



Senate Community Affairs References Committee

Inquiry into Nursing

**Submission for and on behalf of the
National Tertiary Education Union**

August 2001

Table of Contents

Recommendations.....	2
Introduction	3
Nurse Education to Meet Future Labour Force Needs.....	4
The Interface Between Universities and the Health System.....	8
Strategies Aimed at Retaining Nurses Within the Workforce	9
Postgraduate Study	11
References.....	14

Recommendations

That Government, as a matter of urgency:

- **institute a single Higher Education Contribution Scheme rate set at \$2,644 (the equivalent to 1996 levels);**
- **return the initial HECS repayment threshold to the level of average male earnings, in three equal increases over the next three financial years.**

That Government immediately increase university funding per EFTSU by 20% to take account of the unfunded changes to cost structures over the last five years and initiate consultation with the university sector about mechanisms to prevent repetition of this situation (estimated cost: \$1.02 billion p/a).

That Government make provision for improving participation in higher education aimed at addressing the shortage of nurses in rural and remote areas and indigenous communities, including:

- **developing a merit-based, HECS-exempt scholarship scheme to encourage high achieving students into targeted undergraduate courses, including nursing.**
- **a 1% growth in student load, whereby growth places are allocated to universities on the basis of their performance in enrolling students from Indigenous, low SES backgrounds and rural and isolated regions. These places would be reserved for students who meet equity criteria and would attract a loading to assist the student to meet ancillary costs.**

That the Commonwealth in conjunction with nursing schools and State & Territory Health Ministers develop and implement an appropriate formula for additional funding aimed at improving clinical placement funds for student nurses. Such funds would be available to both universities and health care institutions to ensure:

- **appropriate liaison between clinical placement supervisors and university academics;**
- **adequate supervision of student nurses engaged in clinical placements;**
- **provision of additional placement options aimed at ensuring that students are able to undertake placements at locations in close proximity to their universities.**

That the Commonwealth commission research into the attitudes of prospective nurses towards the salaries and working conditions applying within the sector. Such research should include qualitative analysis of the attitudes of final year secondary students towards nursing as a prospective career choice.

In addition, in recognition of the high proportion of nurses who are women, all levels of government should cooperatively work towards the establishment of on-site 24-hour child care facilities to enable nurses with family responsibilities to more freely continue to participate in the work force.

Introduction

The NTEU, which represents over 25,000 members in tertiary education, welcomes the opportunity to provide this submission to the Senate Inquiry. Our interests in this area relates to the concerns of nursing educators and general staff working within nursing/health sciences faculties.

In addition to the matters raised herein, we would welcome the opportunity to address a public hearing of the Inquiry.

In our submission to the national Review of Nurse Education in the Higher Education Sector (1994), we highlighted many issues of direct relevance to this Inquiry, including:

- development of clear and flexible pathways between TAFE and higher education courses;
- additional funding for postgraduate education;
- incentives for health care agencies to encourage provision of time release and fees assistance to nurses pursuing postgraduate education;
- higher education institutions to remain the primary site for nurse education;
- all courses in post-basic registration nurse education be accredited, delivered and assessed in collaboration with higher education institutions;
- maintenance of the academic autonomy of nurse education;
- more equitable funding for nurse education recognising the time and skill involved in clinical teaching;
- higher education institutions to determine the number of clinical practicum hours required for completing a pre-registration Bachelor's degree;
- completion of an internship year should not be a requirement for nurse education;
- Federal Govt to encourage closer links between healthcare agencies and higher education institutions in the development of workplace induction programs, and recognise the education of healthcare practitioners in workplace induction skills as a training priority;
- Federal Government to ensure adequate funded places in Degree Conversion courses;
- resources to meet the needs of professional practitioners returning to study;

Broadly, these recommendations highlighted three main areas of concern:

