



**COUNCIL OF DEANS
OF NURSING AND MIDWIFERY**
(Australia & New Zealand)

Creating
The
Future

**Submission by the Council of Deans of Nursing
and Midwifery (Australia and New Zealand) Ltd**

2026–2027

**PRE-BUDGET
SUBMISSION**

INTRODUCTION

The Council of Deans of Nursing and Midwifery (Australia and New Zealand) – CDNM – is the peak body representing universities and other higher education providers offering undergraduate and postgraduate programs in nursing and midwifery across Australia and New Zealand. CDNM is uniquely positioned at the intersection of education and healthcare. Through our members' entry to practice and post-registration education programs, CDNM has a pivotal role in shaping future nursing and midwifery workforce sustainability and effectiveness. Our commitment is to build, expand, and enhance this workforce through high quality education, underpinned by research that is focused on strategic influence and advocacy, as well as achieving equity and excellence for the populations we serve.

CONTEXT

CDNM welcomes the opportunity to contribute to the 2026-2027 Federal Budget process and its determination of how best to support priority issues facing Australia. Cost of living, systemic inequalities, health workforce sustainability and education remain chief amongst these. Work is already in development in some of these areas, with significant change signalled as a result, including in the health and higher education sectors.

CDNM's submission proposes four value-for-money streams of work to support the above priorities within the sphere of nursing and midwifery. They build on policy work already underway and focus on the following areas:

- supporting nursing and midwifery student equity and retention;
- promoting nursing and midwifery workforce distribution;
- boosting nursing and midwifery workforce preparation within higher education; and
- maximising potential of the existing nursing and midwifery workforce.

Further details are provided below.

RECOMMENDATION 1:

SUPPORT NURSING AND MIDWIFERY STUDENT EQUITY AND RETENTION BY:

- growing the number of First Nations nursing and midwifery students: uncap Commonwealth Supported Places (CSPs) for eligible First Nations students; and
- making the Commonwealth Prac Payment tax-exempt for all eligible students.

1.1 Grow the number of First Nations nursing and midwifery graduates

Alongside the well-established need to grow workforce numbers overall, there is a particular need to educate and train significantly more First Nations registered nurses (RNs) and midwives (RMs). Despite growth over recent years, the proportion of First Nations nurses and midwives in the workforce is around 1.5 to 1.8%¹ – just under fifty percent relative to population parity.

Indigenous population parity in this workforce underpins both health and broader equity goals. It builds cultural safety and awareness within services, improves patient trust, and enhances service accessibility to improve health outcomes.

In Australia, entry to practice as an RN or RM is through attainment of an approved entry to practice or post-graduate higher education degree. Study costs to students are subsidised for degrees which are designated as Commonwealth Supported Places (CSPs). Until recently, growth of CSPs has been uncapped² enabling further growth of this nursing and midwifery workforce, including for First Nations students. However, constrained or “managed” CSP growth is proposed as part of higher education policy change associated with the Universities Accord. While some consideration has been given to First Nations students within this, full details are yet to be outlined. Overall, CSP growth will be limited.

To support needed growth, CDNM recommends removing CSPs for eligible First Nations nursing and midwifery students from the managed growth approach proposed in higher education and uncapping such CSPs until at least workforce population parity is reached.

1.2 Support nursing and midwifery student retention

CDNM welcomed the uptake of its ideas to address student cost-of-living pressures and continues to endorse the Commonwealth Prac Payment (CPP) for students which was introduced on 1 July 2025. The aim of the CPP is to reduce placement poverty. More than 75 per cent of students report experiencing such poverty when they undertake their compulsory, clinical/professional experience placements (PEP)³. Financial support through the CPP increases the likelihood of students finishing their degrees and entering the workforce⁴.

Unlike most other education scholarships and stipends, the CPP is taxable. Taxing the CPP minimises its overall financial value to the student, which is contrary to the CPP’s policy intent. Taxing the CPP also categorises this compulsory *learning* experience as ‘work’ and overshadows its primary purpose as a supervised learning experience in a work setting.

To support cost of living issues, further alleviate financial pressures on students during placements and reemphasise the educational focus of PEP, CDNM recommends that the Commonwealth Prac Payment be made tax-exempt.

