-clinical health workers, including the development of benchmarks against which to measure future workforce trends and expenditure; and

c. the distribution of the health workforce, including the specific health workforce needs of rural, remote and outer metropolitan areas and across the public and private sectors.

3. Consider the factors affecting demand for services provided by health workforce professionals, including:

a. distribution of the population and demographic trends, including that of indigenous Australians;

b. likely future pattern of demand for services, including the impact of technology on diagnostic and health services; and

c. relationship between local and international supply of the health workforce.

4. Provide advice on the identification of, and planning for, Australian healthcare priorities and services in the short, medium and long-term, including:

a. practical, financially-responsible sectoral (health, and education and training) and regulatory measures to improve recruitment, retention and skills-mix within the next ten years; and

b. ongoing data needs to provide for future workforce planning, including measures to improve the transparency and reliability of data on health workforce expenditure and participation, and its composite parts.

In doing so, the paper should take into account existing Australian research and overseas developments that have demonstrated success in providing a flexible response to emerging trends.

5. Provide advice on the issue of general practitioners in or near hospitals on weekends and after hours, including the relationship of services provided by general practitioners and acute care.

6. Consult widely, including with peak industry, representative and community organisations, and relevant government agencies and public authorities.

The Commission is to produce an issues paper by 31 May 2005, provide a draft report, and produce a final report by 28 February 2006.

Appendix 2: Health Related Places and Australian Government Initiatives

Health places

There has been an increase in the number of health related places in the higher education sector. In 2004, student load in health disciplines was 10.7 per cent of total domestic student load of just under 500,000 Effective Full-Time Student Load. Universities have responded to student demand and their own strategic planning to increase health related places, as can be seen in Table 1.

Table 1: Actual student load (EFTSL) for all domestic students by narrow discipline group, 2002 to 2004

	2001		2002		2003		2004	
	undergraduate	total	undergraduate	total	undergraduate	total	undergraduate	total
Health	0	2	0	7	0	6	0	17
Medical Studies	6,540	8,652	6,816	9,014	7,081	9391	7,683	10,001
Nursing	14,416	17,158	14,927	17,658	15,561	18297	15,942	18,713
Pharmacy	1,172	1,262	1,410	1,513	1,590	1725	1,643	1,880
Dental Studies	936	1,081	1,025	1,192	1,085	1243	1,146	1,330
Optical Science	331	412	334	402	366	452	3,50	428
Public Health	3,345	5,182	3,637	5,591	3,812	5941	3,549	5,683
Radiography	1,092	1,294	1,192	1,423	1,237	1479	1,275	1,582
Rehabilitation therapies	5,314	6,115	5,641	6,681	5,787	7102	5,831	7,372
Complimentary Therapies	441	525	495	581	442	530	486	594
Other Health	4,341	5,089	4,799	5,519	4,956	5825	5,262	6,179
Total Health	**37,928**	**46,772**	**40,276**	**49581**	**41917**	**51991**	**43,167**	**53,779**

Note: Domestic student load includes both Commonwealth supported and full fee students
Total load includes postgraduate, undergraduate and non-award students

Selection criteria for the allocation of new places take into account workforce shortages and disciplines that have been given National Priority status.

New places

Recent Government decisions have resulted in the injection of significant extra funding for higher eduction places. In particular, there has been an increase in health related places from several Government initiatives detailed in the following sections.

Nursing
In 2004, the Government allocated 210 new places in nursing to regional universities or regional campuses of metropolitan universities. These places will grow to 574 by 2007.

As part of the changes introduced under *Backing Australia's Future* (BAF), there were 9,100 new university places allocated which commenced in 2005. Of these places, 1,054 are in nursing, growing to 2,882 places by 2008.

The Government's *Strengthening Aged Care* initiative also provided 440 new nursing places with a focus on aged care. These places commenced in 2005 and will grow to 1,203 by 2008.

Private higher education providers also received funding for 122 Australian Government supported National Priority nursing places in 2005.

From 2006, the University of Notre Dame Australia's new Sydney campus will receive 60 new commencing nursing places, growing to 164 by 2009.

New nursing places allocated to the higher education sector since 2004 are summarised in Table 2.

Table 2 New higher education nursing places since 2004

year	2004	2005	2006	2007	2008
Allocation of new places (from 9,100)		1,054	1,845	2,437	2,882
Aged care workforce nursing places		440	770	1,018	1,203
• Regional nursing places	210	368	486	574	574
• National Priority Places		122			
• UNDA (Sydney) nursing			60	105	139
Total new places with pipeline	**210**	**1,984**	**3,161**	**4,134**	**4,798**

Other allied health
As part of the 9,100 new places introduced under Backing Australia's Future commencing in 2005, 1,328 were in health disciplines other than nursing (or medicine), and these will grow to 3,631 by 2008.