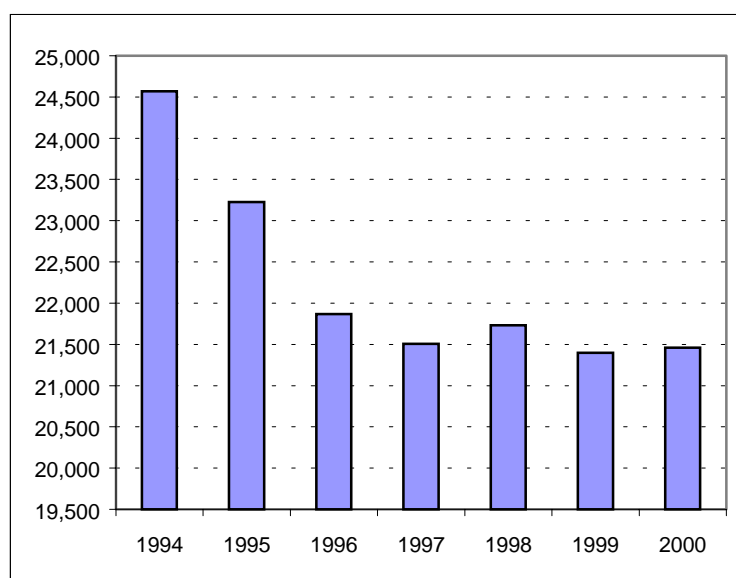
- linkages between education institutions and the health sector;
- adequate funding to support quality, accessible and affordable nurse education at undergraduate and postgraduate levels; and
- articulated educational pathways which facilitate ongoing professional development for nursing practitioners.

These three areas continue to influence the capacity of higher education institutions to produce adequate numbers of suitably qualified and skilled nurses. In addition, the working conditions within the health sector and the salaries applicable to nursing positions have been identified by a number of submissions to this Inquiry as presenting a disincentive to young people choosing a career in nursing. This submission will focus on these themes, and present recommendations aimed at increasing the supply of qualified nurses and improving arrangements for their education and training.

Nurse Education to Meet Future Labour Force Needs

Trends in student enrolments in nursing point to a worsening shortage of qualified nurses. Data produced by the Department of Education Training and Youth Affairs (DETYA) shows a steady decline in nursing enrolments and student numbers since 1994, with a marked shift between 1999 and 2000.

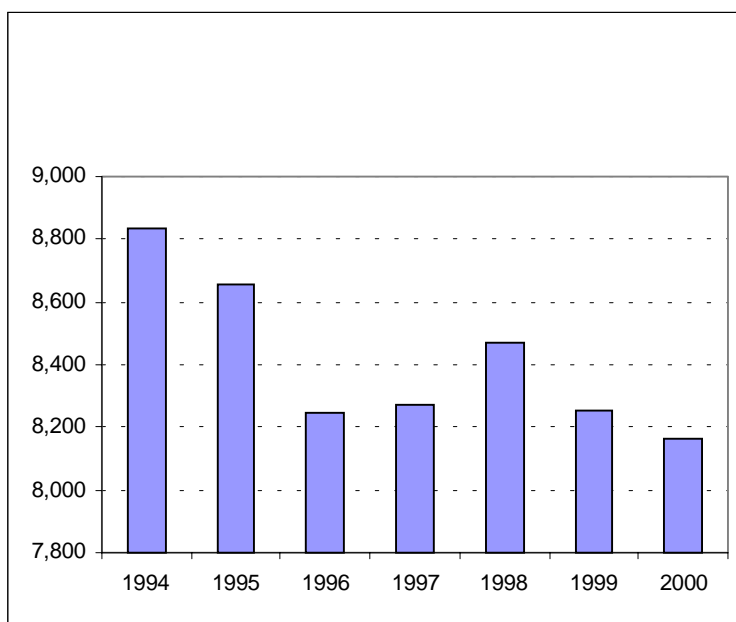
Figure One: All Nursing Students 1994 - 2000



• Source: DETYA Higher Education Student Statistics, 2000.

As figure one shows, the number of students studying basic nursing courses in any year has reduced from 24,569 in 1994 to 21,459 in year 2000: a decrease of 12.7% on 1994 levels. Figure two shows the trend for commencing students, relative to the same years.

Figure Two: Commencing Nursing Students 1994 - 2000



• Source: DETYA Higher Education Student Statistics, 2000.

