

DELIVERING MORE NURSES AND MIDWIVES



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New Zealand's health system is in crisis, with a severe shortage of nurses and midwives contributing to ballooning waitlists, delays accessing treatment or maternity care, and overcrowded emergency departments.

New Zealand does not train enough nurses or midwives domestically to address this shortage, and the ones we do train are being actively and aggressively recruited to move overseas, particularly to Australia.

National will incentivise more Kiwis to study for a career as a nurse or midwife and bond them to remain in New Zealand after graduation for at least five years. Our plan will also address immediate shortages by making New Zealand more competitive in the global competition for nurses and midwives.

National's plan to deliver more nurses and midwives:

- **Incentives to encourage more Kiwis to study nursing or midwifery**
- **Bonding to keep nurses and midwives in New Zealand after graduation**
- **Competitive immigration settings to attract more overseas nurses and midwives**

Why we need a new approach

Our health sector is in crisis, with waitlists and emergency department wait times at record highs, childhood immunisation rates at record lows, and Kiwis facing longer delays than ever to access urgent cancer treatment or surgery.

After a decade of improvement under the last National Government, every health metric has gone backwards under Labour, including faster cancer treatment, shorter stays in emergency departments, and better access to elective surgery.

Nurses are at the frontline of our collapsing health system and are bearing the brunt of the shortage. Having to work long shifts without enough staff is driving stress, anxiety and burn-out. Nurses are doing their best, but they have been badly failed by a Government that has not prioritised investing in the frontline. As many as a third of New Zealand nurses say they are considering moving overseas, and nearly 5,000 have registered to work in Australia since August. Over the last five years, we have lost 19,000 nurses from the public system, which is far more than we have trained.

A key driver of the collapse in our health system is Labour's disastrous plan to engage in a bureaucratic, centralising health restructure rather than focusing on the frontline. The sad result has been a significant increase in the number of Wellington-based health bureaucrats and a dangerous shortage of at least 4,000 nurses and hundreds of midwives across the country.

Labour's approach has failed

Labour has made New Zealand's workforce shortages far worse through restrictive immigration settings and mismanagement of the economy.

Despite a shortage of over 4,000 nurses and more attractive immigration offerings in Australia, the Government stubbornly refused to put nurses on its fast-track straight to residence immigration pathway for months, only finally making this change in December. This meant that for most of 2022 overseas nurses looking to emigrate had a stark choice between gaining immediate residence in Australia or facing an uncertain future in New Zealand.

It's no surprise the Government has made next to no progress in ending our nurse shortage, while our hard-earned reputation as a desirable and welcoming destination for migrants has been severely damaged.

Workforce shortages in health and other sectors are being exacerbated by the Government's mismanagement of the economy. Record increases in Government spending funded by record increases in tax, borrowing and money printing have driven up the cost of living and caused real incomes to fall.

Labour's economic mismanagement means wages have failed to keep up with price increases for more than two and a half years, the longest period of declining real incomes on record. This is particularly challenging for Kiwis in the early years of their careers who don't have the incomes or savings to make up for their declining purchasing power.

For many of these young Kiwis, moving to higher income countries like Australia or the UK is becoming increasingly appealing. Labour's failure to grow real incomes or get rampant inflation under control is driving more Kiwis overseas right when New Zealand needs them most.

National's plan to deliver more nurses and midwives

1). Incentives to encourage more Kiwis to study nursing or midwifery

New Zealand is not training enough nurses or midwives to fill the significant gaps in our current and projected health workforce. To provide Kiwis with the health care they need, we need to significantly increase the number of people studying for a career in nursing or midwifery and do more to retain them in New Zealand once they graduate.

To achieve this, National will pay nurses' and midwives' student loan repayments up to a total of \$4,500 a year for the first five years of their career, provided they remain working in their profession in New Zealand.

Covering student loan repayments for five years means a typical registered nurse or midwife would see an increase in their after-tax take-home pay of \$4,500 a year, or \$87 a week. Over a five-year period, they would be up to \$22,500 better off. This significant increase in take-home pay will act as a strong incentive for more Kiwis considering their study options to pursue a career as a nurse or midwife.

2). Bonding to retain nurses and midwives in New Zealand once they graduate

To access the student loan repayment scheme, nurses and midwives will need to enter into a bonding agreement with the Government where they commit to working in New Zealand in their profession for at least five years after they graduate.

If a nurse or midwife does not complete their five-year bonding period – for example by changing professions or moving overseas – the student loan repayments made on their behalf would be added back to their loan balance. Nurses and midwives will be able to pause and resume their five-year bonding period if they need to leave the workforce temporarily, for example for health reasons or for parental leave.

The student loan repayment and bonding scheme will also be open to registered nurses and midwives who are already in the workforce, on a pro-rata basis. For example, a nurse who has already been in the workforce for two years would be able to sign up for the remaining three years of student loan repayments in return for three years of bonding. This will provide more support to the health sector to retain early-career nurses and midwives in New Zealand.

The student loan repayment and bonding scheme will operate in addition to the existing voluntary bonding scheme targeting hard to staff communities and specialties.

3). Competitive immigration settings to attract more overseas nurses and midwives

While it's vital we increase the number of nurses and midwives we are training domestically, it will be several years before the increase in students results in extra people entering the workforce. Given the significant and urgent shortages facing our health sector today, we need to supplement training and retaining more nurses at home by recruiting more from overseas.

New Zealand is in a global competition for talent and critical workers, but we have allowed ourselves to fall behind countries like Australia when it comes to making ourselves an attractive destination for skilled migrants.

National will make it easier for competent, qualified overseas nurses and midwives to choose New Zealand as their next home by removing barriers to migration and making our offering more competitive with other countries.

National will do what it takes to ensure we get the skilled migrants we desperately need into our hospitals and other health care facilities so we can bring down waitlists and ensure Kiwis get access to the health care and maternity services they deserve.

National will:

- Offer qualified overseas nurses and midwives an automatic six-month temporary visa to enter New Zealand without a job offer to look for work.
- Allow qualified overseas nurses and midwives who are coming to New Zealand (to complete competency assessment or search for a job) to bring their immediate family members with them on a six-month work or study visa.
- Offer up to 1000 qualified overseas nurses and midwives relocation grants worth up to \$10,000 each to support them to move to New Zealand.

Cost (\$M)

Policy	Year 1	Year 2	Year 3	Year 4
Student loan repayment & bonding scheme	\$46.8	\$46.8	\$46.8	\$49.2
Relocation grants	\$10.0	\$10.0	\$10.0	\$10.0
Total	\$56.8	\$56.8	\$56.8	\$59.2

Funding

Funding will come from the \$151 million per year in unallocated savings remaining from National's commitment to reduce spending on contractors and consultants by \$400 million a year.