1 Approximately 1.8% for nurses and 1.5 – 1.7% for midwives.

2 In all courses except medicine.

3 Also known as “clinical placements”

4 Students facing financial hardships are more likely to withdraw from or delay completion of their courses, minimising subsequent workforce gains to the health system. It is too early to tell the impact of the CPP on student retention at this point, however, an evaluation of the CPP is anticipated later in 2026.

RECOMMENDATION 2:

PROMOTE NURSING AND MIDWIFERY WORKFORCE DISTRIBUTION TO LOCATIONS AND SETTINGS OF NEED BY:

- Growing the rural health multidisciplinary training (RHMT) program and expanding the number of nursing and midwifery students within it.
- Providing scholarships for post-graduate study in mental health nursing and designated RN prescribing.

2.1 Support more nurses and midwives to work in rural and regional Australia: grow the RHMT program

Australia continues to face nursing and midwifery workforce distribution challenges, especially in small/medium rural towns and remote communities⁵. For example, in 2023, the number of nurses per 100,000 population in small rural areas was less than half of that in large metropolitan centres (498 compared to 1148 respectively)ⁱⁱ.

Higher education can play a significant role in influencing workforce distribution, particularly through the provision of quality placement experiences in rural, regional and remote locations. Extensive evidence shows that extended exposure to rural, regional and remote practice during study significantly increases the likelihood that graduates will choose to work in these locations when qualified.

The Commonwealth Department of Health, Disability and Ageing (DoHDA) has built on this knowledge to deliver the Rural Health Multidisciplinary Training (RHMT) program. The program funds universities to deliver entry-level health professional education programs in rural, regional and remote areas. It is effective in developing rural health workforce capacity through supporting students to undertake extended placements in rural, regional and remote health services⁶, highlighting the critical link between education and workforce development/distribution.

The number of nursing and midwifery students undertaking the RHMT program has grown over time. However, such students are still under-represented in the program relative to some other professions – and to their volume in the workforce overall. (Nurses and midwives collectively represent the largest volume of registered professionals within the health workforce.) While information for nursing students alone is not available, extrapolation from available data indicates that only about 16 percent of nurses and allied health students participate in the program, compared to 35 per cent of medical studentsⁱⁱⁱ.

CDNM views RHMT as an important evidence-based program that supports rural, regional and remote health workforce distribution. The RHMT program is currently undergoing internal review. Outcomes of the review are as yet unknown.

To further support nursing and midwifery workforce distribution, CDNM recommends maintaining the RHMT program and expanding the number of nursing and midwifery students within it.

⁵ Corresponding to Modified Monash (MM) categories 4, 5 and 6 such as Port Augusta, Charters Towers (MM4), Moruya, Renmark (MM5) and Alice Springs, Port Hedland (MM6). National Rural Health Alliance: Rural Health in Australia Snapshot 2025.

⁶ A 2020 evaluation of RHMT found that students undertaking rural clinical placements were more likely to work in rural Australia as graduates than those who did not undertake such placements. For nursing and midwifery graduates, this represented an additional 18.02 more work hours per week (0.47 FTE).

2.2 Support nurses to work in service settings of need through scholarships for post-graduate study in mental health and RN prescribing

In addition to geographic locations, Australia also faces challenges in recruiting nurses to service settings of need – in particular mental health and primary care services. Nurses and midwives learn about these topics as part of their entry-level degrees. However, as identified in various reviews, further specialisation within these areas is greatly needed. Such specialisation requires a post-graduate qualification.

Mental health

Mental health needs in Australia are known to have increased⁷. In 2024, almost half of all people aged between 16 to 85 years had a mental health disorder at some point in their lives and almost a quarter had a twelve-month mental disorder^{iv}. Ensuring an appropriately qualified workforce is an important step towards addressing these needs. The Mental Health Workforce Strategy specifically identified supporting specialist skills development in nurses and other health professionals as a way to achieve this^v.

Primary care

In parallel with this, a new registration standard to enable nurses to become designated RN prescribers came into effect from 30 September 2025. RN prescribing builds on the comprehensive knowledge RNs already have to increase their scope and maximise their use within the overall health workforce. Endorsement as an RN prescriber requires completion of a relevant post-graduate qualification. Postgraduate courses for this purpose commenced in early 2026. While the qualification will enable RNs to undertake designated prescribing in a range of service settings, including hospitals, areas most likely to benefit are rural, aged and primary care services.