Commencing student numbers have decreased by 7.5% since 1994. It is difficult to identify any single factor which has led to the decreases displayed in Figures One & Two, however a number of policy changes within higher education over the period in question have undoubtedly had some influence on this trend. These policy changes include:

- reduction of the HECS threshold to \$20,701 for the 1997-87 financial year (\$22,346 for 2000 – 01);
- a 6% reduction in operating grant forward estimates to universities from 1996;
- a cut of \$172 million in discretionary funding to universities;
- removal of the prohibition on charging of full fees for postgraduate courses leading to post-initial professional nursing qualifications (1994).

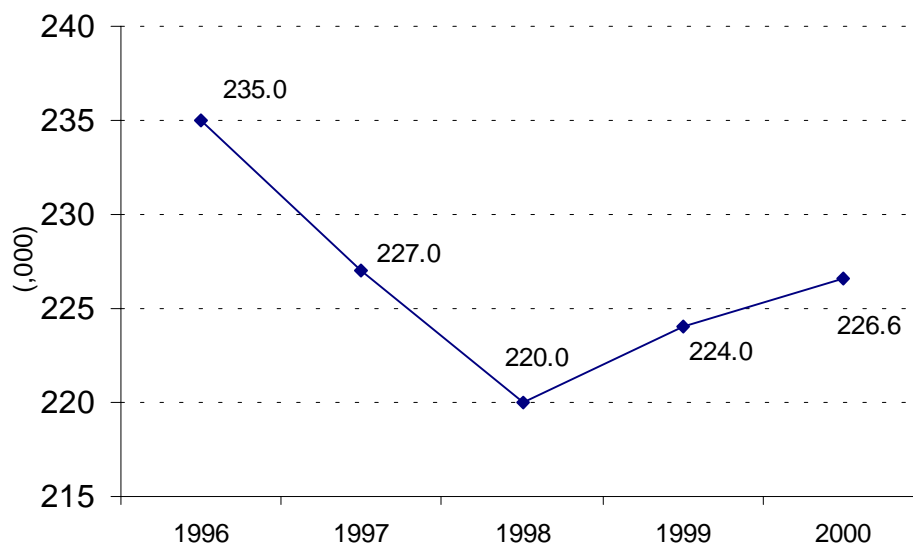
Concurrent with these changes, student:staff ratios have increased from 15.68 in 1996 to 18.84 in 2000: a twenty per cent increase in the four years of the Howard Government.¹ The effects of these changes have become manifest in increased workloads, decreased job satisfaction, reduced opportunities for staff development, and increased stress.²

Following the introduction in 1997 of the three tiered HECS system (based on a mixture of the cost of provision and assumed financial returns to graduates) and increases in fees of between 35% and 125% there has been a significant drop in the aspirations of Australians to undertake university education. Figure 3 shows that for the first two years of the current HECS system there were dramatic drops in the application rate of 7,966 and 7,004 respectively (resulting in a combined drop of 6.4% in two years). Although there was a small improvement in these figures for the 1999 and 2000 academic years, applications remained 8,408 below the 1996 base.

¹ AVCC. Student:Staff Ratios, May 2001.

² Unhealthy Places of Learning, Working in Australian Universities, NTEU, July 2000. McInnis, C. The Changing Work Role of Australian Academics, DETYA 2000, & Winefield, A. et. al. The Higher Education Stress Study, 2001. (A summary of the key finding of these studies appears as Appendix One).

Figure 3: Applications for undergraduate study, 1996-2000



Source: Senate Estimates DETYA E506 May 2000

Figures released by the Minister for Education for the 2001 academic year show that the slight recovery in the application rate over the previous two years has been reversed. According to Dr Kemp, applications for 2001 dropped by a further 1,737 (or 0.8%) on 2000 levels.³ Although the data sets differ slightly (the figures from Senate Estimates report 2000 applications at 226,599 while the Minister's statement lists them at 227,449 - a variance of 850, or 0.37%), since the changes were made to the HECS a clear trend of declining aspiration to tertiary study has developed which amounts to 4.3% fewer applications for undergraduate study.

The implications of this decline in aspirations to study at university are concerning in terms of the need to produce a highly skilled and knowledgeable society, however the impact on the composition of the student body is even more disturbing. In recent years DETYA statistics have shown deteriorating participation rates amongst designated equity groups. This distressing trend is replicated amongst another group recognised by many as disadvantaged in their ability to access a university education. Typically those entering university for the first time as non-school leavers are doing so as a result of having suffered some form of disadvantage at the point of leaving school.

