KANI Independent Review

AidWorks Initiative Number: ING466

REVIEW REPORT

Lea Shaw, Murray Edwards, Akka Rimon

April 2013 (updated February 2014)
**Initiative Summary**

<table>
<thead>
<tr>
<th>Initiative Name</th>
<th>Nurse Skills Upgrading</th>
</tr>
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<tbody>
<tr>
<td>AidWorks initiative number</td>
<td>ING466</td>
</tr>
<tr>
<td>Commencement date</td>
<td>March 2004</td>
</tr>
<tr>
<td>Completion date</td>
<td>June 2014</td>
</tr>
<tr>
<td>Total (AUD)</td>
<td>$20,751,293 (maximum initiative value)</td>
</tr>
<tr>
<td>Delivery organisation(s)</td>
<td>Griffith University, Brisbane</td>
</tr>
<tr>
<td>Implementing Partner(s)</td>
<td>GoK Ministry of Health and Medical Services</td>
</tr>
<tr>
<td>Country/Region</td>
<td>Kiribati</td>
</tr>
<tr>
<td>Primary Sector</td>
<td>Workforce Development</td>
</tr>
</tbody>
</table>

**Acknowledgments**

The review team sincerely thanks DFAT staff in Canberra and in Tarawa for assistance in organising meetings with GoK stakeholders; KSON (MHMS) for organising meetings with KANI students in Tarawa; and Griffith University staff for arranging meetings with relevant staff and KANI students. This review could not have been undertaken without this assistance.

**Authors’ Details**

**Team leader** – Lea Shaw has a health technical background and development programming experience in Asia and the Pacific (including Kiribati) which covers project implementation, feasibility and design, monitoring, review and evaluation. She has been an AusAID Contractor for 12 years.

**Economist** – Murray Edwards was economic and financial policy advisor with the Australian Treasury for 26 years, including 3 years with the PNG Treasury under Australia’s Enhanced Cooperation Program. He has been an AusAID Contractor for 5 years involved in program evaluations and assessment of public financial management systems.

**GoK representative** – Akka Rimon is the Deputy Secretary in the Ministry of Foreign Affairs and Immigration and brings to the team a wealth of local knowledge including GoK policy and relevant networks; and has worked in the Ministry of Labour and Human Resource Development during KANI’s inception.

**Disclaimer:**

This report reflects the views of the Evaluation team, rather than those of the Government of Australia or the Government of Kiribati.
### Acronyms and Abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAS</td>
<td>Australian Award Scholarship</td>
<td>KANI</td>
<td>Kiribati Australia Nursing Initiative</td>
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<tr>
<td>AAPS</td>
<td>Australia Awards Pacific Scholarship</td>
<td>KDP</td>
<td>Kiribati Development Plan</td>
</tr>
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<td>AHPRA</td>
<td>Australian Health Practitioner Registration Agency</td>
<td>KFHA</td>
<td>Kiribati Family Health Association</td>
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<tr>
<td>AIN</td>
<td>Assistant in Nursing</td>
<td>KIT</td>
<td>Kiribati Institute of Technology</td>
</tr>
<tr>
<td>ANMAC</td>
<td>Australian Nursing and Midwifery Accreditation Council</td>
<td>KSON</td>
<td>Kiribati School of Nursing</td>
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<tr>
<td>APP</td>
<td>Academic Preparation Program</td>
<td>MC</td>
<td>Managing Contractor</td>
</tr>
<tr>
<td>APTC</td>
<td>Australia Pacific Technical College</td>
<td>MDG</td>
<td>Millennium Development Goal</td>
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<td>AusAID</td>
<td>Australian Agency for International Development</td>
<td>MHMS</td>
<td>Ministry of Health and Medical Services</td>
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<tr>
<td>BN</td>
<td>Bachelor of Nursing</td>
<td>MSIT</td>
<td>Metropolitan South Institute of TAFE</td>
</tr>
<tr>
<td>BSocW</td>
<td>Bachelor of Social Work</td>
<td>MTC</td>
<td>Marine Training Centre</td>
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<td>CBA</td>
<td>Cost Benefit Analysis</td>
<td>NDPP</td>
<td>Nursing Diploma Preparation Program</td>
</tr>
<tr>
<td>CLE</td>
<td>Contribution to Living Expenses</td>
<td>PIC</td>
<td>Pacific Island Country</td>
</tr>
<tr>
<td>C1, C2, C3</td>
<td>Cohort 1, Cohort 2, Cohort 3</td>
<td>PNG</td>
<td>Papua New Guinea</td>
</tr>
<tr>
<td>DCW</td>
<td>Diploma of Community Work</td>
<td>OASIS</td>
<td>Online Australian Scholarship Information System</td>
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<tr>
<td>DIAC</td>
<td>Department of Immigration and Citizenship</td>
<td>OSHC</td>
<td>Overseas Student Health Cover</td>
</tr>
<tr>
<td>DN</td>
<td>Diploma of Nursing</td>
<td>RN</td>
<td>Registered Nurse</td>
</tr>
<tr>
<td>EN</td>
<td>Enrolled Nurse</td>
<td>TAFE</td>
<td>Technical and Further Education</td>
</tr>
<tr>
<td>FSN</td>
<td>Fiji School of Nursing</td>
<td>UNICEF</td>
<td>United Nations Fund for Children</td>
</tr>
<tr>
<td>FSM</td>
<td>Fiji School of Medicine</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FTC</td>
<td>Fisheries Training Centre</td>
<td>DFAT</td>
<td>Department of Foreign Affairs and Trade</td>
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<tr>
<td>GoA</td>
<td>Government of Australia</td>
<td></td>
<td></td>
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<td>GoK</td>
<td>Government of Kiribati</td>
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</tr>
<tr>
<td>GNI</td>
<td>Gross National Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GU</td>
<td>Griffith University</td>
<td></td>
<td></td>
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<tr>
<td>IELTS</td>
<td>International English Language Testing System</td>
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<td>IPR</td>
<td>Independent Progress Review</td>
<td></td>
<td></td>
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<tr>
<td>ISLPR</td>
<td>International Second Language Proficiency Ratings</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Contents

KANI INDEPENDENT REVIEW ........................................................................................................ 1

1  INTRODUCTION ..................................................................................................................14

2  REVIEW FINDINGS ..............................................................................................................18

3  CONCLUSION AND RECOMMENDATIONS ..................................................................... 41
Executive Summary

The Kiribati Australia Nursing Initiative (March 2006-June 2014) is an AUD20.8 million pilot program designed to contribute to the Government of Kiribati efforts to address: climate change imperatives; rapid population growth and urbanisation; youth unemployment and diversify the remittance base through emigration of skilled people accessing the global nursing market. The main objective of KANI is to educate and skill I-Kiribati youth to gain Australian and international employment in the nursing sector; and the key outcome is that I-Kiribati nurses are qualified and working in Australia (or internationally) in nursing.

Background: Kiribati is recognized as one of the least developed countries in the world. Total population is 103,038 with half of the population living on overcrowded South Tarawa Island. The 2010 Census records an annual population rate of 2.2% with much of that growth in South Tarawa where the growth rate is 4.4%. The Census also reports that 48% of the population is aged less than 24 years, and with only 4% of the formal workforce are aged 15-24 years, there are few prospects of employment and limited post-school options for young people, particularly females. Two thousand (2,000) school leavers per year graduate from secondary schools and less than 20% find cash work. Only 18% of the Kiribati population is employed in the cash economy which dictates a mainly subsistence economy for Kiribati, little prospect of school leavers finding jobs in the formal sector, and that, demographically, young people will be most affected by the lack of employment opportunities. The proportion of people living below the National Poverty Index in 2006 was 50% while 22% of the population lives below the Basic Needs Poverty Line with the average household earning $11,464 per year but spending $13,149 each year with half of this spending being on food. Kiribati is subject to significant climate change challenges - temperatures warming; rainfall increasing; sea level continuing to rise; ocean acidification increasing threatening coral eco-systems.

KANI is implemented through Griffith University International Unit with a subcontract to Metropolitan South Institute of TAFE to provide the Diploma of Nursing and Certificate in Aged Care. Component 1 of the original KANI design is the subject of this review and comprises scholarship program to obtain Australian nursing qualifications up to Bachelor of Nursing through Certificate and Diploma level exit points. Outputs include: student selection; an academic preparation program (16 weeks); nursing diploma preparation program (16 weeks); Diploma of Nursing studies (18 months); Certificate 3 in Aged Care (6 months); Bachelor of Nursing studies (2 years); student management and nurse registration.

The purpose of the Independent Review is to provide senior management and GoK with an assessment of whether: KANI remains relevant to the needs of Kiribati; whether the objectives are on track to being achieved by June 2014; and whether the benefits justify the costs. The review team’s findings and recommendations will contribute to a management decision on whether or not to continue KANI. The

1 South Tarawa Island Report, Office of the President, August 2012
2 South Tarawa Island Report, Office of the President, August 2012
3 Kiribati Adaptation Program Implementation Report, 2011, World Bank
5 Kiribati Analysis of the 2006 Household Expenditure and Income Survey, David Abott, 2010, UNDP
6 Kiribati Meteorology Service, Pacific Climate Change Program, partner with Australian Government International Climate Change Adaptation Initiative, 2011
7 KANI Design Document, 2006
review is testing the KANI model to extract lessons learnt and to compare it with similar activities. If a future phase is warranted, the review will provide advice on key areas of the initiative that should be remodeled.

The review team undertook: a desk review of KANI reports, GoK and GOA policy documents and other relevant reports; consultations in Tarawa with GoK partners, Post, other development partners, national institutions; focus groups with past and returning students/nurses; consultations in Brisbane with Griffith University staff and with subcontractor (MSIT). Three focus groups were conducted with 23 current and graduated students from all three cohorts and a visit to Logan Hospital where most KANI students undertake their clinical placements was undertaken.

The review team noted the changes to the operating context since KANI began in 2006 which included:
increased living allowances for KANI students and introduction of a 12 week transition to work stipend; increased costs of visas; increased IELTS (English language test) score from 6 to 7; enrolled nurse positions are now on the Consolidated Sponsored Occupation List; depressed local nursing market in Queensland as a result of major cutbacks to public sector health services and Queensland Health’s policy of employing domestic graduates first; in contrast, a nation-wide and global nursing shortage set to increase with gaps of demand over supply in all states and territories; Australian aid policy changes increasing focus on results and value for money; and the establishment of the Kiribati-Australia Partnership for Development with a focus on work skills development.

Relevance: KANI is strongly aligned with GoK policies and priorities on: skilling youth to international standards and enhancing scholarship schemes\(^8\); labour mobility; migration with dignity and the Adaptation Program in response to climate change\(^9\); and diversification of remittances. KANI is particularly relevant to Australia’s overall aid purpose - helping people overcome poverty - through “improving incomes, employment and enterprise opportunities; and reducing negative impacts of climate change”\(^10\); and in alignment with GoA policies and principles particularly with the DFAT’s Comprehensive Aid Policy Framework which commits Australia to investing in health, higher education and the needs of microstates including Kiribati\(^11\); the Pacific Education and Skills Development Agenda which focuses on education and young people’s employability through skilling to connect to further education, training and employment, enlarging Australia’s scholarship program in the Pacific and strengthening regional and national institutions\(^12\); and the Kiribati-Australia Partnership for Development which is aligned with the Kiribati Development Plan (in line with the Paris Declaration and Accra) to support Kiribati’s pursuit of sustainable economic growth; to support climate change strategies, including mitigation, adaptation and relocation, where necessary, through up skilling of, and securing overseas employment opportunities for, I-Kiribati. In particular, Priority Outcome 2 (Workforce Skills Development) aims to support young I-Kiribati women and men (16-24 years) with recognised qualifications to access employment and training opportunities.

\(^8\) Kiribati Development Plan 2012-2015
\(^9\) http://www.climate.gov.ki/category/action/relocation/
\(^10\) Helping the World’s Poor through Effective Aid: Australia’s Comprehensive Aid Policy Framework to 2015-16, Commonwealth of Australia, 2012
\(^11\) Comprehensive Aid Policy Framework: Agency Resources and Planned Performance, DFAT, 2012-2013
domestically and abroad. Australia also supports the Technical and Vocational Education and Training sector, including strengthening of the Kiribati Institute of Technology.