Among the other health places were places in dentistry (78 growing to 213 by 2008), physiotherapy (160 growing to 438), occupational therapy (90 to 246) and pharmacy (227 to 621) as well as a number of other allied health professions.

In each of 2002, 2003 and 2004 the Department of Health and Ageing (DoHA) funded 30 places in radiation therapy. The places were funded in response to perceived workplace shortages for this profession.

In 2004, as part of its *Strengthening Cancer Care* policy[15], the Government committed to providing 100 new radiation therapy undergraduate places at universities. These places will commence in 2005 and 2006.

Medicine
From 2000, eight new medical schools have been or will be established at Australian universities. The new medical schools and their initial Australian Government supported load are shown in Table 3.

Table 3: Commitments for capital funding and initial Australian Government supported places to new medical schools since 2000

Institution	New Australian Government supported places (a)	First student intake (year)	Capital funding
James Cook University	60	2000	$10 million
Australian National University	80	2004	$2 million
University of Notre Dame (Fremantle)	30	2005	$2 million
Griffith University	50	2005	$4 million
University of Notre Dame (Sydney)	60	2007	$2 million(b)
University of Wollongong	nil (b)	2007	$10 million
University of Western Sydney	80	2007	$25 million (d)
Bond University	nil (d)	2005	nil

(a) Commencing places as originally allocated by the Australian Government.
(b) Funding to help meet the costs of the refurbishment and development of facilities on the Darlinghurst campus.
(c) The University of Wollongong will transfer load from other areas.

[15] More information available at: Http://www.health.gov.au/internet/budget/publishing.nsf/Content/health-budget2005-hbudget-hfact1.htm

(d) Includes $7 million election commitment for a medical training facility at Campbelltown.
(e) Bond University is not entitled to Australian Government supported load under the Higher Education Support Act.

In 2001 the DoHA commenced funding 100 new medicine places per year under the Medical Rural Bonded Scholarship Scheme (MRBSS). A share of these places was allocated to every medical school in existence at the time, with the exception of Monash University which was in the process of changing the duration of its medicine course from 6 years to 5. The programme provided for a scholarship of around $20,000 per year for each student that accepted, in return for a bonding condition which required the recipient to work in a rural or remote area for a minimum of six years on completion of their vocational training for general practice or other medical speciality.

As part of the Government's *Strengthening Medicare* package annual medical school intakes were increased by 234 in 2004 and 246 per annum from 2005 under the Bonded Medical Places (BMP) Scheme. These places are similar to those for the MRBSS with the exception that there is no scholarship associated with them and that participants are required to work in a rural or other district of workforce shortage for a period of six years.

The initial allocation of Australian Government supported medicine places for ANU, Griffith University and UNDA, Fremantle came from these 234 places, however, to share the allocation of bonded places equally among all medical schools, bonding conditions have been applied to a number of previously unbonded medical school commencing places at several universities.

In 2007 (subject to Australian Medical Council accreditation) UNDA, Sydney will commence its medical course with 60 commencing places. Similarly, the new medical school at UWS will commence with 80 places (subject to AMC accreditation) in 2007. The UWS medical places will be from the 2,800 growth places to be offered in that year under BAF.

The anticipated total Australian Government supported load in medicine courses in 2009 will be approximately 9,200 EFTSL. This equates to a 30 per cent increase in the number of Australian Government supported medicine places at Australian universities since 2000.

Student contributions and fees

Nursing has been identified as a National Priority. One measure the Australian Government is using to support National Priorities is the setting of lower student contribution ranges for units of study undertaken in these fields of education. In 2005, higher education providers cannot set student contribution amounts for nursing units above $3,847 for an equivalent full-time student load.

Eligible students have access to a loan for their student contribution or tuition fee through the Higher Education Loan Programme (HELP), ensuring they are not prevented from participating in higher education if they are unable to pay their tuition up-front. Students who take out a HELP loan are not required to make repayments until their income reaches the minimum threshold for compulsory repayment ($36,184 in 2005-06).

From 2005 there will be a phase-in period where universities can increase their full-fee medicine places up to 10 per cent of total medical enrolment. For other courses the limit is 35 per cent of total load. Additionally, Bond University and the University of Notre Dame have no limit on the number of full-fee students they can enrol (although course quality must be maintained).

More training for aged care workers

The Australian Government is committed to fund up to 8,000 aged care workers with language and literacy difficulties to be assisted by the Workplace Education Language and Literacy (WELL) program.

