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Skilled Occupation List (SOL) 2015-16

Fields marked with \* are required

The Department of Industry is currently updating its advice on the Australian Government's **Skilled Occupation List** (SOL) for 2015-16.

We are seeking your input on the occupations/industry sectors your organisation represents or that you belong to as an individual. In particular, we are seeking evidence of:

- demand and supply imbalance,\* both nationally and regionally
- medium-to-long term demand and supply trends which may impact upon Australia's employment outlook
- formal licensing or registration requirements.

**Note:** The SOL is concerned only with medium-to-long-term skills needs rather than immediate skills shortages. As such, the Department of Industry is only seeking to obtain information on longer term trends, rather than immediate shortages and costs. For the purposes of this exercise, 'medium-to-long term' is defined as a period of around two to ten years.

\* **Skill demand and supply (im)balance** occurs when the quantity of a given skill supplied by the workforce and the quantity demanded by employers diverge at existing market conditions. Labour market supply and demand for occupational skills are continuously fluctuating. At a certain point in time, there will be labour market imbalances and accompanying skill imbalances if there is disequilibrium between the demand for and supply of skills.

### Name

Individual \*

Robert Boyd-Boland, CEO

Organisation

**Australian Dental Association** 

What are the industry/industries and ANZSCO occupation/s that you or your organisation represents for the purposes of this submission?

Industry

Administrative and Support Services
Administrative and Support Services
Public Administration and Safety
Education and Training
Health Care and Social Assistance
Arts and Recreation Services

## Occupation

The three dropdowns below accord with the ABS ANZSCO classification of occupations. Selections are required at the 'Occupation Group' 2-digit level and at the 'Occupation Unit (4-digit)' level, but can also be made down to the Occupation (6-digit) level depending on the occupation/s to which your submission relates.

Additional occupations can be selected by way of the 'Add item' button.

For each occupation selected, please indicate whether your advice is to Include, Exclude, or is Neutral (other) with respect to the 2015-16 SOL. The rest of the form can be used to provide evidence/reasons to support your recommendations. Attachments can also be added after clicking the 'Submit' button.

# Item 1 Occupation Group \* Occupation Unit \* Occupation Dental Specialist 252311 **Health Professionals Dental Practitioners** Summary advice for 2015-16 SOL \* Include Exclude Neutral **Delete Item** Item 2 Occupation Group \* Occupation Occupation Unit \* Health Professionals **Dental Practitioners** Dentist 252312 Summary advice for 2015-16 SOL \* Include Exclude Neutral **Delete Item Add Item**

Are there any occupations that you represent where there is evidence of imbalances in the demand for and supply of skills in the medium-to-long term? \*

There are continued reports of unemployment and underemployment for dentists across both the public and private sectors. Employment vacancies are extremely low and there has been a large drop in dentist graduates obtaining full time employment.

Up until 2011, the Graduate Careers Survey reported that almost 95% of newly qualified dentists were in full-time employment four months after graduation. In 2012, this figure fell to less than 84% and continued to drop in the 2013 survey. The Graduate Careers Survey findings support the views of the ADA and its members.

A recent survey undertaken by the ADA showed that 61% of graduating dentists encountered difficulty in obtaining work. Twenty-eight per cent were working less than 24 hours per week because they were unable to obtain any additional hours.

The ADA hosts a free job posting portal for its members. Analysis of the jobs advertised over the last few years indicate a growing increase in the number of part-time positions and a falling proportion of full-time opportunities.

Workforce projections undertaken in 2008 estimated that approximately 15,000 dentists would be required by 2020. Registration figures as at June 2014 already exceed these workforce projections, showing Australia has 15,638 dentists. If there are no changes to existing policy settlings, the number of dentist practitioners will continue to be in drastic oversupply by 2020.

Early reports from a supply and demand study undertaken by Health Workforce Australia (HWA) (Health Workforce 2025 - Oral Health - yet to be released), indicate an oversupply of all dental practitioners (dentists, dental hygienists, dental therapists and oral health therapists) even if there was an increase in service provision and migration numbers were capped immediately. This oversupply situation is projected to remain until at least 2025 which is as far as HWA could prognosticate.

The ADA's own studies suggest that approximately 460 new dentists are required to enter the Australian workforce each year to meet demand and attrition.

The Australasian Council of Dental Schools estimates that around 580 dentist students graduated in 2013, with the number to rise in 2014 to 620 graduates. There is an even greater growth in the number of allied dental practitioners being trained.

Based on previous years, around 200 overseas qualified dentists will successfully complete the requirements to register as dentists in Australia through the Australian Dental Council assessment pathway for overseas trained dentists.