Not surprisingly, the non-school leaver group has been disproportionately deterred from applying for university study in recent years. Most recently, this has resulted in a 1.8% decline between 2000 and 2001, compared to a 0.2% decline amongst school leavers.⁴ The outcome in 2001 reinforces the experience of the first year of operation of the higher HECS charges and lower repayment threshold, when DETYA analysis stated that the number of applications from mature aged students fell by '... 10,000 persons or 10 per cent of mature aged applicants due to the changes to HECS announced in 1997.'⁵ The data available on non-school leaver, or mature aged, applications is less comparable between years than for total applications (partly due to the different definitions used in each state), however the trend in the intervening years has been that whatever the situation for total applications, the situation has been worse among non-school leavers. This is believed to be due largely to the low level of the current repayment threshold, which effectively makes HECS an up front fee for those already in the workforce, including many who work part-time.

³ Dr David Kemp MP, Media Release K89: *University Offers Rise for 2001*, 23rd April 2001.

⁴ *ibid.*

⁵ Les Andrews, *The Effect of HECS on Interest in Undertaking Higher Education*, DETYA, August 1997.

In recognising the disincentive effect of HECS it is important to note, not only the problems associated with a repayment threshold which forces students to repay their fees before having demonstrated any financial return from their education, but also the high level of the fee by international standards. For example, universities in the United States of America are often cited as charging among the highest tuition fees in the world. When the current HECS fees are compared to the fees paid by students at public universities in the US it becomes apparent that Australian public universities are more expensive.

In 1999-2000, the average fee paid by a student at a 4 year public university in the US (the largest sector in the US) was \$US3,356.⁶ In measuring the relative cost to domestic students the only meaningful method is a conversion based on the respective purchasing power of the currencies involved. When converted to Australian dollars using the Organisation for Economic Co-operation and Development purchasing power parities (PPPs) the average US fee is \$A4,396. While in Australia in 2000, the average HECS fee was \$A4,454 (based on the 1999 discipline breakdown in which 41.2% of domestic load was in HECS Band 1, 52.5% in HECS Band 2 and 6.4% in HECS Band 3). Thus, fees at Australian public universities are actually 1.3% higher than at comparable institutions in the US.

The relatively high level of HECS repayments by international standards, combined with the low repayment threshold has had a demonstrable effect on aspirations to study. It is undoubtable that this has had an effect on demand for nursing places, particularly from non-school leavers considering studying nursing.

RECOMMENDATION: That Government, as a matter of urgency:

- **institute a single Higher Education Contribution Scheme rate set at \$2,644 (the equivalent to 1996 levels);**
- **return the initial HECS repayment threshold to the level of average male earnings, in three equal increases over the next three financial years.**

Decreased funding levels have had particular impacts within nursing. Nurses Registration Boards within each State and Territory accredit Bachelor of Nursing pre-registration programs, and a notional teacher:student ratio in clinical placements is 1:8, but no more than 1:10. Since clinical teaching fees paid by universities to placement providers have increased, some nursing schools have reduced their HECS load in Bachelor of Nursing courses so that they can contain the cost of clinical fees.

It is difficult to argue that these changes in themselves have contributed to the reductions in enrolments and overall nursing student numbers. Interest in nursing as a field of study and a career option for young people (predominantly women) may ebb and flow as a result of a much broader range of factors than higher education alone. Indeed, the nature of the health sector being a mix of public and private provision across a range of specialised areas operating in a politically charged environment dictates that interest in nursing as a profession is both complex and volatile.

There is however compelling evidence that university funding is at the core of concerns about higher education quality. In NTEU's 2001 – 2002 Budget Submission, we advocated an increase in funding per Effective Full Time Student (EFTSU) of 20%, to take account of the unfunded changes to cost structures over the last five years. For the purposes of this Inquiry, we restate that recommendation.

⁶ *The Chronicle of Higher Education: 2000-2001 Almanac Issue*, September 1, 2000, Vol. XLVII, No. 1, p. 48.

RECOMMENDATION: That Government immediately increase university funding per EFTSU by 20% to take account of the unfunded changes to cost structures over the last five years and initiate consultation with the university sector about mechanisms to prevent repetition of this situation (estimated cost: \$1.02 billion p/a).