Commonwealth government scholarships have previously been made available to nurses to undertake post-graduate qualifications in aged care – another known area of workforce need – with successful uptake. Currently, no Commonwealth scholarships exist to support nurses to undertake further study in either mental health or RN prescribing.

To support more nurses to work in service settings of need, such as mental health and primary care, we recommend the Commonwealth fund scholarships for eligible nurses to undertake post-graduate study in:

- mental health nursing; and
- to become a designated RN prescriber.

⁷ ABS figures show an 18% rise over a three-year period from 2014/15 to 2017/18.

RECOMMENDATION 3:

BOOST NURSING AND MIDWIFERY WORKFORCE PREPARATION WITHIN HIGHER EDUCATION BY:

- Ensuring that higher education funding covers the full costs of nursing and midwifery education delivery;
- Assuring sufficient, affordable, quality clinical placements; and
- Subsidising higher education institutions to embed the full Mental Health First Aid (MHFA) module within their nursing and midwifery curricula.

3.1 Fully fund the true costs of nursing and midwifery education delivery

Higher education funding for nursing and midwifery program delivery has been put under pressure over recent years. Key contributors include:

- reduced funding to universities to deliver this education introduced as a result of changes to cluster funding in the Job Ready Graduate (JRG) package⁸; and
- increasing costs levied by public and privately funded health services on higher education providers to take students on clinical placements – compulsory components of this education.

Introduction of the JRG resulted in a five percent overall reduction of Commonwealth funding to universities and a 7.9 percent decrease in funding to deliver nursing and midwifery education programs specifically – a reduction which has not yet been reversed^{vi}. This funding shortfall has occurred at the same time as universities consistently report that costs to deliver this education are increasing. Increased delivery costs are particularly associated with fees levied on universities by health services for student placements – despite public health services already receiving government funding to support this.

These two factors together – a shortfall in Commonwealth funding and increased education delivery costs – erode higher education providers' ability to sustain and grow nursing and midwifery programs and puts the long-term viability of these programs at risk. Yet ability to sustain them is vital for us to meet our significant, predicted nursing and midwifery workforce needs⁹.

To support higher education providers' ability to sustain and grow nursing and midwifery education delivery, fully fund the delivery costs of nursing and midwifery higher education programs. Increased education provider funding must increase the CGS component in this cluster to:

- **address the overall funding shortfall for nursing and midwifery education introduced through the Job Ready Graduates Package; and**
- **address the rising costs levied on education providers for compulsory student placements**

⁸ Cluster funding comprises two parts: the Student Contribution Amount (SCA) and the Commonwealth Grant Scheme (CGS) amount. These are the amounts the student and the Commonwealth respectively provide towards the course. JRG reduced the SCA for nursing and midwifery without increasing the CGS to compensate. The result was a funding reduction to deliver this education, despite ever-increasing costs of delivery.

⁹ A shortfall of up to 70 000 nurses by 2035 is predicted. Nursing Supply and Demand study 2023-2035 Commonwealth Department of Health and Aged Care

3.2 Assure sufficient quality clinical placements for nursing and midwifery students by funding placement data collection/analysis and clinical facilitator training

Higher education providers' ability to grow the number of nursing and midwifery enrolments is only half of the equation. Any such enrolment growth must be matched with an associated increase in clinical placements, availability of which is essentially controlled by health and hospital services. Without this, education providers will be unable to increase domestic supply of graduates into the nursing and midwifery workforce.

Placement issues are not new and they are multiplex. To fully understand them and work towards solutions, further work is needed to assess the current placement situation, grow capacity and consolidate quality supervision of students within health services.

Various work to explore and enhance nursing and midwifery placements is already in progress. These include: a starter data set on nursing and midwifery placements; development of guidance on quality placements¹⁰; and formation of a clinical facilitator course to support clinical supervision¹¹. These projects could be built on further to provide a more comprehensive understanding of placement capacity/quality and support clinical education – with a view to developing solutions informed by solid evidence of what works and where the gaps are.

To support building placement capacity and quality supervision, CDNM recommends funding collaborative work to: develop a comprehensive nursing and midwifery placement data set, cement a collaborative and shared accountability approach to providing clinical supervision and expand the CDNM clinical facilitator's course.