Assistance for Indigenous students wanting to work in the health area
In 2003-04, funding for the Industry Engagement Projects was provided for the Pathways into Health - Workplace Learning initiatives for Aboriginal and Torres Strait Islander school students.[16] Pathways into Health (Queensland) is an extension of the Nursing Initiative for Schools (New South Wales) which aimed to attract Aboriginal and Torres Strait Islander school students into careers in health and nursing through workplace learning activities. The findings from this project will be used to develop strategies to attract and retain young Indigenous people into the profession by establishing appropriate pathways through vocational education and training in Schools and School-based New Apprenticeship programmes.

More apprenticeships for nurses
Under the Group Training New Apprenticeships Targeted Initiatives Programme, New Apprenticeship opportunities in Certificate III Community Services, Certificate IV Nursing and a Diploma of Enrolled Nursing are being established across several States and Territories.

Review of the Health Training Package
In 2004-06, the Community Services and Health Industry Skills Council has been funded by the Australian National Training Authority and the Department of Education, Science and Training to review the Health Training Package, which includes the development of Enrolled Nurse qualifications, career pathways for Aged Care workers and the Indigenous Health Worker qualifications in the Health Training Package. Funding of the development of Population Health qualifications in the Health Training Package has also been provided which includes Indigenous Environmental Health, Housing Worker, Public Health Officer and Environmental Field Support Officer - Aboriginal Community qualifications.

Targeting the Migration Program to meet skills needs
Announced in the 2005-06 Budget - includes initiatives to increase the number of skilled places in the Migration Program by up to 20,000 and to promote skilled migration as a mechanism to assist Australian employers in overcoming skills shortages.

[16] More information available at: Http://www.cshisc.com.au/docs/upload/PathwaystoHealth-21Sept04.pdf

Appendix 3: Key findings of the *Community and Health Industry Skills Report*

Key findings in the *Report* include:

- There are many factors which are expected to increase demand for community and health services including; the ageing of the population, new social policies, rising consumer expectations, market forces and a range of new services made possible by advances in technology. Despite these pressures, there is a growing perception that government, which provides the bulk of funding to the industries, is likely to try to restrict growth to a fixed proportion of GDP. Future growth in demand is therefore likely to be modest.
- To meet the pressures of increasing consumer demand in a constrained funding environment, some consumers (especially of health services) will require information to understand the limits of intervention options and therefore be able to prioritise their needs. Industry will need to improve productivity by exploring alternative business models and by improving work practices. More effective approaches to the funding and delivery of health and welfare services will have to be found, and the allocation of scarce training resources will have to be improved. Finally, regulations may need to be reformed to ensure consumer protection.

Research undertaken as part of the Industry Skills Report project has identified a number of major trends and issues that impact on the community services' and health industries' skills requirements.

- Skills needs can be met not just by education and training, but also through job redesign and changes to recruitment policy and practice and employee relations. Some skills shortfalls can only be remedied through in-house approaches due to the specific skills required.
- Four drivers—consumer and customer demand, market expansion, technology change and productivity—have an impact on the demand for skills of the community services and health workforce.

A further six drivers impact on skills available within the community services and health workforce.

- <u>Demography of the workforce:</u> The workforce is ageing; there is a significant proportion of workers within 5-10 years of retirement. There is high participation from women and from culturally and linguistically diverse groups, while there are low numbers of youth in the health and in some sectors of the community services workforce. High levels of migration from rural to urban areas are causing skills shortages, which will worsen without appropriate interventions.
- <u>Employment arrangements:</u> Labour-hire, part-time employment and voluntary service are some of the more significant employment arrangements emerging in the community services and health industries. The changes have affected the skills needs of individuals, the number of people requiring skilling, and the willingness to invest in skills development.
- <u>Worker attraction and retention</u>: Like many other industries, the community services and health industries are finding it difficult to attract and retain workers. This has resulted in acute shortages of registered and enrolled health nurses, medical professionals and some allied health workers. There are also shortages of child care, residential aged care and mental health workers.
- <u>Health and safety:</u> The incidence of workplace injuries is currently higher in the community and health industry than the all industry average. Education and training can play a vital role in shaping a workplace culture that would reduce workplace incidents and adverse events.

- <u>Regulatory requirements:</u> The need to meet new codes of practice, standards and legislation is a major driver of skills demand. The health industry is highly regulated from the point of view of the workforce, workplaces and work practice. The community services industry is less regulated, with the exception of aged care and children's services.
- <u>Insurance:</u> Some high risk service areas are attracting very high insurance premiums and, in some cases, are having difficulties accessing insurance at all. Independent practitioners and small services/businesses are having difficulty managing the rising costs. In some cases labour is being withdrawn and as a consequence services are being reduced.

Practitioners and industry services/businesses, especially those in the private sector, are becoming more selective about what work they are willing to undertake. Insurance companies also are increasingly insisting that industry acquire appropriate skills and qualifications in order to mitigate business risks.
Stakeholders consulted on these drivers almost universally agreed they were key factors of influence for the future.