



26nd May 2016

2016-2017 Skilled Occupations List Review

Department of Education and Training

Via email: SOLSubmissions@education.gov.au

Re: Review of the Skilled Occupations List (SOL)

AMRANZ (Association of Medical Recruiters Australia and New Zealand) is the peak member body for medical recruiters and locum agencies in Australia and New Zealand and makes the following submission to the review of the Skilled Occupations List (SOL).

AMRANZ is opposed to the exclusion of General Practitioners (253111) and other health specialties from the Skilled Occupations List. AMRANZ believes the proposed exclusion of these health professionals does not accurately reflect the situation in relation to continuing medical workforce shortages in Australia, and is based on short-term view rather than on achieving a sustainable and balanced health workforce for Australia. Our opposition is based on the following:

1. **Coordinated approach required:** Shortages of GP's and specialists have existed for some time during operation of the previous and current SOL lists, as well as before Health Workforce Australia was established and started tracking and identifying impending shortages in the medical workforce.

Volume 3 of Health Workforce 2025 identifies that:

'Despite the projected overall position of balance, imbalances within the medical specialty workforces currently exist and are projected to continue. This needs to be addressed specifically: geographic maldistribution of the total medical workforce, also present for general practice and a number of other medical specialties. This includes shortages in regional and rural areas and potential oversupply in metropolitan areas;'

To date, Australian medical graduates have shown limited interest in taking up positions in regional and rural locations. Medical recruiters working across Australia have daily experiences that show that this situation will not change in the short to medium term. Even with increasing number graduating medical students, there is little willingness to work in outer metropolitan and rural areas.

Health Workforce 2025 goes onto to note that maldistribution of the medical workforce, and the resulting reliance on international medical graduates, is based in the preferences of medical graduates to choose urban over regional and rural locations:

'Parts of the medical workforce are reliant on international medical graduates (IMGs) and this is likely to continue to 2025. This reliance reflects domestic undersupply, trainee preferences and geographic maldistribution.'

AMRANZ believes use of the SOL as a lever to address shortfalls in medical workforce planning is a crude measure that will not achieve sustainable change and will not address mal distribution issues.

A lack of coordination in the training and development and career pathways for medical graduates has for some time been identified as a contributor to shortages in regional and rural areas. Health Workforce Australia in Volume 3 of Health Workforce 2025, identifies the following:

- *The medical training pathway is poorly coordinated, with no tangible mechanism to coordinate the training efforts of the Commonwealth, state and territory health systems.*
- *This poor coordination of the medical training pathway is contributing to:*
 - *maldistribution between specialties;*
 - *lengthening of time taken to produce independently practising specialists;*
 - *lost opportunities to better target geographical distribution and promote a better balance of generalist, specialist and sub-specialist training;*
 - *uncertainty for medical graduates in knowing which specialty to choose for their career pathway; and*
 - *some level of wastage in training specialists in fields that may not match community needs.*

2. **Population growth Greater than Supply:** Australia's population is out growing the supply of medical graduates and trainees. AMRANZ members report a continuing 'very strong demand for GP's' around Australia and that demand is reflected in observations in Health Workforce 2025 that:

'..imbalances within the medical specialty workforces currently exist and are projected to continue.'

AMRANZ members have first-hand experience and insights from the hospitals and GP clinics they work with around Australia which report there are already insufficient practitioners to fill a growing number of positions around Australia, and there is no indication that new graduates will show any greater desire to fill these unfilled and hard-to-fill roles than they have for the past decade – more graduates does not equal an even distribution of workforce. In fact, the training bottlenecks and shortfall in training places will further accentuate shortages in the medical workforce over the coming decades.

The Federal Department of Health utilises the latest ABS population data (*last updated in February 2016*) and the latest Medicare billing statistics for a medical specialty in order to identify if a particular region or location is a district of workforce shortage (DWS).

DWS is an area of Australia in which the population's need for medical services has not been met. Population needs for medical services are deemed to be unmet if a district has less access to medical services than the national average.

The Department provides advice through its website, Doctor Connect, about the areas of Australia that are considered to be within a District of Workforce Shortage.