3.3 Redirect existing Mental Health First Aid (MHFA) funding to higher education providers to roll-out the full MHFA module as part of their nursing and midwifery programs of study

Mental Health First Aid (MHFA) is a nationally and internationally recognised mental health training program. MHFA courses prepare people to identify, respond to, and support initial mental health needs safely and effectively until professional help is available.

For the last four years, the Commonwealth Department of Health, Disability and Ageing (DOHDA) has offered funding to universities to deliver the online-only component of the MHFA module to nursing, midwifery and other health professional students. Funding is provided based on student uptake numbers. The aim is to help prepare future nurses and midwives to support their own mental wellbeing alongside clinical care. There is no requirement for universities to provide the MHFA program to nursing and midwifery students. It is optional on top of existing curricula.

There has been some growth in uptake of the program over the years. However, there are obstacles to maximising uptake. Particular issues include:

- the optional, add-on nature of the online module on top of an already highly demanding curriculum; and
- the cumbersome administration requirements to roll-out the program in universities (a voucher system is used).

Program feedback shows that uptake is enhanced – and administration decreased – when universities are able to integrate the module into the curriculum, especially as part of the full MHFA training, rather than provided as an extra curricula online-only component.

Given the importance of mental health knowledge to nursing and midwifery students, CDNM recommends that the current DOHDA MHFA funding for nursing and midwifery is redirected to support universities embed the full MHFA module into nursing and midwifery programs. A small amount of additional funding would also support nominees from within universities to undertake the MHFA facilitator training – a requirement to run the course.

¹⁰ CDNM is working with ANMAC and other nursing bodies on different aspects of these projects

¹¹ A CDNM developed, evidence-informed course that has been well-received.

RECOMMENDATION 4:

MAXIMISE NURSING AND MIDWIFERY WORKFORCE USE BY:

- funding full implementation of the National Nursing Workforce Strategy;
- completing the National Maternal Health Workforce Plan; and
- fully implementing the Scope of Practice Review recommendations, including the primary care workforce program.

4.1 Fund implementation of the National Nursing Workforce Strategy

CDNM supports the final National Nursing Workforce Strategy (NNWS). The Strategy lays out a clear path to address nursing workforce challenges in Australia, including its important links to higher education in the development of our future workforce. The report was finalised in mid-2025.

To help grow, retain and fully utilise the nursing workforce expertise, CDNM recommends funding full implementation of the National Nursing Workforce Strategy

4.2 Fund finalisation of the National Maternal Health Workforce Strategy

We also request completion of the National Maternal Health Workforce Strategy (NMHWS). Like the NNWS, the aim of the NMHWS is to map out a realistic pathway to addressing Australia's maternal Health workforce needs, including midwives. Development of the NMHWS was paused in the second half of 2025. **We strongly support its finalisation.**

4.3 Fund full implementation of the Scope of Practice Review

CDNM welcomes actions already undertaken by the Commonwealth and other governments to implement aspects of the Scope of Practice (SoP) Review Final Report. The report's recommendations offer clear steps as to how we can maximise the potential of our existing health workforce, including nurses and midwives.

We recognise the incremental nature of the SoP implementation process and strongly encourage next steps to include roll-out of the primary care workforce development program (Recommendation 2). Implementation of this recommendation will enhance primary care placement capacity and will dovetail with other work, such as designated RN prescribing to support nurses and midwives to work to their full potential in primary care.

To maximise the potential of the nursing and midwifery workforce, fully implement the SoP report's recommended primary care workforce development program to:

- expand primary care placement capacity; and
- enable nurses and midwives to work to their full potential in this setting.

REFERENCES

- ⁱ National Aboriginal and Torres Strait Islander Workplan 2021 – 2031, Australian Government Department of Health
 - ⁱⁱ Rural Health Australia Snapshot 2025, p.9. National Rural Health Alliance
 - ⁱⁱⁱ Independent Evaluation of the Rural Health Multidisciplinary Training Program. Summary of Final Report to the Commonwealth Department of Health June 2020, KBC Australia.
 - ^{iv} Mental Health, Australian Bureau of Statistics <https://www.abs.gov.au/statistics/health/mental-health>
 - ^v National Mental Health Workforce Strategy 2022–2032, Australian government Department of Health Disability and Ageing.
 - ^{vi} Job Ready Graduates Discussion Paper 2020, Commonwealth Department of Education <https://www.education.gov.au/job-ready/resources/job-ready-graduated-discussion-paper>
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