KANI’s structural attributes strengthen its relevance in that it is relevant to the needs of Australian employers providing a qualification that Australian employers recognize, understand and value. It addresses English language proficiency and provides for the acquisition of specific skills and knowledge required by employers in the Australian health sector; it links students and graduates with employers; and it caters for employers’ preference to source foreign workers from those already in Australia.

The expectation in the goal and intent of the KANI design was that the program would impact on youth unemployment and remittances but with 2,000 students leaving school each year, selecting approximately 30 students per year for three years was never going to make an impact on youth unemployment or on remittances. Given KANI graduates are only just beginning fulltime nursing work, it will be many years, and will require many more cohorts of students to be trained, before remittances from nurses trained under the program would have any significant economic or social impact on Kiribati, especially if their families join them in Australia. This fact, together with the relatively high cost of KANI, is a critical issue to be weighed in assessing the program’s future.

**Effectiveness:** The objective of Component 1 is on track to be achieved with a completion rate of 81% of the 84 students initially selected in the three cohorts. Sixty-eight (68) students are expected to graduate in total – 64 as registered nurses, 3 as social workers and 1 with a Bachelor in Human Services. Sixteen students did not complete to RN level with 4 exiting with DN and 1 with a Diploma in Community Welfare; 6 with Certificate 3 in Aged Care; and 5 students exited with no qualification at all. The success rate of AAS generally is 97%; 92% for students from Pacific countries; and 87% for students from Kiribati so the completion rate compares favourably with students from Kiribati on other scholarship programs and with AAS completion rates generally. Slow progress has been made by the Social Work students from Cohort 1 who were transferred from nursing courses due to health issues with all but one still studying. Most of Cohort 1 (graduated 2011) is now employed in either full-time, part-time or casual nursing positions within the aged care sector; Cohort 2 (most graduated 2012) are awaiting visa applications and looking for work; and 29 are still studying and expected to graduate at the end of 2013 (26 BN and 3 BSoW). Employment prospects in the public sector in Queensland are currently limited. The table below describes the Students’ academic, work and visa status by cohort.

M&E and risk management in KANI focuses on operational and output level indicators required for Griffith University contract reporting but inadequate in monitoring a program whose main outcome is international employment. Monitoring data on student progress was found to be unclear, inconsistent within spreadsheets and inaccurate across education institutions. Future monitoring and tracking of graduates

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13 KANI is a pilot program originally designed to mobilize three cohorts of students (75 in total with only 45 to continue to Bachelor level studies).
14 Note: This is in excess of the number in the original design (75)
15 By February 2014, when this report was updated, 67 students had graduated with a Bachelor degree, with one expected to graduate (with a degree) in mid-2014 - that student has already qualified for a Diploma of Nursing. The breakdown of student progress has been updated - see Addendum 1.
could be incorporated into GoK tracking of other scholarship awardees and WHO tracking of nurses from other Pacific countries. A Technical Advisory Group (as designed) may have assisted Post with monitoring of student progress and improved data and reporting.

Table 1 Data on Student Progress

<table>
<thead>
<tr>
<th>Status</th>
<th>Cohort</th>
<th>Cohort 2</th>
<th>Cohort 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Students recruited</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>90</td>
</tr>
<tr>
<td>Students who passed APP</td>
<td>30</td>
<td>28</td>
<td>26</td>
<td>84</td>
</tr>
<tr>
<td>Deferred students</td>
<td>4</td>
<td>0</td>
<td>26</td>
<td>84</td>
</tr>
<tr>
<td>Students who took up KANI award</td>
<td>26</td>
<td>32</td>
<td>26</td>
<td>84</td>
</tr>
</tbody>
</table>

Academic progress

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Cohort 2</th>
<th>Cohort 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduated BN (RN)</td>
<td>13 Aust. + 2 NZ registration</td>
<td>23 Aust. Registered</td>
<td>-</td>
</tr>
<tr>
<td>Graduated BSocW</td>
<td>1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Graduated Diploma Nursing</td>
<td>4</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Graduated Cert 3 (AIN)</td>
<td>-</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Graduated Diploma Community Welfare</td>
<td>1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Still studying</td>
<td>3 (Social Work)</td>
<td>5 (BN)</td>
<td>21 (BN)</td>
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<tr>
<td>Withdrawn/Exited with no qualifications</td>
<td>2</td>
<td>2</td>
<td>1</td>
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Visa

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Cohort 2</th>
<th>Cohort 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student visa</td>
<td>3</td>
<td>5</td>
<td>21</td>
</tr>
<tr>
<td>Graduate 485 visa</td>
<td>7</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Awaiting 485 visa application (bridging visa)</td>
<td>7</td>
<td>22</td>
<td>-</td>
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Work situation

<table>
<thead>
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<th>Cohort</th>
<th>Cohort 2</th>
<th>Cohort 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time work (&gt;35hrs)</td>
<td>8</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Part time work (&lt;35 hrs)</td>
<td>3</td>
<td>11</td>
<td>7</td>
</tr>
</tbody>
</table>

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16 An updated Table 1 (Status and Academic Progress cells) is at Addendum 1
17 Including 4 students deferred from Cohort 1
18 Note: Some students returned to Kiribati without applying for visa
19 All working in the Aged Care Sector as trained nurses
20 All working in the Aged Care Sector as trained nurses and enrolled nurses. Some have casual work.
<table>
<thead>
<tr>
<th>Status</th>
<th>Cohort</th>
<th>Cohort 2 17</th>
<th>Cohort 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Looking for work Aust/NZ/Fiji</td>
<td>3</td>
<td>8</td>
<td>7</td>
<td>18</td>
</tr>
<tr>
<td>Studying in Australia (and not working)</td>
<td>3</td>
<td>5</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>Working as a nurse in Kiribati</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Studying nursing at KSON, Tarawa</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Returned home – working / studying in a different field</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Returned home – work status unknown</td>
<td>4</td>
<td>3</td>
<td>-</td>
<td>7</td>
</tr>
</tbody>
</table>

The effectiveness of implementation has been compromised through: the insufficient use of stop/go points (as designed) which has been the main cause of the high per student cost of KANI; limited focus on monitoring and support for employment outcomes; non-adherence to the design in setting realistic benchmarks for advancement to Bachelor level or exiting at Certificate 3 and Diploma levels; a high rate of student pregnancies (51% of female students) leading to increased extensions, repeating of semesters and subjects and re-scheduling of clinical placements; and a generally more lenient attitude to academic failures. This has decreased efficiency, cost effectiveness and value for money. Griffith University as managing contractor has performed well as an education institution but has a limited expertise and role in transition to work and support for migration processes. The lack of consistent, accurate and simple records of student progress will hopefully be rectified when all awards are managed through the OASIS student management system.

To improve effectiveness and efficiency of KANI, the review team recommends that if KANI continues, the program be re-designed as a labour migration program maintaining all aspects of the current program but with stronger support and monitoring for transition to work and migration issues; and that: scholarship conditionality be mainstreamed in line with the AAS program; entry age be lowered and priority given to school leavers and the selection process strengthened to improve equity of access; entry for males to the nursing program be limited to the proportion of males to females in the Australian health workforce (10%) to maximize limited post-school opportunities for I-Kiribati females; only IELTS 7 be used for English Language testing; that stronger and stricter academic achievement benchmarks be applied to determine student eligibility to progress beyond each of the first two exit points; greater emphasis be given to linking students with potential employers during the Certificate 3 and diploma study phases, especially those unlikely to progress further; students be better briefed during the APP on the benefits, conditions and obligations of the scholarship and be counseled specifically on social and cultural issues likely to impact their studies; and that a commercial management contractor be considered to manage all components of a potentially broader geographic and thematic program. It is also recommended that the KANI Independent Completion Report include a study on the social issues facing KANI students with the view to strengthening gender in any future KANI program.
**Efficiency:** KANI is relatively a high cost program, particularly in terms of prospective outcomes. The average cost of KANI qualifications was calculated to be: Bachelor of Nursing - $237,318 (on average, 5 years study); Bachelor of Social Work - $290,093 (6 years); Diploma of Nursing - $231,510 (3 years); Certificate 3 - $136,397 (3.5 years); no qualification – $90,691 (2-3 years). This compares with $205,000 for an undergraduate AAS (approx. 4 years) and $27,000 for a Pacific award (AAPS). The results of the cost benefit analysis shows that the benefit cost ratios for ‘best’ and ‘worse’ case scenarios are greater than 1, meaning that the KANI program is delivering positive returns relative to the investment being made. However, the analysis suggests returns become only marginally positive (1.02) under a worse-case scenario of 12 years working internationally assuming a 10% discount rate. The 12 years working internationally and 10% discount rate assumptions, furthermore, are probably the most realistic. Benefits accrue principally as future salary to private individuals, with more modest taxation, remittances and some potential broader socio economic gains. It is also clear from the analysis that KANI would need to operate for a considerable number of years if remittances from nurses trained under the program are to have any significant economic impact on Kiribati. Assessment of cost effectiveness and value for money found that the completion rate for KANI is slightly less than that for ARDS and ADS awards to Kiribati students and that, if KANI is to continue, there may be a case for paring back the level of support to students to correspond more closely with that given under ADS, with the exception of transition to work and migration activities. For expenditure of between $2 million and $3 million a year, alternative options to address rising youth unemployment in the Pacific, could include increasing ADS awards, increasing places at APTC and/or KIT and strengthening transition to work and migration within these programs, to increase opportunities for Pacific young people to work and migrate abroad. Further support to the education sector, particularly in Secondary School English language teaching, would also be a sound investment in labour mobility for Pacific young people. The review team recommends that a thorough assessment be made of other potential options involving working with possibly more cost effective regionally based institutions who train to international standards to achieve international labour mobility objectives.

**Sustainability:** KANI contributes to sustainability through providing: Australian/internationally-recognised qualifications that enable students to be eligible for nursing registration in Australia; work in an area of established overseas labour demand; and where there is an existing migration pathway. While the nursing shortage globally continues as projected, and RNs and ENs remain on DIAC lists, the program should be sustainable. There are risks in targeting employment in a single occupation/sector, and costs likely will remain high. Sustainability could be enhanced through: design of a labour mobility program so internationally qualified students can move between training providers, employers, countries and visa categories; and an increased GoA focus on secondary school English teaching in Kiribati to maximise IELTS eligibility for prospective KANI students and for other scholarship programs. However, the cost of KANI relative to its limited potential impact in addressing the overall economic and social challenges confronting Kiribati remains a critical issue.

**Gender:** Although nursing is a predominantly female profession, it is noted that increasing numbers of males are applying from 3 in Cohort 1; 7 in Cohort 2 and 9 in Cohort 3. This is in contrast to the 6% of males who generally apply to KSON to be nurses, and the 9.6% of males in the Australian nursing workforce generally and 7.4% in aged care. Given the dearth of education and employment opportunities in Kiribati for females, consideration could be given to maintaining male student numbers at the same ratio as male to female nurses in Australia (10%). Social and cultural issues (generally reflecting the social issues faced by young people within Kiribati – alcohol abuse, violence and unintended pregnancy) have been the cause for
some students to be terminated or exiting the program. More needs to be done in preparation stages to acculturate students and to emphasise the obligations of scholarship awardees and conditionality of the scholarship. A comprehensive gender strategy is recommended for any future phase of KANI.

In conclusion, KANI is a unique, bold and innovative model for ‘doing development’ in small, environmentally fragile Pacific island countries. The KANI concept remains strongly relevant to the sustainable development needs of Kiribati and to its adaptation policy of ‘migration with dignity’ to address serious climate change imperatives. Relevance to Australia’s commitment to Pacific education and employment in the Pacific, particularly to microstates, is also strong. Nevertheless, KANI’s limited potential developmental impact relative to cost does present a major issue in terms of its overall effectiveness, efficiency and sustainability, although this clearly should have been recognised at the time the program was originally endorsed and funded.

