

## Nursing graduates modelling, numbers and planning

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<b>To:</b>	Hon Simeon Brown, Minister of Health		
<b>From:</b>	Fiona McCarthy, Interim Chief Human Resources Officer		
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### Contact for further discussion (if required)

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## Purpose

1. This aide-mémoire responds to your request for information on Health New Zealand's (Health NZ):
  - a. Modelling of upcoming graduate registered nurses (RNs);
  - b. Current and anticipated vacancies at Health NZ for RNs; and
  - c. Planning for the employment of New Zealand graduate RNs in 2025.

## Summary

2. We estimate 2,155 registered nurses (RNs) will graduate in 2025.
3. s 9(2)(f)(iv)

We are looking to develop innovative ways to hire as many graduate RNs as possible.
4. We are also working to increase the number of graduate RNs hired by other employers, particularly those in the primary care and community sector.

## Background

5. Managing the entry of graduate RNs is a normal part of the cycle of recruiting into the nursing workforce. At present there are more RNs in New Zealand than vacancies to accommodate them. This is especially problematic for graduate RNs just entering the workforce.

6.S9(2)(g)(i)

7. Further, although the Accord<sup>1</sup> agreed with nursing unions does not guarantee employment in the sector, Health NZ is obligated to facilitate access to training and employment opportunities for graduate RNs.

### Advanced Choice of Employment matching of graduate RNs to roles

8. To help graduate RNs access employment opportunities, Health NZ operates the Advanced Choice of Employment (ACE) recruitment process to 'match' graduate RNs to roles across the country, both with Health NZ and with other large healthcare providers such as Southern Cross, Ryman and Corrections<sup>2</sup>.

9. Graduate RNs not 'matched' through the ACE process enter a national ACE-RN talent pool, where all registered ACE employers can view their CVs.

10. The ACE-RN talent pool has reduced from 757 in December 2024 to 369 as at 3 April 2025.

11. Engagement with graduate RNs in the ACE-RN talent pool via our candidate care team has identified a need to provide greater visibility of primary care career pathways (see paras 29-30 below).

**Table 1- ACE graduate RNs hired – Totals and hires into Health NZ hospital and specialist services (HSS)**

Year	2020	2021	2022	2023	Sept 2024
Completed ACE Applications <sup>3</sup>	1727	1689	1656	1976	2019
Total Hired Number	1563	1610	1622	1897	1564
HSS Hired Number	1365	1441	1427	1686	1285
HSS Hired Percentage	87.3%	89.5%	88%	88.9%	82.2%

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<sup>1</sup> [Safe Staffing Accord.pdf](#)

<sup>2</sup> Note: Not all graduate RNs choose or need to apply to ACE-RN, but Health NZ encourages graduates to be active in seeking their first jobs.

<sup>3</sup> Completed ACE application numbers do not include those who declined a matched offer. Also note, graduate RNs can apply to ACE up to four times in their first two years. As such, the years ACE applications were completed and the year RNs were hired are not necessarily the same as the year the RN graduated.

## Modelling RN graduates for 2025

S9(2)(f)(iv)

**Table 2 - Forecast RN graduates by completion year**

S9(2)(f)(iv)

**Table 3 - Previous RN graduates by completion year**

Completion year	2018	2019	2020	2021	2022	2023	2024*
Total completed	1,777	1,789	1,853	1,926	2,072	2,253	2,085

\* Note – 2024 graduate data is indicative only, as it is still pending validation.

## Expected vacancies in Health NZ

16. You have requested current and forecast vacancy rates for Health NZ.

17. Health NZ monitors vacancies at a district level, and vacancies suitable for new graduates are only reported centrally as part of the ACE-RN programme (collated in June and again in December). All vacancies are reported centrally every quarter, as part of the Health Workforce Information Programme. District vacancy data is at a point in time and changes daily.

18. Below, we provide you with the best metrics we have on RN vacancies — vacancy rates and quarterly turnover rates (see Table 4 overleaf). Please note, these rates are based on HWIP data and also reflect a single point in time, with the most recent vacancy rates as at 31 December 2024.

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<sup>4</sup> This estimate is based on our model and data sourced from the Ministry of Education.

19. Current vacancy data tells us very little about how many graduate RNs Health NZ may be able to hire in the future. When looking at vacancies and hiring of graduate RNs, it is important to note that even when they exist, not all vacancies for RNs can be filled by graduate RNs. Many vacant roles require a specialist or experienced RN to fill them. Further, each team that has a vacancy needs an appropriate mix of RN skills to ensure they are providing safe and quality care. The current skill-mix of the team may mean that a vacancy cannot be filled by a graduate RN. Taken as a whole, this means that each specific vacancy needs to be analysed to determine if it could be filled by a graduate RN. This is done currently at a district level by the District Chief Nurses, as noted in para 21 below.