Overall, there remains significant areas in which a majority of specialties are still classified as DWS for all of Australia. Generally, it is only in major urban centres that the supply and demand for medical services are balanced. There remains a number of high density and rapidly growing urban growth corridors and urban centres that are unable to attract GP's and medical workforce and for who the need for medical services remains unmet. Some examples include:

- Werribee, Hopper Crossing and Rockbank in Melbourne's rapidly expanding West (15 km's from the Melbourne CBD) are considered to be within a DWS;
- Officer, Pakenham and Cranbourne also in Melbourne's rapidly expanding South East (50 km's from Melbourne CBD) are considered to be within a DWS;
- Penrith and many areas of Sydney's rapidly growing Western Suburbs corridor are considered to be within a DWS, to name but a few.

These are all areas that are not attractive to Australian graduates and AMRANZ members report that it is very rarely possible to fill these positions with local graduates.

Significantly, the following occupational groups currently appear on the SOL List and are considered by the Department to be national DWS. In vast areas of the nation these specialists remain in high demand. The proposal to exclude these specialties does not accurately reflect the situation in relation to continuing medical workforce shortages in Australia.

Occupation	SOL Code
Specialist Physician (General Medicine)	253311
Clinical Haematologist	253313
Endocrinologist	253315
Gastroenterologist	253316
Intensive Care Specialist	253317
Neurologist	253318
Paediatrician	253321
Renal Medicine Specialist	253322
Thoracic Medicine Specialist	253324
Specialist Physicians nec	253399
Cardiothoracic Surgeon	253512
Neurosurgeon	253513

Orthopaedic Surgeon	253514
Otorhinolaryngologist	253515
Paediatric Surgeon	253516
Plastic and Reconstructive Surgeon	253517
Urologist	253518
Vascular Surgeon	253521
Dermatologist	253911
Emergency Medicine Specialist	253912

The government and the medical colleges already poses significant powers to manage the flow of overseas doctors. DWS is the mechanism used by DOH to manage distribution of the healthcare workforce and to limit access for overseas doctors. This is not the role or purpose of SOL.

Section 19AA and 19AB of the Health Act also provides significant powers, as does the 10 year moratorium which provides the Department with the ability to force OTDs to work in certain areas for ten years to address maldistribution.

3. **Ageing Health Workforce out-running new entrants:** Australia's population growth is among the fastest in the OECD (1.6%) with Australia's population aged 65 and older projected to increase to 4.2 million in 2021 (about 18 per cent of the projected population) (Department of Health and Ageing 2002, p. 5).

Currently just over 10% of the population is aged over 65. By 2050 it will be almost a quarter. This growth in the number of Australian's requiring care will be countered by reducing availability of people to provide that care due to declining population growth over the coming decades. Research by Access Economics has found that the working age population, currently growing by 170 000 each year, will grow by less than 13 000 per year during the 2020s (Baum & Jackson 2004, p. 80).

All of these factors point directly to continuing demand for qualified doctors in areas of DWS and regional and rural areas. As most Organization for Economic Cooperation and Development countries will age more quickly than Australia, international demand for skilled workers will be high and attracting and retaining young staff will be more difficult.

More specifically, the current health workforce is ageing and GPs in particular are reducing their hours or retiring at such a rate that the younger cohorts are needing to fill those gaps. *The ABS Australia Social Trends, April 2013 reports that; 'By 2011, the proportion of GPs and nurses aged 50 years and over had increased to over one third (35% and 37% respectively), while for specialists, the proportion remained steady at 36%.¹*

¹ 4102.0 - Australian Social Trends, April 2013



RECRUITMENT AND CONSULTING
SERVICES ASSOCIATION
AUSTRALIA & NEW ZEALAND



'The report also finds that; 'in 2011 a considerable proportion of doctors aged 50 years or more were working part-time.'

Removing GP's and some specialists from the SOL would only accentuate existing and developing shortages in the medical workforce as the market will lose any flexibility it currently has to meet changing needs and new demand for GPs and specialists. The ability to 'top-up' and meet the evolving demand for health services should remain a key feature of Australia's medical workforce.

'Immigration remains the most flexible means of meeting short term supply gaps and distributional issues relating to the medical workforce, however with long term projections this proportion of supply can be targeted to achieve workforce balance.'

AMRANZ is currently participating on the Medical Workforce Steering Committee which has been convened by Queensland Health to develop a strategy and plan for the health workforce in Queensland over the coming decade. AMRANZ would welcome the opportunity to discuss further the Skilled Occupations List (SOL) and its role in addressing shortages in the medical workforce in Australia.

If you require further information, please contact Simon Schweigert at the RCSA on sschweigert@rcsa.com.au or tel: 03 9663 0555.

Kind regards

Corrine Taylor
AMRANZ, Chair