The objectives of KANI, according to the design, are on track to being achieved by June 2014; and the cost benefit analysis shows that benefits marginally justify the costs. However, the poor design of KANI and management by an education institution has meant that greater than expected emphasis has been given to Bachelor level studies, and critical activities related to visas, employment and follow-up have not been adequately monitored and managed.

The KANI program will end mid-2014 and the review team recommends that (if it is to continue) it be re-designed to focus on increasing awards for students from environmentally fragile Pacific Island Countries (including Kiribati) to train to international standards with the view to labour migration. This will broaden the geographical reach thus making it more equitable for PIC; increase the range of occupations and training; streamline management; ensure a development perspective; work closely with potential employers; address student social and behavioural issues identified through KANI; strategically match exit points with student progress and employment opportunities; support both education and employment components; and ultimately improve cost benefit and cost effectiveness. The development impact will be measurable in PIC through increased remittances and decreased population pressure on scarce island resources.
### Review Criteria Ratings

<table>
<thead>
<tr>
<th>Review Criteria</th>
<th>Rating (1-6)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevance</td>
<td>5</td>
<td>The KANI concept is highly relevant to GoK priorities (migration with dignity to address climate change imperatives) and aligns well with Australia’s commitment to: reducing negative impacts of climate change on Pacific microstates; priority focus on education and employment for young people in the Pacific; and Kiribati-Australia Partnership for Development (workforce skills development). KANI selection criteria and process needs strengthening to reflect the intended youth/school leaver focus and to ensure equity of access. The design of KANI means that impact expectations were unrealistic regarding youth unemployment and remittances.</td>
</tr>
<tr>
<td>Effectiveness</td>
<td>4</td>
<td>Educational objectives and outputs have been largely achieved with 68 students set to gain Bachelor Degrees and slowly enter the nursing/social work workforce internationally. Work outlook for graduates is positive in the aged care sector. The design does not include monitoring and management of critical post-registration processes (transition to work, visa processing, employment, alumni tracing) vital to achieving the purpose and major outcome. The timeliness, accuracy, simplicity and consistency of GU student record-keeping need improvement.</td>
</tr>
<tr>
<td>Efficiency</td>
<td>3</td>
<td>KANI is a relatively high cost program, particularly in terms of outcomes in prospect. Increased costs of the program are due in part to inadequate use of exit points as designed. The Cost Benefit Analysis shows positive net benefits on most scenarios tested. Benefits accrue principally as future salary to private individuals, with more modest taxation, remittances and some potential broader socio economic gains. Recommendations in this report would make KANI more cost effective including consideration of approaches such as use of a managing contractor, stronger links with APTC and upgrading of KSON and/or other relevant regional institutions. Potentially more cost effective means of achieving KANI objectives exist and need to be thoroughly assessed.</td>
</tr>
</tbody>
</table>

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21 It should be noted that these ratings reflect the Review Team’s assessments of KANI relative to the Program’s design and the expectations for the Program held at that time, consistent with the Team’s interpretation of the TOR for this Review. However, assessing the Program in the broader context of its likely limited impact in addressing the overall economic and social challenges confronting Kiribati would, at least in the view of the Economist Team Member, suggest the ratings are overly generous. In his view, assessed in this broader context the ratings for Relevance, Effectiveness and Sustainability should be, at best, 4, 3 and 3 respectively and that Efficiency should also perhaps reduce to a 2 given the range of alternate, potentially more cost effective, possibilities for realising the broad objectives of KANI.
<table>
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<tr>
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<tr>
<td>Sustainability</td>
<td>4</td>
<td>KANI contributes to sustainability through skilling young people to gain employment internationally. While the nursing shortage globally continues as projected, and RNs and ENs remain on DIAC lists, the program should be sustainable. There are risks in targeting employment in a single occupation/sector, and costs likely will remain high. Sustainability could be enhanced through: design of a labour mobility program so internationally qualified students can move between training providers, employers, countries and visa categories; an increased GoA focus on secondary school English teaching to maximise IELTS eligibility for prospective KANI students and for other scholarship programs.</td>
</tr>
<tr>
<td>Monitoring &amp; Evaluation</td>
<td>3</td>
<td>M&amp;E focuses on operational M&amp;E and output level indicators required for contract reporting. Post-award outcomes are not included. Risk management does not address higher level purpose and goal. Reporting on progress is compromised due to inaccurate and inconsistent data.</td>
</tr>
<tr>
<td>Gender equality</td>
<td>4</td>
<td>Increasing numbers of males to KANI needs to be monitored and a quota considered (according to proportion of males nurses in Australia) to ensure limited opportunities for I-Kiribati females to study and migrate are maximised. The high pregnancy rate amongst students must be addressed programmatically to decrease program costs and so that prospects for female students in education and employment are not diminished.</td>
</tr>
</tbody>
</table>

Rating scale
1-very poor quality; 2-poor quality; 3-less than adequate quality; 4-adequate quality; 5-good quality; 6-very high quality
1 Introduction

Initiative Background

The Kiribati Australia Nursing Initiative (KANI) (March 2006-June 2014) is an AUD20.8 million pilot program designed to contribute to the Government of Kiribati (GoK) efforts to address: climate change imperatives; rapid population growth and urbanisation; youth unemployment and diversify the remittance base through emigration of skilled people accessing the global nursing market. The main objective of KANI is to educate and skill I-Kiribati youth to gain Australian and international employment in the nursing sector; and the key outcome is that I-Kiribati nurses are qualified and working in Australia (or internationally) in nursing.

KANI is implemented through Griffith University international unit who subcontracted Metropolitan South Institute of TAFE (MSIT) to provide the Diploma of Nursing (DN) and Certificate in Aged Care (CAC).

Components of KANI:

The original KANI design comprised 3 components:

Component 1 - A four year scholarship program to obtain Australian nursing qualifications up to Bachelor of Nursing through Certificate and Diploma level exit points. Outputs include: student selection; an academic preparation program (16 weeks); nursing diploma preparation program (16 weeks); Certificate 3 and Diploma of Nursing studies (18 months); Bachelor of Nursing studies (2 years); student management and nurse registration.

Component 2 and 3 included a scholarship program for in-service nurses trained and registered in Kiribati to obtain an Australian Bachelor of Nursing; and upgrading of the Kiribati School of Nursing (KSON) to provide a higher standard of basic nurse education. These components were not started during the time of the Initiative and may be progressed through Australia’s bilateral Health program.

Three cohorts of students were selected in 2007, 2008 and 2009 respectively – cohort 1 (C1) with 26 students; cohort 2 (C2) with 32 students and Cohort 3 (C3) with 26 students making a total of 84. The majority of students in C1 and C2 have completed studies, graduating in 2011 and 2012 respectively, and C3 students (21) plus 8 students who were granted extensions will graduate at the end of 2013. Thirty-eight (38) graduates are registered nurses (RN) and are now seeking employment and have applied for Graduate Skilled Migration Visas (485). Sixteen students did not complete Bachelor studies and most of these have returned to Kiribati, six to further nursing studies through Kiribati School of Nursing (KSON). No further cohorts were selected following the recommendations of the KANI Mid-term Review (2010) that the pilot be evaluated first.

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22 As at 1 February 2014, all students in cohort 1 and cohort 2 have completed their studies
23 As at 1 February 2014, all bar one of these remaining 29 students, have completed their studies
24 As at 1 February, 63 graduates are registered nurses
Current context

Kiribati is categorized as a lower middle income country; GNI per capita is US$2010 per annum\textsuperscript{25}. Only 18\% of the total population is employed in the cash economy\textsuperscript{26} and the incidence of poverty is high in comparison to other Pacific Island countries. The limited opportunities for cash employment means that there is little prospect of school leavers finding jobs in the formal sector and young people will be most affected by the lack of employment opportunities. Two thousand (2,000) school leavers per year graduate from secondary schools and less than 20\% find cash work\textsuperscript{27}. The proportion of people living below the National Poverty Index in 2006 was 50\%, this figure is unchanged since 1996\textsuperscript{28}. Kiribati has one of the lowest life expectancies\textsuperscript{29}; is recognized as one of the least developed countries in the world; and is subject to significant climate change challenges (see Annex 9). Total population is 103,038\textsuperscript{30} with half of the population living on overcrowded South Tarawa Island with a population density of 3,184 per square kilometre\textsuperscript{31}. The 2010 Census records an annual population rate of 2.2\% with much of that growth in South Tarawa where the growth rate is double that figure at 4.4\%\textsuperscript{32}.

The 2010 Census reports that 48\% of the population is less than 24 years and with only 4\% of the formal workforce aged 15-24 years there are few prospects of employment and limited post-school options for young people. In South Tarawa, where population density is highest, young people constitute 35\% of the workforce and are most affected by the lack of cash employment opportunities as they represent 50\% of unemployed or inactive people and only 17\% of those engaged in cash work\textsuperscript{33}. It is also well documented that there is increased likelihood of civil unrest in countries where the youth population is more than 40\%\textsuperscript{34}. Adolescent birth rate is 39 per 1,000\textsuperscript{35} girls aged 15-19 years compared with 22.45 births per 1,000 for all women of reproductive age. Approximately 2,000 students leave secondary school each year and only 500 of these will get jobs. The unemployment situation has led to increasing youth violence and alcohol abuse.

As stated in the Kiribati Development Plan (KDP) 2012-2015, adolescents will face the greatest level of stress and uncertainties when livelihood, culture, employment and homeland are threatened. The KDP recognizes that more young people need to gain international qualifications in order to access employment and training opportunities at home and abroad. This also requires good English skills to make I-Kiribati competitive and marketable in international labour markets. These are critical aspects of the ‘adaptation strategy’ to address climate change imperatives which encourages ‘migration with dignity’. Annex 9 illustrates the context in which KANI was initiated and implemented, and reports on Kiribati progress.

\textsuperscript{25} AusAID Annual Report 2011-2012
\textsuperscript{26} Kiribati Adaptation Program Implementation Report, 2011, World Bank
\textsuperscript{27} South Tarawa Island Report, Office of the President, August 2012
\textsuperscript{28} Kiribati National Development Plan, 2012-2015, Government of Kiribati
\textsuperscript{29} Kiribati life expectancy at birth - 64 years (61.7 for men and 66.5 for women), ranked 137 in world, WHO, 2011
\textsuperscript{31} Denser than Auckland (2,200) and Sydney (2,000), Demographia World Urban Areas 8th Annual Edition, April 2012
\textsuperscript{32} South Tarawa Island Report, Office of the President, August 2012
\textsuperscript{33} South Tarawa Island Report, Office of the President, August 2012
\textsuperscript{34} The Security Demographic – Population and civil conflict after the Cold War, 2003; Richard Cincotta, Robert Engelman, Daniele Anastasion; Population Action International
\textsuperscript{35} State of the World’s Children, 2012, UNICEF
towards Millennium Development Goals (MDG) for MDGs 1, 2, 3, 5 and 7 related to KANI objectives, young people and poverty.

**Review Purpose and Questions**
The purpose of the Independent Review is to provide senior DFAT management and GoK with an assessment of whether:

- KANI remains relevant to the needs of Kiribati
- the objectives are on track to being achieved by June 2014
- the benefits justify the costs

The review team’s findings and recommendations will contribute to a management decision on whether or not to continue KANI. The review is testing the KANI model to extract lessons learnt and to compare it with similar activities. The review team is not tasked to make any recommendation regarding continuance of KANI but discussion of issues and options assumes that KANI will continue. If a future phase is warranted, the review will provide advice on key areas of the initiative that should be re-modeled.

The main focus of the review is the relevance of KANI to Kiribati needs and whether the benefits of the activity justify the costs. Assessment of relevance relied on documentation of any changes in operating environment and policy; and whether the objectives were achievable by the end of the program. The cost benefit analysis assessed whether the outcomes of the program justify the investment and ultimately if Australian tax-payer funds have been used to best effect, both in terms of delivering the outcomes sought from KANI and compared with other aid opportunities in Kiribati or more generally. It compared the cost of the investment with the employment outcomes of the graduates and the level of remittances back to Kiribati; opportunity costs of using funding by GoA to GoK for other overseas focused employment training; and, to the extent feasible, the indirect benefits of KANI to Kiribati communities and institutions.