The shortage of nurses in rural and remote areas is in some ways linked to the relative educational disadvantage of students from rural and isolated areas. Participation of these groups in higher education, along with that of indigenous students, remains disproportionate to their population share, with only 18.49% of the cohort coming from rural areas, 1.87% from isolated areas and 1.28% of Aboriginal or Torres Strait Islander status. This compares unfavourably with the population share of these groups, being 4.5%, 24.3% and 1.7% respectively⁷.

Some state governments have recognised the need to provide specific financial assistance to increase participation of students from rural and isolated backgrounds. The New South Wales Government, for example, has introduced a limited scholarship scheme which is administered by the office of the Chief Nurse. These scholarships are targeted at rural students of Nursing programs, and fall into two categories:

- \$5,000 pa for new students commencing a BNurs program and the scholarship is for each of the 3 years of the course.
- \$500 pa to assist existing students to defray travel and accommodation costs whilst on clinical placements at a distance from their university.

Both categories of Scholarship are open only to students whose "home residential domicile" is in a rural area. This means that if their home address is rural and they are studying in a city/metropolitan university, then they do qualify for the scholarship. If their home address is city/metropolitan and they are studying in a rural/regional university, they do not qualify.

A Commonwealth scheme which was aimed at increasing participation in higher education from disadvantaged groups such as these, Higher Education Merit Equity Scholarships, was abolished in 1999, delivering savings of \$39 million over three years. Reinvestment in a scheme such as this would make a significant contribution in increasing participation from these groups, who are more likely to work within rural and remote areas following graduation than are their city counterparts.

RECOMMENDATION: That Government make provision for improving participation in higher education aimed at addressing the shortage of nurses in rural and remote areas and indigenous communities, including:

- **developing a merit-based, HECS-exempt scholarship scheme to encourage high achieving students into targeted undergraduate courses, including nursing.**
- **a 1% growth in student load, whereby growth places are allocated to universities on the basis of their performance in enrolling students from Indigenous, low SES backgrounds and rural and isolated regions. These places would be reserved for students who meet equity criteria and would attract a loading to assist the student to meet ancillary costs.**

The Interface Between Universities and the Health System

Collaboration between universities and the health sector is important to the success of a number of essential elements of nurse education. The most critical and pressing need in this area is the development of more appropriate arrangements for clinical experience placement.

⁷ At the time of writing, reference values for rural and isolated students had not yet been derived from 1996 census data, and the reference values expressed for these groups are derived from 1991 data.

The clinical placement component usually comprises 46% to 50% of the basic nursing degree, and its organisation represents a major component of the workloads of heads of schools and deans. Each year, hospitals and other health care facilities must be found in which students can be placed for supervised practice.

A further difficulty with the administration of clinical placements is that universities are required to pay health institutions for the costs of clinical experience. No funding is specifically targeted within university budgets to meet these costs, meaning that nursing school budgets cover most of these fees. This means that resources are not freely available to other areas of nursing school operations, and in a context of reduced faculty budgets the overall quality of teaching resources is diminished. Nursing school deans and heads of department have reported great difficulty in persuading university administrations to recognise the high costs of clinical placement fees.

In recent years, hospitals and other health care facilities, particularly those in the public system, have experienced funding difficulties, staffing shortages and in many cases higher patient to nurse ratios. These changes have borne some similarity to those experienced within universities themselves, in that they have had significant effects on nurse workloads. The effect of this on placements is that hospitals and health care facilities are less able to allocate nurses to assist in the training and supervision of students.

RECOMMENDATION: That the Commonwealth in conjunction with nursing schools and State & Territory Health Ministers develop and implement an appropriate formula for additional funding aimed at improving clinical placement funds for student nurses. Such funds would be available to both universities and health care institutions to ensure:

