

# Aide-Mémoire

## Internationally Qualified Nurses

<b>Date due to MO:</b>	12 March 2024	<b>Action required by:</b>	N/A
<b>Security level:</b>	IN CONFIDENCE	<b>Health Report number:</b>	H2024036887
<b>To:</b>	Hon Dr Shane Reti, Minister of Health		
<b>Consulted:</b>	Health New Zealand: <input type="checkbox"/> Māori Health Authority: <input type="checkbox"/>		

## Contact for telephone discussion

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**To:** Hon Dr Shane Reti, Minister of Health

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### Purpose of aide-mémoire

1. This aide-mémoire provides you with requested information about internationally qualified nurses (IQNs) to help contextualise the letter and data you received from the Nursing Council of New Zealand (the Council) on 27 February 2024 about the IQN pipeline and potential oversupply.

### Summary

2. The Council provided your office with requested information about IQNs following your first meeting with them on 12 February 2024. The Ministry of Health | Manatū Hauora (the Ministry) has also previously provided you with information about the potential oversupply of IQNs and other related issues.
3. While the information provided by the Council is useful, on its own it does not inform us if there is a true oversupply of IQNs in New Zealand. This must be considered alongside sector information about workforce demand. While the Council reports it has been raising concerns about the potential for oversupply, current sector reports about the demand for IQN workforce vary depending on employer, nursing role type, and specific health sectors.
4. It is the Ministry's view that the Council has a limited role in influencing IQN applications and, if needed, any significant management of potential oversupply may require a cross-agency and cross-sector response to address the broad factors driving IQN interest. This would include input from other key agencies, such as Health New Zealand | Te Whatu Ora (HNZ). Better understanding about the issue is required before any broad action is taken, as there may be unintended consequences for other employers/sectors who still require IQNs.
5. The Ministry is working with HNZ to better understand the issue and how they are planning to work collaboratively across the system to manage any oversupply. For areas where there are reports of potential oversupply, there are operational mechanisms in place that are being used to manage this. These include working collaboratively to plan for recruitment of domestically trained nurses and targeting international recruitment campaigns.
6. There is also work underway with HNZ to progress the joint health workforce work plan (H2024036384 refers), if agreed. This will address issues related to this matter in the medium to longer term. The Ministry and HNZ will continue to update you on this work as appropriate.

## Recommendations

We recommend you:

- a) **Note** a better understanding about the potential oversupply of IQNs is needed before any broad action is taken. There is a risk that taking action at this time may result in unintentional consequences for those who still require IQNs. **Yes/No**
- b) **Note** the Ministry will continue to work with HNZ to address this issue and will update you as appropriate. **Yes/No**
- c) **Note** the Ministry will work with HNZ to progress the joint health workforce work plan (H2024036384 refers), if agreed. The Ministry and HNZ will continue to update you on this work as appropriate **Yes/No**



Robyn Shearer  
**Deputy Director-General**  
**Clinical, Community and Mental Health |**  
**Te Pou Whakakaha**

Date: 12 March 2024

Hon Dr Shane Reti  
**Minister of Health**

Date:

# Internationally Qualified Nurses

## Background / context

7. In your first meeting with the Council on 12 February 2024, you requested that they provide their views on the pipeline of applications from internationally qualified nurses (IQNs) and potential oversupply. The Council supplied this information to your office 27 February 2024.
8. The Ministry's weekly report item to you about *Internationally Qualified Nurses* outlined the potential risk from the increase in IQNs applying for registration in New Zealand. A previous briefing (H2024034754 refers) and aide-mémoire (H2023033981 refers) provided you with related information about IQNs. This included evidence suggesting many IQNs may gain registration in New Zealand with the intention of gaining registration in Australia and may never become domestically employed.
9. A subsequent joint briefing (H2024036384 refers) recently sought your approval of a joint work plan between the Ministry and HNZ, which will address health workforce issues related to this matter in the medium to longer term.

## Understanding the issue of oversupply of IQNs in New Zealand

10. The Ministry believes the key domestic factors driving IQN applications include:
  - a. New Zealand's current broad immigration settings for nurses
  - b. current recruitment strategies focussed on attracting IQNs
  - c. differences in perception of current nursing regulatory settings when compared to Australia and other countries, although these requirements are being changed (H2023033981 refers)
  - d. the Trans-Tasman Mutual Recognition Act 1997 (H2024034754 refers).
11. While the Ministry is working to address limitations in the available workforce data, it is currently difficult to objectively monitor and respond to any potential oversupply of IQNs across the health system in a timely manner (H2024034754 refers).
12. The Ministry is aware of anecdotal reports from the education and health sectors of concerns that an oversupply of IQNs may be occurring among certain nursing roles, nursing employers, and health sectors (i.e., hospital and specialist services). These include reports from nursing leaders in the health sector who described a decrease in nursing vacancies in their districts and hundreds of IQNs applying for single roles.
13. However, the Ministry is also aware of sector reports of continued need for IQNs where there has been a persistent shortage. This includes the need for IQNs who are appropriately skilled to fill specialty nursing roles (i.e., emergency department and critical care) and nursing vacancies in hard-to-staff areas/sectors (i.e., mental health and addictions, primary care, and some rural regions).
14. IQNs may help to address short-term workforce shortages in New Zealand. However, growing a domestic workforce that is representative of, and responsive to, communities in-need (i.e., Māori and Pacific) remains a priority.