**Review Scope and Methods**
The Independent Review was conducted from 9 February until 19 April 2013 with: one week in Tarawa, Kiribati; one week of consultations in Brisbane with the managing contractors and other stakeholders; one week of analysis of data collected; one week of report writing. Debrief meetings were held with Kiribati stakeholders before leaving the country; with Griffith University staff in Brisbane at the end of the consultation period; and with Australian aid program officials in Canberra prior to report writing.

The review team undertook: a desk review of KANI reports, GoK and GOA policy documents and other relevant reports (see Annex 3 – List of Documents); one week of consultations in Tarawa with GoK partners, Post (manager of KANI), other development partners, national institutions; focus groups with 4 past and returning students/nurses and 4 parents; one week of consultations in Brisbane with Griffith University (the managing contractor) including the International Unit, Finance and Planning staff at Nathan Campus; Academic staff and student contact officers at Logan Campus; and with subcontractors (Metropolitan South Institute of TAFE – MSIT at Mt Gravatt Campus). Three focus groups were conducted with 23 current and

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36 The review team comprised: Lea Shaw (Team Leader); Murray Edwards (Economist); Akka Rimon (GoK representative - Deputy Secretary, Ministry of Foreign Affairs and Immigration).
graduated students from all three cohorts and visit to Logan Hospital was undertaken where most KANI students undertake their clinical placements. A list of people consulted forms Annex 2. The Terms of Reference are attached as Annex 1; and the Review Plan is attached as Annex 4.

Initial desk review
The initial desk review studied KANI design documents; current GoK policy documents, data and budget; Australian aid program policy and QAI reports on KANI; the Australia-Kiribati Partnership for Development Plan implementation; annual KANI reports and exit strategy prepared by Griffith University (GU) as well as student progress records; the Independent Progress Review (IPR) report (2010); Concept Paper for Australian Assistance for Health in Kiribati; and relevant Pacific regional documents on MDGs and health workforce issues.

Significant risks to KANI implementation and achievement of objectives were identified in the 2012 annual report e.g. Queensland (and other States) may have a surplus of health workers in the coming years due to cutbacks; cost efficiency (high cost, long duration of course, resource intensive); quality of management of GU and MSIT; timely payment of CLE to students; acculturation stress for students including home sickness, access to church, alcohol abuse and violence, poor financial management, pregnancy, illness; complex and costly process for registration and obtaining visas post-training. These issues were discussed in consultations.

Key review questions
Relevance – relevance of the objectives to the development/context needs of Kiribati and the development objectives of the Australian aid program; changes needed; demand for nursing scholarships; equitable access to the program.

Effectiveness – KANI contribution to educating and skilling I-Kiribati youth to gain Australian and international employment in nursing; the value of the cohort model; appropriateness of training; lessons learned; gender equality; health and welfare issues; clear, measurable and achievable objectives.

Efficiency – use of time and resources to achieve outcomes; management quality; cost benefit analysis; additional costs impacting on effectiveness; risks and likelihood of student failure

Monitoring and evaluation – adequacy of M&E framework and reporting mechanisms.

Limitations of the method and sources of evidence
The review team was disadvantaged by the lack of timely, accurate and consistent data on student progress and financial information; the difficulties in communicating with the Scholarship section; the lack of comparative cost data on scholarship programs; discrepancies in financial records; mismatching of data between institutions; and limited and difficult internet communication with Tarawa. Access to data on employment and progress on visa applications was problematic (see design issues below).

37 Report on focus group discussions forms Annex 12.
2 Review Findings

The review team initially assessed the changes in the operating environment and tested some of the assumptions of the KANI program. The following changes likely to influence implementation and achievement of results are noted:

- It was assumed by the review team that nursing was selected and KANI designed on the basis that KANI graduates were likely to be able to find employment given the global and Australian nursing shortage. The nursing shortage remains Australia-wide and set to increase; but is currently tempered by the abolition of nurse positions (>400 so far) in Queensland; and Queensland state-run nursing homes and some hospitals closed or closing. The biggest gaps (ranked) in demand over supply were in NSW, Vic, Qld, WA, SA, Tas, ACT, NT. Gaps widen significantly from 2016 to 2020. KANI graduates are unfortunately attempting to find work in a depressed local nursing market. Focus group participants were concerned that jobs were hard to find in Queensland.

- For KANI graduates hoping to work within the hospital system, Queensland Health upholds a policy of employing domestic students first; and some 2012 domestic graduates are still unemployed. This disadvantages KANI graduates and directs them to the aged care sector where jobs are more likely to be available.

- Scores required for English for Skilled Graduate (Temporary 485) visa application and AHPRA registration has increased from 6 to 7. Most KANI students on entry to the program had scores of, for example in Cohort 1 - 5.5 to 6 (only one had a score of 7). This has meant some students have required extra time and tuition to reach the required level.

- The cost of the Graduate Skilled Migrant Visa (485) has increased from $300 to $1250. No reason is apparent for the rise. Students pay for this cost themselves.

- The enrolled nurse occupation is now included in Consolidated Sponsored Occupation List (DIAC) from 2012. This facilitates the exiting of future students at DN level and employment is available.

- DIAC advises that the Temporary Skilled Graduate (subclass 485) – Post Study Work Stream visa allows students who have been on student visas and have achieved a Bachelor Degree to apply for this visa without nominating an occupation on the Skilled Occupation List.

- The student contribution to living expenses (CLE) increased to the same level as the Australian Award Scholarships (AAS); and travel expenses to clinical placements is now reimbursable (for all cohorts) although not to local hospitals. The transition to work process includes a living allowance for 12 weeks (from 2010) which is equal to the CentreLink job search allowance. There is also provision for review.

- Significant number students have had pregnancies while studying: 2011-13; 2012-10; 2013-4 (Total 27 – 51% of females; 40% of students). This has had implications for course scheduling especially for clinical placements; increased time and costs needed and significant distraction for other students assisting with child care and support.

- Aid program policy environment changes include increased focus on effectiveness of aid; on results; and on value for money.

- The Kiribati-Australia Partnership for Development began in 2009 (see below)

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38 See Annex 10 – Health Workplace Projections for Australia and the States/Territories for Registered and Enrolled Nurses 2012-2020, Health Workplace Australia

2.1 Relevance

Rating: 5

Assessment of the relevance of KANI is that it is strongly aligned with GoK and GoA policies and priorities.

**Government of Kiribati Policies:**
The current context previously discussed provides the evidence that critical issues of overpopulation, overcrowding, urbanization, decreasing revenue and environmental challenges dictate that the long-term viability of Kiribati is threatened and although the majority of I-Kiribati have no wish to live in another country, mounting evidence suggests that they may have little choice. Migration has become a key option in efforts to ‘adapt’ to current pressures. Kiribati is looking to improve the skills of I-Kiribati to a level where they are able to compete for jobs in the international labour market so that they have the option to ‘migrate with dignity’ should the time come that migration is unavoidable[^40]. KANI helps to address this reality. Kiribati’s Adaptation Program focuses on the country’s most vulnerable sectors in the most highly populated areas. Initiatives include improving water supply management in and around Tarawa; coastal management protection measures such as mangrove re-plantation and protection of public infrastructure; strengthening laws to reduce coastal erosion; and population settlement planning to reduce personal risks.

Kiribati’s Development Plan (2012) prioritises enhanced tertiary and vocational training for youth to meet regional (Australian) and international standards (under KPA 1); and enhancing youth employment (KPA 2). Annex 9 of this report describes Kiribati’s progress towards the MDGs. KANI has the potential to support Kiribati efforts to reduce poverty (MDG 1) and contribute to environmental sustainability (MDG 7) through skilling young people to gain employment overseas.

Consultations with GoK revealed: enthusiasm for KANI and its importance in achieving GoK policy intentions; perceptions that it was successful and worthy of expansion but that it was high-cost and employment outcomes were yet to be realised; disappointment that Components 2 and 3 were not implemented (except Output 3.1); and that direct benefits to the Kiribati health system were limited.

**Government of Australia Policies:**
There is alignment with GoA policies and principles particularly with:

- DFAT’s Comprehensive Aid Policy Framework (CAPF) 2012-2013 which aims to overcome poverty and build stability in the Pacific by investing in health, higher education and in particular the needs of microstates - Nauru, Tuvalu and Kiribati[^41].
- The Pacific Education and Skills Development Agenda (PESDA) which focuses on education and young people’s employability to develop skills to connect to further education, training and employment, emphasizing the needs of people with disabilities, the education needs of girls and acknowledges that labour mobility and remittances remain an important source of wealth for Pacific Island countries.

[^41]: Comprehensive Aid Policy Framework: Agency Resources and Planned Performance, DFAT, 2012-2013
Priority interventions include enlarging Australia’s scholarship program and strengthening regional and national institutions\textsuperscript{42}.

- the Kiribati-Australia Partnership for Development\textsuperscript{43} which includes a commitment to: increase levels of assistance over time in line with the GoK national objectives and the Kiribati Development Plan (in line with the Paris Declaration and Accra); to support Kiribati’s pursuit of sustainable economic growth; to support climate change strategies, including mitigation, adaptation and relocation, where necessary, through up skilling of, and securing overseas employment opportunities for I-Kiribati. In particular, Priority Outcome 2 (Workforce Skills Development) aims to support young I-Kiribati women and men (16-24 years) with recognised qualifications to access employment and training opportunities domestically and abroad.

Australia is also actively supporting the Technical and Vocational Education and Training (TVET) sector\textsuperscript{44} in Kiribati including strengthening of the Kiribati Institute of Technology (KIT). Support to the Kiribati School of Nursing (KSON) may be provided through a strengthened bilateral health program\textsuperscript{45} or in a subsequent phase of support to workforce skill development (TVET).

There are mutual benefits for Kiribati and Australia in targeting skills gaps in Australia/globally e.g. nursing. Australia is currently highly reliant on international health professionals, both permanent and temporary\textsuperscript{46}. Recent evidence suggests that Australia is one of the least self-sufficient nations amongst comparable OECD countries in terms of meeting our health workforce needs through domestic training efforts. Strategies advocated by Health Workforce Australia examine the impact of altering current immigration settings to move Australia towards greater self-sufficiency in the supply of its health workforce. In the meantime, KANI graduates can assist in filling the gap between supply and demand.

As well as KANI scholarships, Australia provides 20 Regional Scholarships and 8 Scholarships to study in Australia per year. Australia’s aid investment in education is expected to be around $331 million in 2012-13\textsuperscript{47}, with 17,000 people (at least half of them women) awarded tertiary scholarships. The Pacific region will benefit from an investment of $18 million in AAS programs.

The overall objective of Australia’s aid program is ‘to assist developing countries to reduce poverty and achieve sustainable development, in line with Australia’s national interest.’ The purpose of Australian aid is to help people overcome poverty including through “improving incomes, employment and enterprise opportunities; and reducing negative impacts of climate change and other environmental factors”\textsuperscript{48}. This is directly related to KANI and could be extended to other environmentally fragile Pacific Island Countries (PIC).


\textsuperscript{43} Kiribati Australia Partnership for Development Implementation Plan, Workforce Skills Development, September 2012

\textsuperscript{44} Australia—Kiribati Partnership for Development Report 2011

\textsuperscript{45} Concept Paper, Australian Assistance for Health in Kiribati, 2010-11 to 2013-14

\textsuperscript{46} Health Workforce Australia, Workforce planning, March 2012

\textsuperscript{47} [http://www.ausaid.gov.au/australia-awards/Pages/default.aspx]

\textsuperscript{48} Helping the World’s Poor through Effective Aid: Australia’s Comprehensive Aid policy Framework to 2015-16, Commonwealth of Australia, 2012
Recommendation: Consideration be given to expanding the KANI concept to other environmentally fragile PIC with adolescent populations more than 40%

KANI’s structural attributes strengthen its relevance in that it is relevant to the needs of Australian employers providing a qualification that Australian employers recognize, understand and value. It addresses English language proficiency and provides for the acquisition of specific skills and knowledge required by employers in the Australian health sector; it links students and graduates with employers; and it caters for employers’ preference to source foreign workers from those already in Australia.

