

Special Commission of Inquiry into Healthcare Funding

Statement of Richard Griffiths

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1. This statement made by me accurately sets out the evidence that I would be prepared, if necessary, to give to the Special Commission of Inquiry into Healthcare Funding (**the Inquiry**) as a witness. The statement is true to the best of my knowledge and belief.
2. I provided a statement to the Inquiry dated 16 July 2024 (**MOH.0011.0022.0001**).
3. This statement is provided in response to evidence given by Dr Dustin Halse of the Health Services Union on 22 July 2024 regarding the collection and publication of workforce data, particularly vacancy data. It also responds to matters raised with other witnesses who referred the question to me.

A. VACANCY DATA

4. The Ministry of Health (**MOH**) collects data on medical workforce vacancies from time to time to gain an additional insight into the status of aspects of the NSW Health workforce. This collection requires MOH writing to Local Health District (**LHDs**) to gather the information as at a determined date. LHDs are then required to manually collect this information from every facility and service for report back to MOH. MOH provides a 2-3 week period for the collection. Upon return, the data is collated by MOH for analysis. Exhibited to this statement is the latest correspondence to NSW Health organisations seeking the information and outlining the process (**code to be provided**). There is presently no IT system solution in NSW Health to gather this information in any automated way.
5. It is not feasible to capture real time data, or even relatively frequent data, on vacancies. To do so, MoH would need to be constantly engaged with the NSW Health system in this manual collection manner. The decentralised model is such that MOH does not have central visibility of vacancies. Our current corporate systems – Staff Link and ROB – do not enable the tracking of this data in an automated way.
6. Vacancy data has the potential to be misunderstood or misrepresented. This is because vacancies, however defined, are a point in time measure, and are not reflective of filled

versus unfilled shifts at that point in time. There are variable definitions of a 'vacancy' which can create misunderstanding between stakeholders when referring to the status of the NSW Health workforce and when reporting staff numbers. A vacancy can be defined as:

- a. a role that is funded within the operating budget of a Local Health District (**LHD**) and not filled by a permanent occupant, but temporarily filled by a temporary, casual or contingent worker; or
 - b. a role that is funded within the operating budget of the LHD and is not filled by a permanent occupant, and left vacant and not filled by a temporary, casual or contingent worker as a result of a management decision related to service provision and budget; or
 - c. a shift gap that may arise from time to time due to roster design which does not equate to a full-time worker, regardless of funding.
7. Because of the disparate meanings that the term 'vacancy' might carry, it is difficult to determine what the meaning of a declared vacancy is in any particular data set or report. To establish which of the above scenarios is associated with a role that is unfilled on a permanent basis, a manual data collection process is required – such as was undertaken for the Psychiatrist workforce in 2024 (**code to be provided**). Without this granular inquiry process it is not possible to have a productive discussion about the level of vacancies and their impact on service delivery.
 8. The vast majority of 'vacancies' in the NSW Health system are filled in some capacity by utilising overtime, offering part time staff additional hours, or by utilising casual staff or agency/locum staff. If these options are not available or unsuccessful, there may be alternate models of care available that safely mitigate the unavailability of particular health workers on a shift.
 9. Vacancies as they arise are most appropriately managed by LHDs, taking into account local service demand, workforce models, and workforce supply.
 10. Regularly publishing vacancies, even if possible, would not reflect the staffing or service situation of the NSW Health service, nor have a practical benefit in terms of filling positions. It may also unnecessarily erode public confidence in the service by creating the false impression that particular care cannot be provided safely.

11. MOH maintains a contemporary understanding of the workforce situation in the NSW Health system by meeting on a monthly basis with LHD Directors of People and Culture and Directors of Nursing and Midwifery to consider strategic workforce issues that may be impacting the system. Where common issues are identified, the participants in the system work together to develop solutions. An example was the emerging challenge of attraction and retention in certain areas in rural and remote NSW. In response, MOH developed the Rural Health Incentive Scheme in collaboration with affected local health districts, Justice Health and Forensic Mental Health Network, and statewide services to incentivise employment to hard to fill roles in the eligible locations.