## Information provided by the Council

### *Summary of information provided*

15. Information provided to you by the Council indicates that while IQN application volumes remain high, a downward trend in applications may be starting<sup>1</sup>. Their data also indicates 10,427 applications are currently being assessed by the Council, and 4,241 applicants are awaiting completion of a competence assessment programme (CAP).
16. The Council's view is that they have been raising concerns about the potential oversupply of IQNs since August 2023. The Council notes that while trending downward, applications from IQNs remain high when compared to pre-COVID volumes. The Council acknowledges its legal obligation under the Health Practitioners Competence Assurance Act 2003 to register nurses who meet the required standards and notes it may not prevent these nurses from registering.

### *The Ministry's view on the Council's information*

17. The information on application numbers provided by the Council is useful, but on its own cannot be used to determine if there is a true oversupply of IQNs in New Zealand and should be considered alongside sector information about workforce demand. For example, the Council's information is limited as it currently does not demonstrate how many IQNs gain employment in New Zealand. This is important as many IQNs may never gain domestic employment (point eight refers).
18. The Ministry is working with the Council to improve its collection of employment data and met with the Council 20 February 2024 to discuss changes to the Council's current workforce survey. It is understood that the Council will be making changes from 1 April 2024, and this will help quantify 'the size of the active New Zealand nursing workforce more easily'<sup>2</sup>.
19. The Ministry is also monitoring for any issues/risks related to the large volume of IQN applications that are either awaiting the Council's assessment or a CAP completion. The Ministry is aware these volumes are creating challenges for the Council's operational environment and processing timeframes and may complicate the Council's planned changes to its IQN assessment process.
20. The Council's changes to the IQN assessment process (i.e., the introduction of an objective exam and objective structured clinical exam) have the potential to influence a reduction in IQN applications. These changes will more closely align New Zealand's nursing regulatory requirements with Australia, and in turn may address any differences in perception that exist among IQNs about New Zealand's settings.
21. The Ministry agrees the Council must register IQNs if they meet the Council's requirements. The Ministry also believes the Council has a role in working collaboratively with stakeholders to communicate, monitor, and respond within its role to fluctuations in IQN supply and demand.

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<sup>1</sup> *Briefing on IQN Applications refers*. See Figure 3, page 4 – CGFNS pipeline information.

<sup>2</sup> Nursing Council of New Zealand. (2024). *Workforce survey – minor amendments*.

22. To date the Council is fulfilling its role and is working cooperatively with the Ministry and HNZ to supply and improve information as requested. The Council has met regularly with the Ministry and HNZ to monitor the latest trends in the IQN pipeline, attending meetings in May, September, and December 2023.

### **A better understanding of the issue is needed before any action is taken**

23. The Ministry is working with HNZ in the first instance to gain a better understanding of any oversupply of IQNs. This is required before any action is taken as any broad interventions may have unintended consequences for other employers and sectors who still require IQNs.

### **Local level operational response**

24. There are operational mechanisms in place at a local level that can be used to respond to any localised oversupply of IQNs. Examples include the ability of nursing employers to:
- a. work in collaboration with education providers and others in their district to proactively plan for domestic new graduate nurses
  - b. target any international recruitment campaigns and advertising to focus on specific nursing roles and skillsets where there are persistent shortages.
25. The Ministry understands such mechanisms are being used in areas where there are reports of potential oversupply.

### **Health New Zealand has an important role**

26. Under the Pae Ora (Healthy Futures) Act 2022, HNZ is required to undertake health workforce planning and collaborate with relevant entities to improve the capability and capacity of the health workforce.
27. As the largest employer of nurses in New Zealand, HNZ has great influence over the supply and demand of nursing labour in New Zealand. HNZ has previously indicated its focus on recruiting IQNs is a short-term strategy alongside its medium to long-term focus on growing and retaining the domestic nurse workforce, including initiatives to increase the number of Māori and Pacific nurses.
28. The Ministry understands HNZ is aware of the concerns about a current potential oversupply of IQNs and is considering making changes that may reduce IQN applications to New Zealand. This includes consideration of a more targeted international recruitment campaign that would be focussed on attracting IQNs to specialty roles and specific sectors experiencing sustained shortages (i.e., critical care nursing, and mental health and addictions).
29. The Ministry is seeking additional information from HNZ about its understanding of this issue. The Ministry is also seeking information about how HNZ is planning to manage a potential oversupply of IQNs now and in the future, as HNZ has other levers that may influence this. These include:
- a. availability of the IQN CAP fund
  - b. development of the next health workforce plan 2024/2025, which will set the direction for HNZ's international recruitment of health workforce and investment

- c. ability to influence health immigration settings via regular review of Immigration New Zealand's green list. Following the introduction of the green list, cabinet agreed to an ongoing, two-yearly review of the list, which will involve input from HNZ.

### **Cross-agency and cross-sector response**

30. If large-scale, significant action is needed this will require input from multiple agencies due to the variety of domestic factors driving IQNs to apply for New Zealand registration (point nine refers). While this will include input from the Council, it will also require input from agencies such as the Ministry, HNZ, other nursing employers, and Immigration New Zealand.

### **Next steps**

31. The Ministry will continue to work with HNZ to better understand the issue of a potential oversupply of IQNs and will update you as appropriate.
32. The Ministry will also work with HNZ to progress the joint health workforce work plan, if agreed (H2024036384 refers). This will address issues related to this matter in the medium to longer term. The Ministry and HNZ will continue to update you on this work as appropriate.

**ENDS.**