The expectation in the goal and intent of the KANI design\(^49\) was that the program would impact on youth unemployment and remittances, but with 2,000 students leaving school each year, selecting approximately 30 students per year for three years was never going to make an impact on youth unemployment or on remittances. Given KANI graduates are only just beginning fulltime nursing work, it will be many years, and will require many more cohorts of students to be trained, before remittances from nurses trained under the program would have any significant economic or social impact on Kiribati, especially if their families join them in Australia. Implementation of KANI is in fact likely to exceed design levels with 68 students trained to degree level (albeit with increased cost) and some remittances flowing from students prior to their employment as nurses.

**Equitable access to KANI**

The review team became aware through the focus group discussions and from student records that there is evidence that equity of the selection process may have been undermined. The selection process is undertaken by KSON and GU with GoA approving the final list of students selected. KSON calls for interest in nursing generally, applications are received and interviews conducted. Those with better English are then considered for KANI. Some students obviously were not aware that they were applying for an overseas training course and were amazed when told of this. Students with better English are inevitably children of relatively higher socio-economic groups\(^50\) so that children of some Ministers, doctors and nurses, and well known business people were selected. Poorer candidates may be increasingly disadvantaged with the higher IELTS English requirements but the IELTS 7 level is crucial to BN entry and skill assessment for Graduate Skilled Migration visa (see also section on ‘Insufficient use of stop/go points’). Married couples were also selected (both are students) and this may be regarded inequitable as it deprives another family of a KANI award.

Some students were not school leavers as evidenced by their older age (30 years - which is the cut-off point in the design) and through their admission that they had been selected from the paid workforce. From analysis of the survey administered to focus group participants, age at entry to KANI was 21.2 years over all 3 cohorts, but as some have been studying for 7 years, the upper age is around 30 years (one student is 36

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\(^{49}\) KANI is a pilot program originally designed to mobilize three cohorts of students (75 in total with only 45 to continue to Bachelor level studies).

\(^{50}\) This is however, relative as the wages in Kiribati are so low e.g. Secretary of a government department annual salary is $15,000; Director of Nursing $14,500; Principal Nursing Officer $ 12,350; Medical Assistant $10,900; Nursing Officer $7,250. This is also why the KANI awards are so coveted. Source: Government of Kiribati Salary Scales.
years). The review team considers that recruiting older people and not school leavers detracts from the original policy intention of the program and from DFAT’s focus on young people 15-24 years in the Workforce Skills program.

**Recommendation:** To strengthen relevance of KANI to GoK and GoA policies and priorities, entry age to KANI be no more than 25 years; awards limited to one award per family per cohort (or year) and selection of school leavers be prioritised

**Recommendation:** Transparency of the selection process be strengthened through more thorough engagement of the Australian government in approval of the students selected and in monitoring adherence to selection criteria (particularly age/school leavers and gender). Consideration be given to a formal audit of the KANI student selection process as part of the Independent Completion Report

**Recommendation:** Consideration be given to expansion of Australia’s education assistance in Kiribati to include support for English literacy in secondary schools to improve student’s readiness for tertiary (including KANI) and technical education to Australian/internationally recognized standards

### 2.2 Effectiveness

**Rating:** 4

**Achievement of objectives:**

Annex 5 provides an assessment of the achievement of outputs which demonstrates that all are either achieved or on track to being achieved by June 2014. The goal of KANI is to contribute to GoK efforts to reduce youth unemployment through emigration of skilled people accessing the global nursing market. Some comments on contribution toward the goal are also included. In summary KANI has contributed to the goal through:

- 68 graduated (or soon to graduate) nurses/social workers/human services workers and their families (estimated to be 140 in number) will have migrated from Kiribati and given them a new life and employment in Australia or abroad
- Some students are already working full-time, part-time or in casual work in Australia and New Zealand; some students work part-time while they study (see Table 1);
- Most graduates (more than 60% in all cohorts from focus group data) send money home to families while they are studying and intend to do so when they have employment, although this may diminish as graduates bring their families to Australia to be with them.

The purpose of KANI is to educate and skill I-Kiribati youth to gain Australian and international employment in the nursing sector. At the time of writing, the C1 graduates, 8 are working fulltime in aged care homes as RNs; 2 are working in Kiribati as trained nurses; 3 are working part-time or in casual work also in aged care; 3 are still studying in Australia and not working; 2 are studying at KSON in Kiribati; 3 are still looking for

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51 Although the international definition of young people is 15-24 years, in the Pacific the definition of young people often includes up to 29 years.
work; and 5 have returned to Kiribati\textsuperscript{52}. The indicator against the purpose is not actually related to employment but measures achievement of nursing qualification and registered with a governing nursing council. All KANI students are currently registered with AHPRA as RN or EN (until they graduate with Bachelor of Nursing).

The objective of Component 1 is to provide a scholarship program to obtain an Australian nursing qualification up to Bachelor of Nursing through an articulated TAFE/University pathway that provides qualifications at Certificate 3 and Diploma level exit points. This has been achieved with a completion rate of 81\% for C1 and C2 with C3 on track to achieve a similar completion rate\textsuperscript{53}. The risks to the objective not being achieved for C3 students include: students failing to pass their remaining exams and/or the KANI program ending before students who need to repeat subjects have completed the course; students not fulfilling timely IELTS requirements for registration and visa applications; and further pregnancies slowing the academic progress of students. Sixteen students did not complete to RN level with 4 exiting with DN, 1 with a Diploma of Community Welfare and 6 with Certificate 3 in Aged Care; and 5 students exited with no qualification at all.

The completion rate compares favourably with students from Kiribati on other scholarship programs: 72\% completion rate of students on Australian Regional scholarships to University of the South Pacific (USP); 86\% of students on Australian Development scholarships to Australia (where 23\% fail); GoA and GoK Suva-based scholarships also record high failure/non-completion rates of over 40\%; and between 2000-2006, 36\% of NZ regional scholarship students completed courses\textsuperscript{54}. Australia’s aid program Scholarships Section reports that currently the success rate of AAS generally is 97\%; 92\% for students from Pacific countries; and 87\% for students from Kiribati.

All students (68) are registered either as registered nurses (RN) (graduated) or enrolled nurses (EN) (still studying). As this entails achieving an IELTS English score of 7, this is a major achievement. Eight students from C2 have yet to gain their RN due to inadequate IELTS score and all of C3 (still studying). Slow progress has been made by the 4 Social Work students from C1 who were transferred from nursing courses due to health issues and are still studying. One graduated in 2012 and the other 3 are still studying\textsuperscript{55}.

The Academic Preparation Program (APP) and English Language Testing

This is the 16-20 week program delivered in Kiribati through a separate contract with Griffith University’s Mt Gravatt Campus which specializes in English Language courses. The APP was provided in partnership with Kiribati Institute of Technology (KIT) which is also being strengthened through the TVET sector program funded by GoA. As part of that support, KIT intends eventually providing all courses in English and teachers will be skilled and resourced accordingly. The review team considers that an opportunity for

\textsuperscript{52} As at 1 February 2014, the following employment outcomes have been reported: For Cohort 1 - 13 graduates are working fulltime (7 as nurses in aged care facilities, 4 as nurses in Kiribati and 2 working in the Ministry of Health and Medical Services in Kiribati); for Cohort 2 - 13 are working full-time and 9 working part-time, all in aged care homes; for Cohort 3 - 3 are working full-time, 10 are working part-time in aged care homes and all who are not working full-time are participating in the transition to work program.

\textsuperscript{53} So defined, and as at 1 February 2014, the cohort 3 completion rate was 92 per cent.

\textsuperscript{54} Human Resources Development in Kiribati - Desk Review: Impact of NZ Support to HRD, 2011, NZ MFAT Aid Program

\textsuperscript{55} As at 1 February 2014: 10 graduates from Cohort 1 have an IELTS score of 7+; as do 13 from Cohort 2 and 5 from Cohort 3.
capacity building KIT in International English Language Testing System (IELTS) used for C1 was missed as there are no institutions in Kiribati which are capable of conducting IELTS. For some unknown reason, the IELTS was replaced by the International Second Language Proficiency Ratings (ISLPR) for C2 and C3 and continued as the preferred testing system until after GU’s Nursing Diploma Preparation Program (NDPP) for all cohorts. In the interests of consistency and because the Bachelor of Nursing and the Australian Health Practitioner Regulation Agency (AHPRA) requires IELTS 7, future language testing should be done by IELTS. Future KANI APP partnership and capacity building in IELTS with KIT is supported.

**Recommendation:** As Bachelor of Nursing entry and registration with AHPRA require IELTS 7, only this system be used in any future KANI program.

**Recommendation:** Consideration be given to engaging KIT to conduct English testing (with capacity building if necessary) and other components of the Academic Preparation Program in Kiribati in the interests of strengthening links between KANI and Australia Pacific Technical College (APTC) and possible future pathways in health and community services.

**Insufficient use of stop/go points**

Despite the fact that academic progress has been positive and most students have achieved RN status, insufficient use was made of the stop/go points as originally designed. This was meant to allow lesser performing students to have the option to exit at Diploma level or to divert Diploma studies into a Certificate 3 in Aged Care. Both earlier exit points could have allowed students to obtain employment as Assistants in Nursing (AIN) or Enrolled Nurse (EN) although it seems fewer jobs as AIN are available than EN or RN. Employment (and migration) as EN are now facilitated through its inclusion on the DIAC Consolidated Occupation List.

Students who failed subjects were supported in time (and at extra cost) to repeat failed subjects, especially in C1 where 22 students failed subjects, including 11 who failed more than 2 subjects\(^\text{56}\). This was particularly evident with the students who had pregnancies (see below). Given KANI’s relatively high cost, all efforts to reduce costs and improve academic progress cost effectively should be pursued. More graduates (at each of the two lower levels) may have avoided the impact of the depressed local nursing market had they graduated with a Certificate 3/DN earlier. Those students with poorer English language skills may also prefer to exit early and avoid IELTS 7 English requirements for BN entry and visa purposes. It also seems that MSIT (the provider of the Diploma and Certificate 3 courses) has stronger links with potential employers.

**Recommendation:** Stronger and stricter academic achievement benchmarks be applied to determine student eligibility to progress beyond each of the first two exit points to counteract the perverse incentives that currently exist towards pushing students into the Bachelor of Nursing course.

**Recommendation:** Greater emphasis be given to linking students with potential employers during the Certificate 3 and diploma study phases, especially those unlikely to progress further.

\(^{56}\) Under the conditions of the AAS, students are excluded if more than 2 subjects are failed
The Cohort model

During implementation of the NDPP, GU instructed MSIT to provide its foundation subjects (part of the certificate 3 course) to the KANI cohort only and not integrated with other international or domestic students and on the GU Logan campus, not the MSIT campus. Integration with other students was recommended by the Independent Progress review (2010) but by that time all three cohorts had completed the NDPP. It did however, encourage a debate about the merits of a cohort approach.

The review team weighed up the benefits of the cohort model and concluded that although there clearly were benefits, it may not be an issue in any new KANI program. As identified by the GU management team and the review team, the cohort model:

- enables the management team to bring in and manage extra tutorial support (e.g. Clinical, IELTS) and other services e.g. first aid training at lower cost than if it was for an individual student;
- enables the management team to dedicate resources, for example, Student Contact Officer to the program to provide pastoral support and academic oversight;
- enables the education institution to lobby for cohort needs within the University hierarchy;
- increases support available to students as they have each other and, in some cases, each other’s families to assist with childcare, loneliness etc.
- creates opportunities for the wider family group to experience Australia and perhaps emigrate;
- allows for communication, I-Kiribati style, which is through the grapevine;
- allows for positive peer pressure when individuals in the group are recognised for academic merit and held up as role models for the group through the academic awards every semester;
- allows for easier identification of trends, such as, learning and lifestyle challenges that can then be supported or prevented. When students come as individual scholarship recipients, the challenges and risks are less likely to be identified and solutions tend to be reactionary instead of preventative.