According to the Australian Workforce and Productivity Agency, 307 dentists were granted visas (137 permanent, 170 temporary) in 2011-12 in addition to those entering the workforce through Australian university programmes.

It is clear from this data that the supply of dentists annually far outweighs the requirements to meet demand, growth and attrition combined.

Is there evidence of imbalances in the demand for and supply of skills in the medium-to-long term in non-metropolitan areas?

If so, can you indicate in what part of Australia and the number in the occupation in over or under-supply.

There is substantial oversupply in metropolitan areas as indicated by the number of applications received for each advertised position in both the public and private sector, the proportion of full-time to part-time work available and the number of dentists who report difficulty in obtaining full-time work.

Any vacancies that do exist are for positions in the public sector and in remote areas of Australia. However, employment conditions in the public sector are not competitive with private practice. Similarly, enticing and retaining practitioners to work in remote areas is difficult because of the isolation, lack of employment opportunities for spouse and other family members, access to schools and other lifestyle issues. In dentistry, there is the added complexity of practice viability. Areas of small population density (<5,000) are unable to sustain a private dental practice. Those vacancies that are advertised in very remote and very remote areas over the last 3 years have been filled relatively quickly.

The ADA offers members the capacity to post job vacancies on the member's section of the ADA website. Our monitoring of these vacancies demonstrates a decrease in positions advertised and of those that are advertised, they are predominantly part-time. Furthermore, there are substantially less vacancies than the number of graduates expected to enter the workforce. These trends are more pronounced in non-metropolitan areas.

Are there any occupations which require formal licensing or registration arrangements in order to practice/perform in this occupation?

#### For example:

- Midwives are required to register with the nurses board in their state or territory
- Panelbeaters are required to be registered or certified with the state Motor Vehicle Repair Industry Authority

In order to practice, dentists and dental specialists must be registered with the Dental Board of Australia.

Is it expected that your employment sector will be impacted by any medium-to-long term trends which will impact upon demand and/or supply (*excluding* costs associated with training, labour hire, and international sponsorship)?

Please provide evidence (e.g. data source, policy document) which substantiates these claims.

#### For example:

 New benchmarks for childcare centres mandate increased staff-to-child ratios and higher qualification standards for childcare workers.

#### **SUPPLY TRENDS**

The following trends currently affect the dentist workforce and will continue to do so over the medium-to-long term.

Approximately 930 dentists/year are entering the workforce through the domestic tertiary education sector and migration supply channels. This is well in excess of the ADA's assessment that around 460 entrants/year are required to meet demand - this figure accounts for how many dentists are needed to replace retiring dentists, feminisation of the workforce and a population growth rate of 1.5%.

This trend can be explained by the following factors:

1. Growth in the number of students graduating from Australian universities

For decades Australia had five dental faculties. Since 2005, four new dental schools have been opened in Australia (Griffith, La Trobe, James Cook and Charles Sturt).

Over the same time period, existing dental schools increased the number of student places in dental programmes.

The addition of new schools, increased places in existing schools and the removal of the cap on Commonwealth Supported Places have all resulted in a substantial growth in the number of students entering and subsequently graduating from Australian dental programmes. For example, in 2007 the number of new dentists graduating from Australian universities was 193. In 2014 it is anticipated that in excess of 620 domestic students will graduate.

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2007 2008 2009 2010 2011 2012 2013 2014
193 349 469 428 428 478 581* >620*
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Table 1: Award Course Completions, Department of Innovation 2007–2012.

\*Data from 2013 provided by Australasian Council of Dental Schools

2. Changes to international student visa conditions that allow students to remain and work in Australia

Current legislation allows international students, holders of visa subclass 485, to obtain a visa and remain and work in Australia for between two and four years following completion of their degree. This has made it even more competitive for domestic graduates to obtain full-time work. There are in excess of 110 international students expected to graduate from Australian universities in 2014.

3. A significant increase in the number of dentists entering Australia through temporary and permanent migration pathways

Compounding the oversupply of dentists is the significant increase in the number of overseas qualified dentists entering under temporary and permanent migration pathways.

Australia is a popular destination for overseas qualified dentists. According to the Australian Workforce and Productivity Agency (whose functions have been transferred to the Australian Government's Department of Industry), in 2011–12 around 307 dentists were granted visas to enter and work in Australia (137 permanent independent migrant and 170 temporary 457 employer-sponsored).