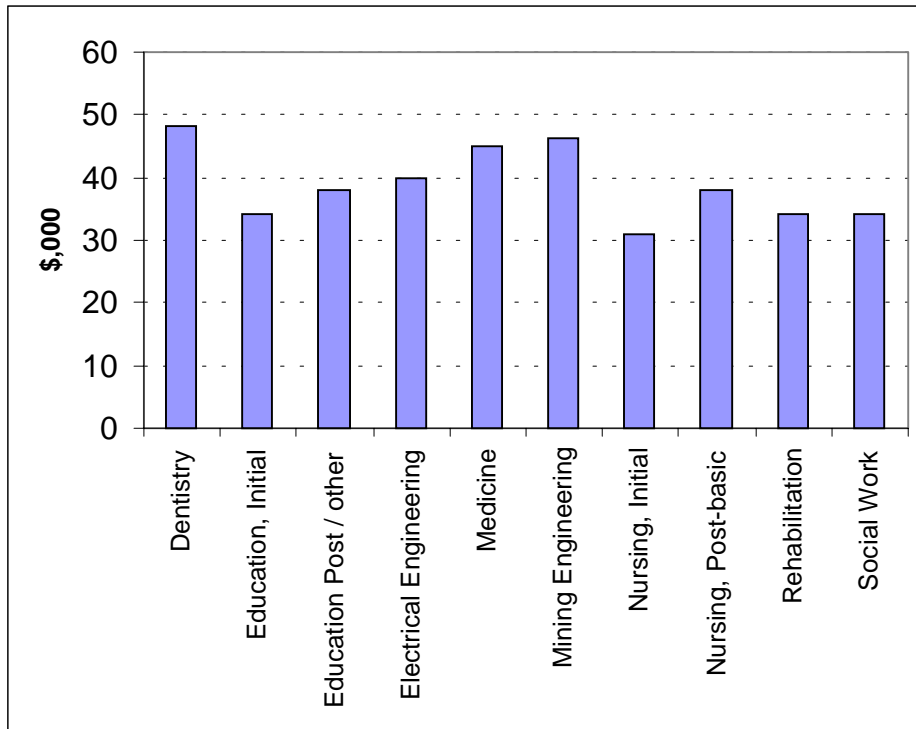
- appropriate liaison between clinical placement supervisors and university academics;
- adequate supervision of student nurses engaged in clinical placements;
- provision of additional placement options aimed at ensuring that students are able to undertake placements at locations in close proximity to their universities.

Strategies Aimed at Retaining Nurses Within the Workforce

The expansion of participation by women in non-traditional areas of study has led to a much wider array of career choices for young women than previously. In this context, the working conditions and salaries of nurses are likely to be given greater consideration by prospective students, in choosing a field of study related to their career aspirations.

Comparative to graduates from other fields of study, nurses fare poorly in terms of graduate starting salaries. Figure 4 below shows the median starting salaries of graduates in a range of fields.

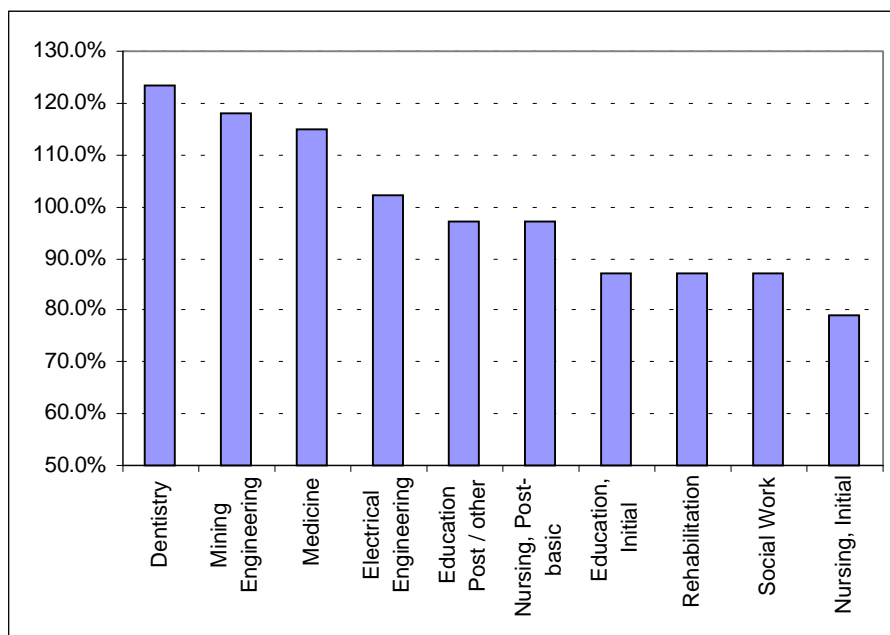
Figure 4: Median Graduate Starting Salaries for Selected Fields, 2000.