These benefits have been obvious during the KANI pilot program but some of the extra academic and pastoral support provided to KANI students has been the reason for increased costs and the perception that KANI is a high cost program. Recognising that any post-KANI program will be re-tendered, the reality is that there is now an established ‘KANI community’ in Brisbane which has had seven years of establishing lives in Australia, undertaking nursing training, negotiating registration, employment and visa issues and has the knowledge and skills to share these with subsequent students (including from other potential PIC). Griffith University is also in the process of establishing alumni who will be useful in sharing knowledge, processes and supporting any further students. Significantly students and graduates participating in focus group discussions (see Annex 12), were aware of the positives and negatives of the cohort model, and were very willing to dispense with it in the interests of being more independent.

The review team considered how KANI would look if the conditions of AAS was applied to KANI. The table in Annex 6 illustrates the differences and provides the evidence that implementing a KANI approach using an AAS modality would save on costs. All universities offering nursing courses have systems in place to manage international students including academic and English language support.

Recommendation: KANI scholarship conditionality be mainstreamed in line with the AAS program e.g. course fees and management fee paid direct to education institution; no extension if more than 2
subjects failed; introductory academic program; English for academic purposes; pastoral support, health care services etc. all provided

KANI Design
The KANI program was designed as a nursing education program with outputs ending with nurse registration despite the goal and purpose extending beyond the training to employment and migration. The M&E framework does not include outputs, indicators or activities in the original design which allow for management, monitoring or reporting on critical processes and outcomes post-registration such as transition to work, visa application and employment, including tracing. As discussed above no indicator currently exists to measure employment. Annex 7 describes the KANI process and sequencing and indicates where GU’s contractual responsibility ends. These issues of non-inclusion of important program components need to be rectified in any future iteration of KANI so that employment and development outcomes (not just educational outcomes) can be measured and reported on. Annex 8 attempts to describe the KANI Theory of Change.

Recommendation: KANI program be re-designed as a labour migration program and include all current aspects of the program (education, migration, employment, remittances and other development outcomes)

The lack of employment support for graduates is understandable since universities do not traditionally have an employment focus except, in the case of nursing training, through clinical placements for students. Since this requirement goes to the heart of the purpose of KANI, consideration of alternative management models for KANI have been explored, including management through a commercial managing contractor.

There are precedents for this with commercial MCs already managing Australian scholarship programs e.g. in Papua New Guinea, Mongolia and Myanmar. The benefits would include: management across different universities and TAFEs (nursing as well as other potential skills and trades; management of similar scholarships across different countries (e.g. other PIC wanting a KANI-like program); economies of scale in providing extra pastoral care when required; management and reporting across all sectors e.g. education, employment, health and welfare issues, gender; analysis and reporting on development outcomes etc. Such a management modality would be beneficial if KANI is expanded to other countries or to other occupations.

Recommendation: Consideration be given to the feasibility and cost effectiveness of contracting any post- KANI program through an Australian commercial managing contractor rather than through an educational institution so that all activities (selection, English assessment, preparation programs, job search support etc.) across all sectors can be subcontracted, supported, managed, monitored and reported.

Annex 11 provides the pros and cons of three management modalities – status quo, commercial MC and using the AAS model.
Monitoring and Evaluation

As discussed in the IPR (2010) M&E in KANI focuses on operational M&E and output level indicators required for Griffith University contract reporting. Monitoring of KANI ends with nursing registration (EN or RN) which marks the end of GU contractual responsibility. Post-award outcomes are not included despite the M&E framework being updated by GU and approved by Australia during implementation of the program\(^5\). This is not adequate for a program whose main outcome is international employment. There are no measurable indicators in the M&E framework for employment reporting or to track immigration processes. The review team agrees with IPR recommendations that monitoring of KANI alumni could be aligned with the Ministry of Human Resources and Development (MLHRD) M&E which is responsible for tracking international employment, migration and remittances for labour mobility programs; and could also be included in the WHO Tracer Study of Fiji, Tonga and Samoa nurses in Australia.

M&E for KANI is predicated on the availability of clear, concise and accurate data on student progress and quality of courses undertaken by students. The review team found that spreadsheets on progress were inaccurate, inconsistent within documents, and that data between institutions (GU and MSIT) did not correlate. There was a discrepancy in GU data on students who had attained a Certificate 3 in Aged Care with GU assuming all students who did not achieve DN automatically exited with a Certificate 3. In fact students needed to study an extra six months after their Diploma course to achieve the Certificate 3. Confusion was caused by the fact that only some subjects undertaken during the NDPP contributed to a Certificate 3.

It was noted by the review team that research scheduled in the original design document was intended to study remittance levels of KANI students. The research component was deleted from the program in 2012 presumably as a research proposal provided by GU intended to study health, employment and lifestyle outcomes for KANI students in Australia which was not related to any development impact in Kiribati. Turnover of GU staff may have contributed to lack of familiarity with the KANI design document and the broader program.

Monitoring of KANI included an independent progress review (IPR) in 2010. Recommendations for Component 1 included: integration with other students for the Diploma studies; progressive IELTS testing; advice on employment and migration; transition back to Kiribati for students returning home; and a fourth cohort be recruited. Although some recommendations were implemented (at least in part), all cohorts had left Kiribati and were well into Diploma and Bachelor studies by the time the report was accepted and proved too late for implementation of some recommendations. The KANI design had suggested the use of a Technical Advisory Group (TAG) to monitor KANI implementation but this was not instigated. In retrospect, a TAG may have assisted Post with monitoring of student progress and improved data and reporting.

The risk management matrix is regularly updated in annual reports but, as with M&E, this was applied to the GU contract deliverables only. Risk management for the overall program has not been done adequately e.g. the critical risks of overspends and changes to the nursing employment environment. A

\(^5\) Griffith now records, and reports on, job outcomes
recommendation from the IPR (2010) to ‘incorporate risks to the achievement of the higher-level KANI goals and purpose, operational on-award risks as well as post-award risks to employment, remittances and skill utilisation/transfer’ has not been implemented.

**Impact**

Impact on contribution towards the goal is evident in that 68 Kiribati young people (and their families) have been removed from Kiribati unemployment lists and are no longer using scarce resources in Kiribati, especially in Tarawa. Other environmentally fragile PICs are urging Australia to provide similar awards for their young people.

Most KANI awardees have gained, or are expected to gain Bachelor degrees and are likely to gain employment internationally in nursing in the near future. At least 68 are now, or expected to be, established (some with their families - approximately 140 people) in Australia or New Zealand, have good English language skills and report that they are more independent, confident, knowledgeable and assertive, and are remitting funds home58. Nurses who have returned to Kiribati are undertaking further study at KSON, working in the Kiribati health system and reportedly using the knowledge and skills gained through KANI to make a difference in Kiribati. The ability of nurse educators (3) who studied under KANI to use fully their new skills in KSON has been compromised by the lack of progress in other initiatives aimed at improving the quality of training delivered there.

While this impact of KANI may be seen to be limited, it fulfills the intent of the original design and the main conclusions of the original cost benefit analysis in the Design Document, namely:

- A scheme which leads to 30 people migrating from Kiribati each year could significantly change the migration and potential employment outlook in Kiribati.
- If most students go onto full time employment, the benefits of the initiative exceed the cost of both the Enrolled Nurse and Registered Nurse components of the initiative.
- The benefit-cost ratios are higher if students train to the Enrolled Nurse level.

Dropping the Registered Nurse component of the scheme needs to be seriously considered. Taking into account impediments for individuals to move into the Bachelors program under their own funding or funding from another source, and whether or not offering the Bachelors program will impact greatly on the quality of applicants who choose to enter the scheme59.

With students ‘pushed’ to complete studies to Bachelor’s level (compared with original estimates) the cost of the program has blown out. Annex 15 provides details of the original cost in the design document compared to actual costs.

**Employment Issues**

Employment is available internationally (including in Australia and New Zealand) for KANI graduates. It has been unfortunate that KANI graduates have studied and are settled (many with families) in SE Queensland.
at a time when many hospital nursing positions have been axed, and where it is also difficult to obtain nursing jobs due to the Queensland Health Policy of hiring domestic nurses first. However, nursing shortages in the aged care sector provide great opportunities for KANI graduates and most of those currently employed (in fulltime, part time and casual jobs) are employed in the aged care sector as registered nurses. Current employers express great satisfaction with their new employees often reporting that they are more gentle and compassionate with the elderly than other staff. KANI graduates have also learned the lesson of diversifying their job search to regional areas and to other states with KANI graduates now working in Alice Springs and Mackay.

Job searching is made more difficult for KANI graduates due to the time and costs involved in visa applications and the fact that GU responsibility ends with registration and the end of the transition to work period. After this they have minimal support and income. The review team expects that KANI graduates will find employment but it may take longer than if the local nursing market was not so depressed.

**Recommendation:** In future nursing education/migration programs, more emphasis and support be given to encouraging graduates to seek employment in Australia in regional areas and interstate

**Visa issues**

KANI scholars obtain a student visa (Sub class 573) and graduates intending to stay in Australia apply for a Graduate Skilled Migration visa (485). While awaiting their 485 visa, graduates are on a bridging visa that allows fulltime work (compared to 20 hours per week limit for the student visa). The 485 visa is valid for 18 months after which time graduates apply for a 457 Permanent Skilled visa or a Business (Long Stay) visa all of which involve employer sponsorship. Employers are reluctant to hire a graduate particularly for fulltime work if they are either still on a student visa or on a bridging visa. Spouses and children of graduates are provided with the same visa as the primary applicant. If student visas expire, a new application must be lodged from outside Australia and this can mean a long wait.

DIAC advised that a new visa has been issued as a result of the Knight Review. The Temporary Skilled Graduate (subclass 485) – Post Study Work Stream visa allows international students who have been on student visas (including 537) and have achieved a Bachelor Degree (so for KANI students who achieve RN status only), can apply for this visa without nominating an occupation on the Skilled Occupation List. This new visa is an alternative to the Graduate Skilled visa which remains available for KANI students who are EN or RN60.

Visa applications involve a long and complex process which can take 4-6 months to obtain with requirements and costs as follows: application cost - $1,250; medical assessment valid for 12 months - $430 (extra if radiology needed); ongoing health checks necessary if any health concerns identified; police/security check - $43; bridging visa extensions - $330; IELTS testing - $150-$400. Consultation with the Department of Immigration and Citizenship (DIAC) revealed that students need to take more responsibility for these applications as they often delay answering queries and acceding to requests by DIAC. Cost is also known to be a factor in delays.

The review team explored with DIAC the possibility of any special arrangement which could expedite visa applications. Such labour agreements exist with some 457 visas e.g. for meat workers. However the response from DIAC confirmed that such an arrangement is made with employers, not education institutions or aid agencies. DIAC did mention that a Memorandum of Understanding is currently being developed with the scholarships section which would guarantee student visa processing within 14-28 days for decision-ready applications. The Pacific Desk also needs to be engaged.

**Recommendation:** If KANI is to be re-designed as a labour migration program, support for the long-term and complex visa application process needs careful consideration; including negotiations between DFAT Pacific Desk and DIAC.

### Student Pregnancies

In total, 27 babies were born to KANI female students (51% of females and 40% of students) from 2010 to 2013 i.e. C1 – 11; C2-13 and C3-3 pregnancies. Significantly no pregnancies were reported between 2007 and 2009 (although this could be another example of inaccurate student records). There were 7 pregnancies in 2010; 6 in 2011; 10 in 2012 and 4 babies born or due in 2013. All the 2013 pregnancies were to C2 students except 1. Two students have had two pregnancies and one gave birth to twins. At least two were born by caesarean section, one required a heart operation and one was 9 weeks premature and needed extra care. The total number of children of KANI students is estimated to be 43 – many born before the program started and some to male students which were not reported.

The pregnancy rate among KANI students is much higher than other scholarship programs e.g. GU reported that other international students do not experience the same rates of pregnancy and that under some scholarship conditions pregnant students are sent home. The only higher rate was with females trained under the Kiribati Marine Training Centre (MTC) program where females were at sea with male seamen and 75% of them became pregnant. Those that did not have pregnancies had obtained safe contraception (implants) prior to embarking. MTC now includes pregnancy testing at the beginning of the course and the Kiribati Family Health Association (KFHA) provides advice to all MTC students (male and female) on sexual and reproductive health issues, particularly safe sex (including avoiding alcohol and substance abuse) and contraception.