Dentists from the UK, Ireland and Canada can enter the country and work without limitations. Dentists with qualifications gained elsewhere must be assessed by the Australian Dental Council (ADC). The number of overseas

qualified dentists taking and passing the examinations and assessments of the ADC has grown significantly over the last decade. In the five years between 2000 and 2004 there were on average around 50 dentists per year who completed the ADC assessment process. In 2013 the number had increased to 230.

| - 1 | 2000        | 2001        | 2002        | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----|-------------|-------------|-------------|------|------|------|------|------|------|------|------|
|     | 51          | 52          | 37          | 48   | 61   | 110  | 158  | 156  | 171  | 204  | 242  |
| - 1 | 2011<br>215 | 2012<br>263 | 2013<br>230 |      |      |      |      |      |      |      |      |

Table 2: ADC Completions

Because it is now clear there are too many entrants to the dental professions, universities are cutting back on intakes. University of Adelaide Dental School has been put out to tender by the South Australian Government. The tender states the South Australian Government's view that the state only needs to train 25 dentists and 8 oral health therapists to meet demand. This means fewer jobs for Australian school leavers because there are too many dentists, particularly overseas qualified dentists, entering the profession.

4. Ease of migration through the Trans-Tasman Mutual Recognition Agreement (TTMRA)

The number of dentists entering the country under mutual recognition arrangements between Australia and New Zealand each year is unknown but may also be significantly contributing to the workforce oversupply. Overseas qualified dentists who have met registration requirements in New Zealand receive automatic recognition of their qualifications in Australia under these arrangements. Achieving registration in New Zealand is seen by many as a means of 'back door' entry into Australia.

5. The increase in training numbers of allied dental practitioners

As well as increasing numbers of dentists, Australia now has a growing number of allied dental practitioners (dental hygienists, dental therapists and oral health therapists). Table 3 shows this growth over time. As allied dental practitioners work within a structured professional relationship with a dentist, it will also become increasingly difficult for these practitioners to obtain work if there are limited job opportunities available. In other words, there will be spill over effects.

| Registration category                                    | 2006               | 2009               | 2012               | June 2014*         |
|--|--------------------|--------------------|--------------------|--------------------|
| Dental hygienist<br>Dental therapist<br>Dental hygienist | 784<br>1380        | 1067<br>1412       | 1216<br>1162       | 1298<br>1093       |
| and dental therapist Oral health therapist Total         | N/A<br>410<br>2574 | N/A<br>663<br>3142 | 514<br>614<br>3506 | 493<br>963<br>3847 |

Table 3: Allied dental practitioners registration data

Source: AIHW Dental Workforce 2012 and \*Dental Board of Australia Quarterly Statistics June 2014

The ADA believes there are already more than sufficient numbers of Australian dental graduates currently entering the workforce. Without drastic changes in policy settings this trend will continue over the medium-to-long term.

One effect of the oversupply of dental graduates is that two universities have eliminated or announced the closure of their Bachelor of Oral Health Programmes. Opportunities and careers for Australian school leavers are being lost because of excessive immigration of dentists.

## DENTAL WORKFORCE SUPPLY AND DEMAND STUDIES

Attached are three studies on the dental workforce that provide additional information as to the workforce oversupply, factors impacting on the productivity of dentists and changes in demand for services.

- 1. Review of dental workforce supply to 2020
- 2. Productivity of Australian Dentists
- Demand for Dental Services in Australia

Also attached is a graph taken from the Australian Institute of Health and Welfare's "Oral health and dental care in Australia: Key Facts and Figures Trends 2014" which demonstrates the reduction in total caries experience of the population as shown in the two bars on the right of the figure. This implies a contracting market in the long-term.

Please provide any other information you consider relevant evidence to support your submission

For example, you may know of some independent studies about your occupation that supports your advice to us.

| This form does not have a function to attach the three studies on dental workforce referred to in the previous question, as well as the graph. We will be emailing this to SOL@industry.gov.au. |  |  |  |  |  |
|---|--|--|--|--|--|
|   |  |  |  |  |  |

Would you like to make any additional comments on the SOL?

The occupation of dentist has been removed from the Victorian, Queensland and South Australian Nomination Occupation lists in response to state based evidence of workforce oversupply.

Please provide the name, position and contact details of a person within your organisation who is willing to be contacted if any further information or follow-up is required.

Name \*

Eithne Irving

Position \*

Manager, Policy & Regulation

Contact details \*

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All information, **including name and address details**, contained in submissions will be made available to the public on the Department of Industry website unless you indicate that you would like all or part of your submission to remain in confidence. Automatically generated confidentiality statements in emails do not suffice for this purpose. Respondents who would like all or part of their submission to remain in confidence should provide this information **in an email to SOL@industry.gov.au**. Legal requirements, such as those imposed by the *Freedom of Information Act 1982*, may affect the confidentiality of your submission.

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