• Source: Graduate Careers Council of Australia

As shown above, the median starting salary for a graduate nurse is \$31,000 per annum, some \$3,100 less than rehabilitation practitioners and social workers, and \$3,200 less than initial education. In the context of the widening choices available to women in particular, nursing salaries contribute to the profession being viewed as somewhat less attractive. This factor is more clearly demonstrated when these salaries are expressed as a percentage of Average Weekly Earnings (AWE), as Figure 5 shows.

Figure 5: Median Graduate Starting Salaries as % of AWE



• Source: Graduate Careers Council of Australia

The extent to which salaries and conditions act as a deterrent to prospective nurses is difficult to assess in the absence of relevant data. A range of areas have been reported as contributing to nursing's poor reputation as a profession, including:

- violence in the workplace against registered nurses;
- risks to safety posed by travel on shiftwork;
- high patient: staff ratios;
- shift work and rosters;
- lack of access to affordable postgraduate study;
- lack of recognition of completed postgraduate study in the industrial awards applying to nursing.

Further research is warranted in this area to ascertain the range of opinions held by people considering choosing nursing as a profession.

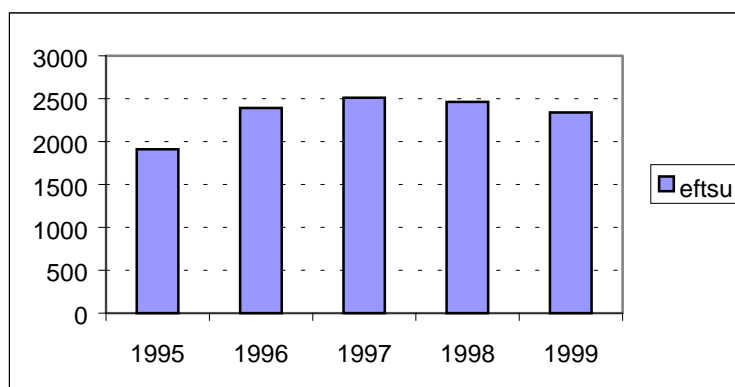
RECOMMENDATION: That the Commonwealth commission research into the attitudes of prospective nurses towards the salaries and working conditions applying within the sector. Such research should include qualitative analysis of the attitudes of final year secondary students towards nursing as a prospective career choice.

In addition in recognition of the high proportion of nurses who are women, all levels of government should cooperatively work towards the establishment of on-site 24-hour child care facilities to enable nurses with family responsibilities to more freely continue to participate in the work force.

Postgraduate Study

Participation in postgraduate nursing courses by non-overseas students has undergone a decline in recent years. Figure 6 below sets out the available data relating to effective full time students (EFTSU) for the years 1995 – 1999.

Figure 6: Postgraduate Coursework Domestic Load (EFTSU)



Source: DETYA

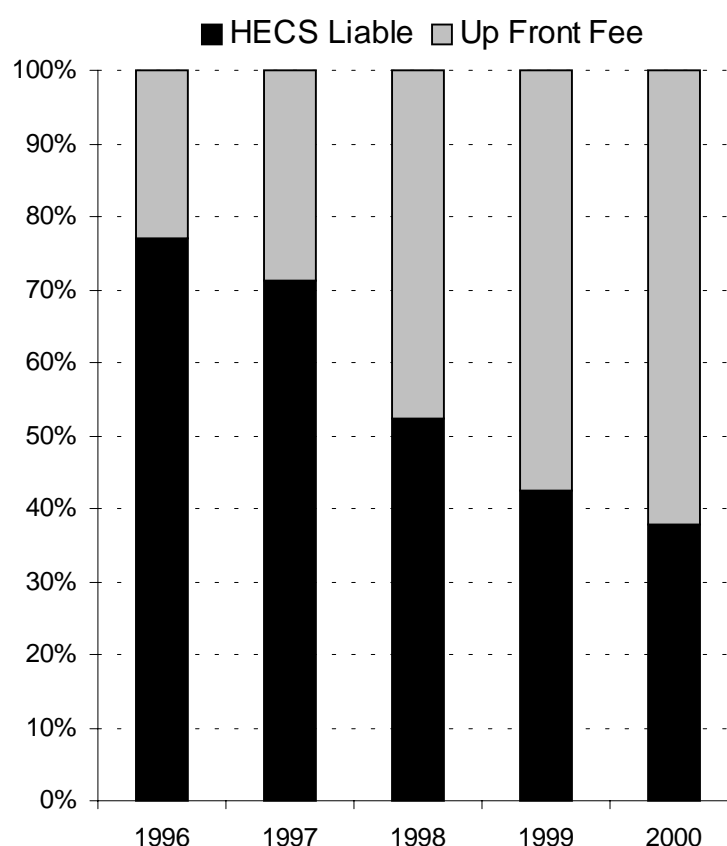
As the table shows, from a high of 2510 EFTSU in 1997, postgraduate nursing coursework domestic load has fallen by 6.9% up to 1999, when there were 2338 EFTSU.