B. RECRUITMENT PROCESSES IN THE NSW HEALTH SYSTEM

12. Recruitment processes in government are designed to be fair and transparent based on merit and are regulated by the *Government Sector Employment Act 2013*.
13. In 2022/23, NSW Health conducted a review of the People and Culture functions across the NSW Health system (**MOH.0010.0274.0001**) As part of that review, it was identified that recruitment processes would benefit from a redesign to enhance timeliness and the recruitment experience of candidates and recruiting managers. It found the average timeframe to recruit in 2022/23 was 49 days. Consequently, a review of recruitment has been conducted, and a revised process has been designed for NSW Health organisations to assist in achieving these enhancements, which will be implemented from 25 July 2024.
14. The first stage of the review aims to bring the recruitment timeframe down to 40 days and to manage some transactional activities within recruitment units in LHDs to free up the administrative and time burden that recruiting activities impose on front-line managers. The second phase will include some IT system and process enhancements and will commence in 2024/25, aiming to further reduce the total timeframe to recruit.

C. WORKFORCE TURNOVER IN NSW HEALTH

15. Regular workforce turnover in NSW Health, not unlike most businesses in Australia, results in movement of workforce in and out of the NSW Health system. NSW Health publishes a workforce snapshot as part of its Annual Report, which includes turnover. Turnover is a measure of the entries, exits and internal movements in a large workforce. It reflects new starters, people separating, and people moving between roles in the system. In the 2022/23 Annual Report (**SCI.0001.0059.0001**) NSW Health reported a turnover rate of 13.1%.

16. The Australian Human Resources institute, which publishes a quarterly Australian Work Outlook (**code to be provided**), reported in its September 2023 edition that the average turnover for all workplaces in the preceding 12 months to July 2023 was 14%, and in the public sector was 19%, which is 5.9 percentage points higher than NSW Health.
17. Attrition is a measure of the workforce that exits employment with NSW Health. In 2023/24, 11,100 people separated from NSW Health. While this number seems large in isolation, it represents only a 6.6% annual attrition rate across the state. . NSW Health has a turnover rate that is less than the average and its attrition rate is significantly below that experienced by most organisations.

D. RECRUITMENT REQUISITIONS

18. A recruitment requisition is the formal request initiated in the Recruitment and Onboarding system to seek approval to recruit to a vacancy in the NSW Health system. Monitoring the total number of recruitment requisitions gives the MOH some understanding of the level of recruitment activity in the system at any point in time, but that metric is not necessarily reflective of the number of actual vacancies. This is because requisitions may be used differently to suit the needs of each organisation, including recruiting multiple people responding to a single advertisement, and recruiting multiple people over an extended period from one advertisement by creating and using talent pools. The monitoring of recruitment involves measuring the average time taken to recruit staff from the time of approval to the offer of employment.

E. FUTURE WORKFORCE ENGAGEMENT

19. Research suggests that younger generations of workers have a growing preference for flexibility that leads them to pursue casual or transient style work arrangements. The 2024 Deloitte's Gen Z and Millennial Survey found in addition to this, good work-life balance, learning and development opportunities and remuneration are the top three factors for Gen Zs and millennials when it comes to choosing an employer. That trend is expected to continue to grow as people enter the job market. Permanency and longer tenured arrangements have been historically perceived as the preferred engagement method, and organisations have been considered successful if they have been able to attract a permanent workforce. In the future, the mix of permanent, temporary and casualised arrangements may change to skew toward a higher casualised/contingent workforce to accommodate desires of the younger generations. Societal expectations around what a successful workforce composition looks like will need to shift, as will health

system mitigation of the consequences of changes in the continuity of workforce in the clinical setting that comes along with such a shift.

Responses on matters referred to me by other witnesses

20. I am aware that in answer to some questions put, various witnesses have deposed, in effect, that the questions would be best addressed to me. In the table that is attached to this statement and marked 'Annexure A', I have set out in the left hand column those questions or issues, with the applicable transcript reference, and in the right hand column, my shortform response thereto. I can say more of those matters during my oral evidence should the Commission so require.



Richard Griffiths



Witness: Lucy Pinnock

Date: 2 August 2024

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