The relevance of this issue also relates to the extra time, cost and planning that was needed to accommodate the pregnant KANI students. While many of these students progressed academically and achieved their Bachelor degree, 18 of the 27 (67%) students who had pregnancies required extra time for failed or withdrawn subjects and rescheduling of clinical placements (added resources/cost) compared with 37% of all students. Due to the policy that pregnant students cannot undertake their clinical practicum in a hospital six weeks before delivery and six weeks following delivery, clinical supervisors had to shuffle schedules to accommodate pregnant students. Staff reported that some students were secretive about their pregnancies, were often absent from lectures and so got behind with their studies. Some were also reluctant to tell parents in Kiribati. This implies that at least some of the pregnancies were unintended.

61 Gender Strengthening Review, Marine Training Centre Institutional Strengthening Project, Marion Quinn, NZ MFAT, May 2012
62 See Annex 13 for analysis
They needed support from the Student Contact Officer as well as from housemates and student friends who were often called upon to share childcare, thus encroaching on their own study time. The extra cost to the Australian health system and the impact on Logan Hospital also needs to be considered; as does the extra health insurance costs for the student to cover pregnancy and childbirth and the extra cost of visas and schooling.

The reason for this high pregnancy rate is unknown particularly when it does not seem to have been an issue in the first two years of the program. Culturally in Kiribati, the contraceptive prevalence rate is extremely low at 22% and the teenage pregnancy rate is high (39 per 1,000 live births). Anecdotal evidence of cavalier attitudes of some male students was also of concern. More effort in future programs must be taken to explain during the APP the obligations of scholarship awardees and the added costs and pressure arising from pregnancies during studies.

**Recommendation:** KANI students be better briefed during the APP on the benefits, conditions and obligations of the scholarship including extra cost, scheduling and difficulties associated with studying while pregnant or with children. Active engagement of KFHA in counseling and providing services (including pregnancy testing) for all students on safe sex and contraception is advised.

**Recommendation:** The Independent Completion Report include a study on the social issues facing KANI students with the view to strengthening gender in any further KANI program.

**Lessons learned**

The major lesson learned from this review is that the insufficient use of stop/go points (as designed) has been the main cause of the high per student cost of KANI. This was highlighted in the original cost-benefit study which was strongly positive when the expectation was that 75 students would exit with DN and 45 students would continue to BN. The reality is that 68 students have continued to Bachelor degrees, thus lengthening the duration of the award, significantly increasing cost and decreasing value for money.

The review team has identified the following additional lessons learnt from implementation thus far.

- Health testing pre-departure to Brisbane will prevent the problem of students having to change courses due to Hepatitis B (precludes nursing studies)
- Integrating I-Kiribati students with other international and domestic students in mainstream courses can accelerate English language skills and increase awareness of Australian culture
- Working while studying increases work opportunities. Employers require specific number of clinical hours and this can accumulate during the years of study. Increasing costs for students particularly after graduation can be eased through working part time during studies although this is limited to 20 hours per week under the student visa (unlimited during semester breaks).
- KANI management processes need to be closely aligned with existing scholarship systems and processes e.g. OASIS and AidWorks for accuracy and consistency.
- Although pregnant students have been well supported and done reasonably well, more focus needed during APP on prevention (incl. other behavioural risks) and obligations; clinical placement schedule affected; extra cost of health care etc.
• Progress and successes of KANI could be much better clearly and simply communicated with all of the stakeholders. Better communication and simple, timely analysis is needed to promote the program, especially the education and employment outcomes.

• Better tracking of the non-education components of KANI is needed, especially for activities post-registration including the transition to work period including work outcomes.

• Greater upfront emphasis on English (at selection and APP stages) will enable students to concentrate on nursing studies and will save time at the end of the program.

2.3 Efficiency

Rating: 3

The Cost of KANI

The total cost of the KANI Pilot Program which will effectively end in the March quarter of 2014, is currently estimated at $18,823,864. This figure includes the estimated cost of the Academic Preparation Program conducted in Kiribati and the costs of training three nurse educators from KSON under Component 3.1 of the Program ($147,000). The following table provides a broad breakdown of the currently estimated costs of KANI:

**Table 2: Cost of KANI (current estimates)**

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost (actual and projected to end of KANI) $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments to students</td>
<td>9,081,340</td>
</tr>
<tr>
<td>Course fees</td>
<td>4,440,865</td>
</tr>
<tr>
<td>GU Management and support</td>
<td></td>
</tr>
<tr>
<td>- In Kiribati (APP)</td>
<td>1,274,175*</td>
</tr>
<tr>
<td>- In Australia</td>
<td>4,027,484</td>
</tr>
<tr>
<td><strong>Total Projected</strong></td>
<td>18,823,864</td>
</tr>
</tbody>
</table>

* Equals the maximum contracted amount, including GST.

Taking as the base the 80 students who were educated to at least Certificate 3 level, the foregoing implies an expected average cost of some $235,000 per graduate under the Program. However, this average cost figure is misleading in the case of KANI, given that the Program offers exit points at the Certificate 3, Diploma of Nursing and Bachelor of Nursing levels. Each formally involves Australian based study of around 6 months, 18 months and 4 years respectively. Further complicating factors are:

• All students who exited KANI with Certificate 3 or Diploma of nursing qualifications (apart from one whose scholarship was terminated for misconduct) did so only after failing to achieve the next highest qualification. For example, the students who exited with Certificate 3 did so after failing the Diploma of nursing course. This has meant that all these students have incurred significantly higher costs than would have been the case had they exited immediately on gaining their final qualification.

• As noted earlier, some 31 students have so far failed subjects, in some cases more than twice, and a further 7 have been given extensions due to pregnancy and other reasons. This too has added to
overall costs, and contributed to significant variations in per student costs relative to qualifications achieved.

As of 12 March 2013, of the 84 students who entered the KANI Program, 16 have exited with Diploma, Certificate 3 or no qualification, 38 have so far graduated with Bachelor of Nursing, 1 has graduated with a Bachelor of Social Work and 29 are still studying, of which 26 are expected to graduate with Bachelor of Nursing and 3 with Bachelor of Social Work. Against that background, the following sets out the currently predicted per student average costs of achieving each level of qualification provided for under KANI:

Table 3: Average Cost of KANI Qualification

<table>
<thead>
<tr>
<th>Qualification</th>
<th>No. of students</th>
<th>Average cost*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nil (2-3 yrs study)</td>
<td>3</td>
<td>$90,691</td>
</tr>
<tr>
<td>Certificate 3 (3.5 yrs study)</td>
<td>6</td>
<td>$136,397</td>
</tr>
<tr>
<td>Diploma of Nursing (3 yrs)</td>
<td>5</td>
<td>$231,510</td>
</tr>
<tr>
<td>Bachelor of Nursing (5yrs)</td>
<td>64</td>
<td>$237,318</td>
</tr>
<tr>
<td>Bachelor of Social Work (6 yrs)</td>
<td>4</td>
<td>$290,093</td>
</tr>
</tbody>
</table>

* Includes admin costs ($1,916,622) and APP costs ($1,274,175) totaling $40,390 per student. These are allocated pro rata, since they were not included in individual student cost data provided by GU. Average years of study are within the KANI program and include APP, NDPP and then academic courses. Certificate 3 is attained following Diploma studies.

Cost Relative to Employment Outcomes

Since the key outcome of KANI is “I-Kiribati nurses are qualified and working in Australia (or internationally) in the field of nursing,” the actual and expected international employment outcomes from the program are critical to assessing its success or otherwise.63

The following table summarises employment outcomes to date (again, as at 12 March 2013). The analysis shown in the Table reflects, among other things, the fact that none of the 15 students who exited the program with a Diploma of Nursing or lower qualification have been successful in finding employment in Australia or elsewhere internationally (but some are now doing further nursing studies in KSON). As noted above, all remaining 68 students have graduated, or are expected to graduate, with Bachelor of Nursing or Bachelor of Social Work degrees. Of these 68, moreover, 2 have returned to work as nurses in Kiribati and 1 has, or is planning shortly, to join her partner in Fiji and seek employment there. As a best case scenario, therefore, the KANI Program will potentially result in 64 registered nurses eventually working full time in Australia and NZ and perhaps 1 in Fiji.64

63 Interesting though, this was not an objective listed in the program’s design M&E framework.

64 It is also possible that the 2 RNs who returned to Kiribati will work internationally at some time in the future. Given the uncertainties, however, it is impossible to ascribe any “value” to this at the present time. The work prospects of the student going to Fiji are also unknown at this time and hence, is also ascribed nil value in the following analyses.
Table 4: Employment Status by Student Cohort

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Employed Full time (&gt;35 hrs pw)</th>
<th>Employed part time (average 25 hrs pw)</th>
<th>Looking for work in Aust/NZ</th>
<th>Still studying</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>8</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>4</td>
<td>11</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
<td>7</td>
<td>21</td>
<td>29</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
<td>21</td>
<td>11</td>
<td>29</td>
</tr>
</tbody>
</table>

It should be noted that the 7 students from cohort 3 listed as employed part time are also still studying for their Bachelor of Nursing degrees. One of the key lessons to be drawn from the experience with KANI to date is that engaging in part time work during study is extremely important to a student’s prospects of gaining employment post-graduation. Experience so far also suggests that once a student gains part time employment there is a high probability that they will progress to full employment within 6 to 12 months.

It is difficult to compare the employment results with other similar programs e.g. the Seasonal Workers’ Program where employers apply for 457 visas to bring into Australia specific workers; and the MTC program where training and employment is done in close association with employers (shipping companies). No costings for these two programs were available for the review team so cost comparisons are not possible. KANI graduates have the added benefit of gaining qualifications which enable them to move between training providers (post-graduate), employers and countries. Flexible work arrangements are also now available through additional visa options. This enhances their employability and work options.

Reflecting the foregoing, as a best case scenario, the KANI program will achieve an outcome of 65 registered nurses ultimately working full time in Australia and NZ at a cost of some $290,000 each. ($285,000 if the student in Fiji is included). This compares with $205,000 for an undergraduate AAS (approx. 4 years) and $27,000 for a Pacific award (AAPS). The success rate of AAS generally is 97%; 92% for students from Pacific countries; and 87% for students from Kiribati.

Cost Benefit Analysis (CBA)
The Terms of Reference require development of a framework for assessing the costs and benefits of KANI and a preliminary cost benefit assessment.

The costs of KANI are directly measurable as indicated above. In theory, the benefits will arise from:

- The future income of KANI nurses working abroad
- Likely multiplier and poverty alleviation impacts of remittances back to Kiribati by these students while working internationally. (Remittances themselves are a transfer between individuals and hence, are not counted as additional benefits in terms of CBA methodology.)
- Possible workplace productivity enhancements in the Kiribati health sector arising from the transfer of superior work skills and knowledge by returning KANI trained nurses.

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65 Data from Australia Awards Scholarships and Fellowships Section
• Possible social and economic benefits for future Kiribati migrants to Australia that may arise from establishing, through KANI, a larger community of Kiribati expatriates in Australia, and South East Queensland in particular.

CBA, of course, is predicated on an ability to quantify benefits in monetary terms. From among the potential benefit streams identified above, it is only the future potential income of KANI nurses that can be quantified with any degree of confidence, certainly within the timeframe and scope of this Report. Anecdotally, nevertheless, a number of observations can be made in regard to the other, indirect, benefit streams identified.

It is likely that the multiplier impacts of KANI induced remittances will not be large given Kiribati’s reliance on imports for most goods and services consumed. Moreover, given the dominance of competency in English in the awarding of KANI scholarships, it appears most KANI students come from the relatively better off strata of Kiribati society who have the better skills in spoken English. As such, the direct poverty alleviation impacts of KANI induced remittances may also be weak. Studies (albeit somewhat dated) that are available on the economic impact of remittances to Kiribati by seamen trained through the Kiribati Maritime College confirm that most remittances tend to support current consumption, especially among recipients in the outer islands. They also suggest however, that seafarer remittances are important in supporting modest investment in brick houses, in the establishment of small businesses and in the payment of school fees, all of which would have some, modest knock on impacts. Further insights to the economic impacts in Kiribati of seafarer remittances is expected to become available in the next month or so from new research currently being sponsored by NZAID.