While demand for nursing graduates is increasing, a fall in the number postgraduate nursing students is cause for serious concern. Even more concerning is the fact that some nursing faculties have increased their efforts in recent years to attract students to postgraduate nursing study, yet numbers have still fallen. For example, since the removal of the prohibition on charging of full fees for postgraduate courses leading to post-initial professional nursing qualifications (1994), some faculties have internally shifted HECS places undergraduate

programs to postgraduate programs to boost postgraduate enrolments. Despite this, postgraduate nursing load has decreased.

One factor which has undoubtedly contributed to this drop in postgraduate nursing coursework load is the reduction in university operating grants between 1997 and 2000. This factor was outlined in our submission to the Senate Inquiry into the capacity of Australian Universities to meet educational needs⁸. After cuts to university operating grants between 1997 and 2001 were announced, Government directed universities to take the resultant reductions in student places in the area of postgraduate coursework, where fee-charging was already largely deregulated, rather than in undergraduate places. As a direct result of this policy, there has been a dramatic shift in the proportion of postgraduate coursework students paying their fees up front (See Figure 7 below). In 1996, 77% of postgraduate coursework students deferred their fees through HECS, but by 2000 this had dropped to just 38%, with the remaining 62% forced to pay up front fees.

Figure 7: Method of fee payment for postgraduate coursework students, 1996-2000



Source: DETYA, cited in Bradley Smith and Mark Frankland, "Marketisation and the new quality agenda: postgraduate coursework at the crossroads", *Australian Universities' Review*, December 2000, p. 8.

These policy settings have impeded the capacity of public universities to produce sufficient numbers of qualified students to meet industry needs, insofar as opportunities to undertake postgraduate coursework have reduced. Between 1996 and 2000, there was a drop of over 10,000 EFTSU, or 19%, in total postgraduate coursework enrolments. This has resulted in declines in enrolments in 9 of the 11 broad fields of study.⁹ This has a direct impact on the

⁸ NTEU, *The Capacity of Public Universities to Meet Australia's Higher Education Needs*, NTEU Submission to Senate Employment, Workplace Relations, Small Business and Education References Committee, 2001. pp 19 – 20.

⁹ Bradley Smith and Mark Frankland, "Marketisation and the new quality agenda: postgraduate coursework at the crossroads", *Australian Universities' Review*, Vol. 43, No. 2, December

production of skilled graduates, particularly in areas of study where graduates are not highly paid and where there is little opportunity for employer support, such as nursing, teaching and health sciences. The fall in participation in each of these fields of study at a time when Australia is experiencing a shortage of both nurses and teachers underlines the seriousness of this problem. It also suggests that, if this policy framework remains unchanged, Australians in the future will have limited access to the lifelong learning which is so important in a 'Knowledge Economy'.

The remedy to this particular problem needs to address the broader trend of reduction in postgraduate coursework places, rather than be confined to nursing as a field of study. The reductions in operating grants outlined above, combined with increased costs to the higher education sector over the last five years, have left the sector in need of an urgent injection of public funding. Our recommendation in relation to increasing funding per EFTSU on page 8 of this submission is of direct relevance to the decline in postgraduate coursework places.

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