



The Royal Australasian
College of Physicians

From the President

10 June 2014

Ms Jeanette Radcliffe
Committee Secretary
Community Affairs Legislation Committee
PO Box 6100, Parliament House
Canberra ACT 2600

Via Email: community.affairs.sen@aph.gov.au

Dear Ms Radcliffe

**RACP submission to Community Affairs Legislation Committee Inquiry into the
*Health Workforce Australia (Abolition) Bill 2014***

On behalf of the Fellows and Trainees of the Royal Australasian College of Physicians (RACP, the College), thank you for the invitation to make a submission to the Community Affairs Legislation Committee Inquiry into the *Health Workforce Australia (Abolition) Bill 2014*.

The College has had a fruitful relationship with Health Workforce Australia (HWA) and greatly values the work it has performed to date, particularly in workforce data analysis and policy development. It is essential to Australia being able to address our future healthcare needs that this work continue and be properly resourced and directed.

The RACP looks forward to receiving assurance that the disestablishment of HWA will not mean an end to HWA's work in planning for the health workforce of the future, and to receiving further details on the new governance structure that will be put into place.

The attached submission articulates in greater detail our concerns and our assessment of the value of HWA's contribution.

Yours sincerely

Professor Nicholas J Talley

Enc: RACP submission into *Health Workforce Australia (Abolition) Bill 2014*



The Royal Australasian
College of Physicians

The Health Workforce Australia (Abolition) Bill 2014

RACP Submission to the Community Affairs
Legislation Committee

June 2014

Introduction

The Royal Australasian College of Physicians (RACP, the College) welcomes the opportunity to present this submission to the Community Affairs Legislation Committee for its inquiry into the *Health Workforce Australia (Abolition) Bill 2014*. In the sections that follow, this submission discusses:

- The value of the current work performed by Health Workforce Australia (HWA) to the healthcare sector and to the College and its members
- Our concerns regarding the full implications of the *Health Workforce Australia (Abolition) Bill 2014* (the Bill) and its effective transition to the Commonwealth Department of Health

Health Workforce Australia – its rationale and value

To better appreciate the value of the work that has been performed by HWA to date, it is worth revisiting the findings of the review of the Australian health workforce released by the Productivity Commission in 2005 which ultimately led to its establishment.

The Productivity Commission study was among the earliest to point out that the lack of coordination and collaboration between governments and other stakeholders in the healthcare sector at that time was responsible for problems in ensuring a more sustainable and responsive health workforce for Australia.¹ Other deficiencies noted by the Commission at that time included²

- the lack of a minimum health workforce data set
- the failure to adequately link health workforce projections with employer needs and the number and distribution of education and training places, and
- limited coordination of initiatives between jurisdictions and inadequate sharing of evaluation outcomes.

Recognition of these problems as highlighted by the Productivity Commission report, led to the passing of the *Health Workforce Act Australia 2009 (HWA Act 2009)* which established HWA. Section 5 of the *HWA Act*, which outlines the functions of HWA includes:

- undertaking research, and collecting, analysing and publishing data or other information to inform the evaluation and development of health workforce policies
- developing and evaluating strategies for health workforce development, and
- financial and other mechanisms to support the delivery of clinical training

Much has been achieved since HWA's establishment, particularly in building up a national data set on the current and projected health workforce. This has already demonstrated its value in terms of being able to more clearly identify issues such as workforce shortages, and has the potential to be further used to link workforce projections with employer needs and educational and training places.

The 2013 Review of Australian Government Health Workforce Programs (Mason Review) identified that the HWA's data analysis and policy development work were the areas most valued by stakeholders.³

The RACP's own experience with the HWA is consistent with these findings. Areas of HWA's current work program relating to data and policy analysis which are highly valued by the RACP are:

- The survey and projections for the health workforce (now known as HW2030) which, in our experience, provides the best overall model of the health workforce supply out to 2030.
- The establishment and support of the National Medical Training Advisory Network Executive. Even though this is in the early stages of its work, this cross-professional expert group is fundamental to developing an effective strategy to meet the demands for and from our medical workforce into the medium and long-term future. It is also able to provide expert and detailed input to assist in the future refinement of the HW2030 modelling process.
- HWA's role in sponsoring innovative workforce programs and pilots, such as the nurse endoscopist program. Sponsorship of 'pilot' programs – which provide an opportunity to explore new and changing roles for medical professionals – is an important part of building the evidence-base on the efficacy of different approaches for the health workforce of the future.

Separately from this core data and policy analysis work, the RACP also commends the support provided by HWA for the development of the Australian Medical Council's National Testing Centre in Melbourne. This unit has been developed and opened in a very short period and has been designed for use by a range of educational and training agencies. This shared facility enables a wide range of medical and allied health professions to undertake important quality improvement work while also contributing to the development of stronger inter-professional relationships. It is an efficient use of health resources.

The implications of the *Health Workforce Australia (Abolition) Bill 2014*

The Bill to abolish HWA and transfer its functions and programs to the Commonwealth Department of Health is relatively straightforward in its operation. We understand that all of HWA's existing grants and programs will be transferred to the Department in a manner that minimises impact on funded organisations and staff with all current funding agreements and grants honoured and all payments continuing in accordance with the terms and conditions set out in the funding agreements.

The core functions currently performed by HWA are becoming more rather than less important. Driven by Australia's aging population, increasing levels of chronic disease and the emergence of new healthcare technologies, there will be a need for changing models of healthcare which in turn dictates changing workforce needs. Hence, there is a significant imperative for the timely collection and analysis of detailed and accurate health workforce data. This data needs to be able to be considered at a national, State and local level. HWA's health workforce data collection and analysis functions also need to be seen in the broader context of its role in facilitating and developing new models of care. The two functions are allied as the workforce data collected and analysed by HWA can and should also be used by State and Federal jurisdictions to drive workforce policy and coordinated development of new models of care. The continuation of these related functions needs to be assured following the abolition of HWA.

We also urge the Government to ensure that the unique cross-jurisdictional perspective facilitated by having a standalone health workforce agency is not lost by the disestablishment of HWA.

Sections 7 and 10 of the *HWA Act* ensure that the perspective of HWA is properly cross jurisdictional by getting its directions from the Ministerial Conference and ensuring that the membership of the HWA Board includes representatives from the States and Territories. These requirements are a means of facilitating effective and timely cooperation and collaboration between the levels of governments regarding health workforce planning and minimising the influence of sectional interests. This was the key rationale as to why the Productivity Commission in its 2006 review of the health workforce, proposed the establishment of a standalone 'health workforce improvement' agency. The Commission argued that the credibility and effectiveness of such an entity was reliant on its 'independence, transparency and whole-of-community perspective'.⁴

It is important that government make clear how this will be maintained. When amalgamating HWA's core functions into the Commonwealth Department of Health, an appropriate governance structure will be vital to ensure the new model does not lose the strengths of HWA's organisational structure as an independent, stand-alone body with a separate Board and public charter. The Government must be transparent about how this will be achieved.

¹ Productivity Commission 2005, *Australia's Health Workforce*, Research Report, Canberra at p. 28.

² *Ibid.*

³ Review of Australian Government Health Workforce Programs, April 2013, at p. 330.

⁴ Productivity Commission 2005, *Australia's Health Workforce*, Research Report, Canberra at p. 62.