**Table 4 - Health NZ Nursing vacancy rates and quarterly turnover rates (excluding enrolled nurses): Last five years**

Reference Date	Occupation Group	Vacancy Rate	Quarterly Turnover Rate
30/09/2020	Nursing	4.8%	2.3%
30/09/2021	Nursing	7.6%	3.2%
30/09/2022	Nursing	11.0%	3.3%
30/09/2023	Nursing	8.7%	2.4%
30/09/2024	Nursing	3.7%	1.9%
31/12/2024	Nursing	4.3%	1.7%

## Ensuring as many graduate RN roles as possible are available in Health NZ

20. Health NZ is committed to hiring as many graduate RNs as possible.
21. At present, we support strong recruitment of new graduate RNs into Health NZ positions in the following ways:
- a. District Chief Nurses monitor and manage nursing vacancies. They check each RN vacancy that arises to see if it could be filled by a new graduate. Any such vacancies are either filled by a suitable candidate in the ACE-RN talent pool or held until the next ACE recruitment round, in June or December, and then filled by a suitable graduate.
  - b. We collate vacancies centrally for reporting during each ACE recruitment round.
22. We will continue to tightly monitor and manage nursing vacancies across Health NZ to see if new vacancies can be filled by a new graduate.

S9(2)(f)(iv)

FTE permanent positions and be in a specific role, ward or service. These specifications may limit how many new RNs can be employed.

25. s 9(2)(f)(iv)

S9(2)(f)(iv)

s 9(2)(f)(iv)

## **Planning underway to ensure as many graduate RN roles as possible are available in Primary Healthcare and Community**

27. As Health NZ cannot hire all graduate RNs, we are working to encourage more graduate RNs to consider roles in the primary and community sector and to make it as easy as possible for employers in the primary and community sector to employ graduate RNs and deliver a supported first year of practice.

28. We update you on this work regularly as part of our reporting on the Primary Care

## Tactical Action Plan (PCTAP).

29. Given issues of pay parity, Health NZ is often the preferred employer for graduate RNs. We have worked hard to reframe the options within the primary health care and community sector, so that undergraduates understand the benefits and opportunities that can come with starting their career in this sector, including the specific career pathways that exist in this sector, such as RN prescribing and Nurse Practitioner. This work includes:
  - a. Speaking directly to undergraduates
  - b. Sending presentations to schools of nursing; and
  - c. Social media campaigns presenting graduate RNs in the primary healthcare and community sector.
30. We will continue this work and are also looking into the possibilities of enlisting primary health organisations (PHOs) as allies in workforce development initiatives
31. We have successfully introduced incentive placement funding for employers to recruit up to 200 graduate RNs in community settings. We have supported 150 graduate RNs positions with the fund as of 31 March 2025. It will be completed by the end of April 2025.
32. This will be followed by a further 400 graduate RN roles under the PCTAP, where Health NZ will provide up to \$15,000 (for urban providers) or \$20,000 (for rural providers) to eligible employers in the funded primary health care sector as follows:
  - a. Support primary care and community employers with development of supported first year of practice programmes for graduate RN transition to practice. This will reduce reliance on hospital-based nurse entry to practice programmes and promote (appropriate) setting specific practice development.
  - b. Increasing preceptor capacity and capability in primary care and community by offering free access to online training for RNs. This prepares primary care and community-funded providers to continue to successfully support graduate RNs.
  - c. Promote and grow third year transition placement opportunities in primary care and community settings in partnership with key stakeholders.
  - d. Free advertising for employers for graduate RN positions on Kiwi Health Jobs until the end of 2025 (with opportunity to extend).
33. A number of private providers offered new graduate nurses employment in January 2025, including Southern Cross and aged care facilities. We will continue our engagements with these and other providers on placement support and employment opportunities.

## Risks

34. Table 6 on the following page outlines the risks that might prevent all graduate RNs from gaining employment, the impacts, and the proposed mitigations.

**Table 6: Risks to all graduate RNs gaining employment**

Risk	Impact	Mitigation
<ul style="list-style-type: none"> <li>• s 9(2)(g)(i)</li> </ul>	<ul style="list-style-type: none"> <li>• Low graduate RN employment in Health NZ.</li> <li>• Longer-term negative impact on interest in nursing as a career.</li> <li>• Negative media.</li> </ul>	<ul style="list-style-type: none"> <li>• Adopt more flexible approaches to employment models for graduate RNs.</li> <li>• s 9(2)(g)(i)</li> </ul>
<ul style="list-style-type: none"> <li>• Low RN turnover across Health NZ – fewer vacancies.</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced job opportunities for graduate RNs.</li> <li>• Negative media.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider alternative employment models and practice settings for graduate RNs.</li> <li>• Share new models and innovations in employment and entry to practice programmes.</li> <li>• Point out that low turnover reflects a healthier workplace.</li> </ul>
<ul style="list-style-type: none"> <li>• Pay parity between Health NZ and primary health care</li> </ul>	<ul style="list-style-type: none"> <li>• Low uptake of roles by graduate RNs in primary health care due to lower pay rates.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure strong communications to market the opportunities in primary health care.</li> <li>• Promote career pathways for advancement in primary health care.</li> <li>• Enlist primary health organisations (PHOs) as allies in workforce development initiatives.</li> </ul>

## Next steps

35. We will continue to provide you with updates on PCTAP and ACE recruitment process in the Weekly Report.
36. We can provide you with additional information as required.