Irrespective, and as is demonstrated from the results of the preliminary CBA presented below, it would require a continuation of KANI over many years before remittances from nurses trained under the program would have any significant economic or social impact on Kiribati. Possible health sector productivity enhancements from KANI trained nurses returning to Kiribati are also likely to be small, especially in current circumstances where there is already a sufficient supply of locally trained nurses to fill all available funded nursing positions in the country. The fact that KANI graduates do not have qualifications in midwifery, a pre requisite for registered nurses in Kiribati, also limits their prospects of easily integrating with the Kiribati nursing workforce.

The possible social and economic benefits of KANI in assisting future Kiribati migrants to Australia are impossible to quantify at the present time. Suffice to say, however, that the GOK places considerable value on the concept of establishing communities of its citizens internationally to support its goal of “migration with dignity”. It is therefore a significant factor that does need to be captured, anecdotally at least, in assessing the overall costs and benefits of KANI.

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66 See, for example, “Working Overseas: Seafarer’s remittances and their distribution in Kiribati,” Maria Byronic, Asia Pacific Viewpoint, Vol 47, No 1 April 2006

67 It is noted that KANI graduates can transition to work in Kiribati provided a 6-12 month probation is served
Results of the Preliminary CBA

Critical to the outcomes of any CBA are obviously the assumptions employed. These are provided in detail at Annex 14. In essence, and consistent with the analysis that was done as part of the KANI’s design, 2 scenarios are assessed:

- a “best case” where all 65 KANI RN and BSW graduates and students still in Australia and NZ obtain full time employment from 2015, with many transitioning through part time work in the interim, and remain working internationally for 12 and 25 years.
- A “worse case” where 10 further KANI students are required to return home because of lack of work, leaving 55 RNs working full time from 2015 for periods of 12 and 25 years. This scenario is broadly in line with employment success rates so far experienced from cohorts 1 and 2 and is intended to provide some indication of the sensitivity of outcomes to different employment assumptions. Important to note, however, is that it is not conceivably the “worst case” outcome. This would be realized in the (unlikely) event that none of the 31 students currently without a job, including those still studying, ultimately fail to gain employment.

It is further assumed that the future income streams of both RNs and BSW graduates will correspond to the pay rates set by Queensland Department of Health for RNs and that there is annual progression through the pay points/grades. Rates are assumed to remain constant in real terms. Discount rates of 5% and 10% real are assumed.

The results of this analysis, summarised below, show that the benefit cost ratios for all scenarios are greater than 1, meaning, other things equal, the KANI program is delivering positive returns relative to the investment being made. However, the analysis suggests returns become only marginally positive (1.02) under the worst case scenario of 12 years working internationally assuming a 10% discount rate. The 12 years working internationally and 10% discount rate assumptions, furthermore, are probably the most realistic.

It is also important to recognise that the vast bulk of the benefits assumed to be realised are private, as distinct from public or social, in nature since they accrue to the individual nurses and the family network they may be supporting. The analysis also included an assessment of likely remittances and a distribution of the likely benefits assuming an Australian average tax rate of 20%. Assuming those working full time will remit $5,000 per year and those working part time remit $1,000 per year, the Net Present Value (2012 prices) of total remittances varied between $1.5 million and $4.1 million across all scenarios. As noted

68 The 12 and 25 year time frames replicate those used in the original CBA analysis of KANI. The 12 year period is based on research of remittance behaviour referred to in footnote 57 below, while 25 years is considered a reasonable outer bound in terms of a likely international working career. It is in the nature of discounted cash flow analysis, moreover, that most of the NPV of a nurse’s future salary would be realised within this timeframe. Extending the analysis to 30 years for example, would add only around $29,000, or slightly more than 4%, to the NPV of a nurse’s earnings when applying a 10% discount rate.

69 Research on remittances by Tongan and Samoan nurses working in Australia published in 2004, for example, found that the average time working in Australia was 11.5 years; annual remittances averaged some $3,200 in 1993 prices and remained relatively stable in comparison with other remitters included in the study. See “Remittances of migrant Tongan and Samoan Nurses from Australia, John Connell and Richard P C Brown, Human Resources for Health 2004, 2.2. The discount rate in theory should represent the opportunity cost of, in this case, the aid funds being invested. Given that aid monies generally are delivering goods and services into heavily undersupplied markets, a 10% real rate also seems the more realistic.
earlier, it is clear that KANI would need to operate for a considerable number of years if remittances from nurses trained under the program are to have any significant economic impact on Kiribati\textsuperscript{70}.

Table 5: Benefit Cost Ratios

<table>
<thead>
<tr>
<th>Working internationally</th>
<th>Best case 5%</th>
<th>Best case 10%</th>
<th>Worse case 5%</th>
<th>Worse case 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 years</td>
<td>1.9</td>
<td>1.1</td>
<td>1.7</td>
<td>1.0</td>
</tr>
<tr>
<td>25 years</td>
<td>3.2</td>
<td>1.7</td>
<td>2.7</td>
<td>1.5</td>
</tr>
</tbody>
</table>

The results of the distribution analysis are provided in Annex 14.

Is KANI Cost Effective? Comparison with other Scholarship Schemes

Evident from Table 2 and the subsequent analysis of costs versus prospective employment outcomes is that the actual and projected costs of outcomes so far from KANI are considerable. It is, however, difficult to make direct cost comparisons between KANI and other scholarship schemes given that the range of services and support provided to KANI students is significantly broader than those provided under ADS and ARDS awards. In particular, the KANI program provides significant extra support in terms of tuition to enhance English language skills, including through the APP, dedicated Student Contact Officers and some support for job search and related visa approvals post-graduation.

These difficulties notwithstanding the following comparison between the cost of a sample ADS scholarship and a Bachelor of Nursing degree suggests that, on average, and abstracting from the difference in course fees, KANI students completing a Bachelor of Nursing degree receive more than $41,000 in additional support relative to a (broadly comparable) engineering degree sponsored under the ADS.

Table 6: Cost Comparison Between ADS and KANI scholarship

<table>
<thead>
<tr>
<th></th>
<th>ADS</th>
<th>KANI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Degree</td>
<td>4 year Diploma plus Bachelor of Engineering, University of Technology, Sydney\textsuperscript{71}</td>
<td>4 year Diploma plus Bachelor of Nursing, GU</td>
</tr>
<tr>
<td>Course Fees: Total</td>
<td>$105,800</td>
<td>$55,000</td>
</tr>
<tr>
<td>Diploma</td>
<td>-$23,800</td>
<td></td>
</tr>
<tr>
<td>Bachelor Degree</td>
<td>-$82,000</td>
<td></td>
</tr>
<tr>
<td>Other entitlements</td>
<td>$140,700</td>
<td>$182,000</td>
</tr>
<tr>
<td>Total</td>
<td>$246,500</td>
<td>$237,000</td>
</tr>
</tbody>
</table>

Of the $41,000 difference, around $8,800 is accounted for by Transition to Work payments which arguably are critical to achieving desired employment outcomes from KANI. Even then, however, the additional $33,000 of support per student does not appear to have enhanced academic outcomes relative to those being realised under the ADS as measured by completion rates. For KANI the predicted completion rate

\textsuperscript{70} By way of comparison, remittances by (currently) around 1400 seamen graduates of the Kiribati Maritime Training College, an entity that has been in operation for some 50 years, amounted to $11.2 million in 2011

\textsuperscript{71} ADS awarded in Kiribati for studies commencing in June 2011. Details provided by Post
arguably is the 68 students who will achieve Bachelor of Nursing or Social Work degrees (given that, as mentioned earlier, all students, bar one, who have so far exited KANI did so as a result of failing to achieve a higher qualification, not as a conscious choice). Taking as the base the 84 students entering the program, this implies a completion rate of 81%. This compares with assessed completion rates for ADS and ARDS awards in Kiribati of 85% and 67% respectively, and an average completion rate of 97% for Australian Awards Scholarships more generally, implying that the outcomes for KANI may in fact be slightly less relative to ADS awards. On balance, therefore, if KANI is to continue, there appears to be a case for paring back the level of support to student to correspond more closely with that given under ADS, with the exception of transition to work payments.

KANI Opportunity Costs/Values for Money

Evident from the foregoing is that KANI is a relatively high cost program, particularly when assessed in terms of employment outcomes in prospect so far. For expenditure of between $2 million and $3 million a year, a lot could be achieved to address rising youth unemployment in the Pacific, for example, by increasing ADS awards, increasing places at APTC and/or KIT to increase options for young people to work and migrate abroad which would increase numbers of beneficiaries. Further support to the education sector, particularly in Secondary School English language teaching, would also be a sound investment in labour mobility for young people.

If KANI is to continue as a program targeted to skilling nurses to Australian standards, then the recommendations of this Report will improve its cost effectiveness, both in terms of costs incurred and potentially in respect of employment outcomes. In particular:

- Closer alignment with ADS student support and conditionality;
- Stronger and stricter academic benchmarks for determining student progression beyond each exit point;
- Greater emphasis on facilitating employment opportunities at Certificate 3 and Diploma levels
- The possibility of upgrading KSON to deliver diplomas in nursing to Australian standards, thereby requiring less study time in Australia to achieve Bachelor of Nursing or other higher qualifications.

Note: The economic viability of this option, however, would need to be further tested, including in comparison with possibilities for upgrading other regional nurse training institutions.

It is also evident from the experience with KANI so far, there are obvious risks to targeting skills development to a single occupation or employment sector in terms of achieving desired employment/international labour mobility outcomes. Currently in Australia these include: the hiatus in demand for RNs in Queensland; the complicated, uncertain and costly visa processes and the fact that DIAC’s priority skills categories can change.

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72 Source: Review of the Australia Development Scholarship and Australian Regional Development Scholarship Programs in Kiribati, Ceri Bryant, AusAID October 2009 and information provided by AusAID.

73 This is already happening to some degree through linkages being developed between the APTC and the Kiribati Institute of Technology and through direct scholarships to APTC.

Looking more broadly, one logical alternative to KANI in terms of delivering its objective might be to further enhance APTC links with employers internationally since they already skill youth (including from Kiribati) to international standards. The Review Team understands that there has been criticism of the APTC that it too is costly and that only a small number of students trained (72 out of 3,931 trained to June 2012) have succeeded in gaining international employment, mainly in Australia and NZ. It also understands, however, that the majority of trainees with the College are already in employment in their own countries and that skills training is provided in discrete tranches much the same as occurs with Australian apprenticeship schemes. There is no specific targeting or support provided to accessing international jobs. The fact that some 70 students of the APTC have found jobs internationally is, therefore, more by coincidence than by design. Notable also is the fact that course fees charged by the APTC, mainly for Certificate 3 qualifications, generally range between $1,000 and $2,000.

One of the key lessons from the experience with KANI, and of other similarly targeted training schemes such as the Kiribati MTC, is the critical importance of developing links with prospective employers. The public private partnership that exists between the MTC and German merchant shipping companies has clearly been the mainstay of the Colleges success to date in ensuring jobs will be available for students trained. In conjunction with any enhancements needed to the APTC’s capacity to train more Kiribati youth, consideration could also be given to broadening the APTC’s charter to develop similar links to employers, especially in Australia and NZ. Further alternatives would be for Australia (and NZ) to provide preferential labour market access to those PICs most at threat from climate change and or further economic decline and/or, if KANI were not to continue, to direct some or all of the monies saved to further ARDS and ADS scholarships for Kiribati youth, including to APTC.

Recommendation: As part of the assessment of KANI’s future, a thorough assessment should also be made of these and other potential options involving working with possibly more cost effective regionally based institutions in achieving international labour mobility objectives.

KANI Management Model

As highlighted earlier, there are weaknesses in having a university managing the KANI program. This is most obvious in the incentive for universities to push students through to Bachelor of Nursing studies, and as a consequence, the lack of sufficient emphasis in facilitating student exits at the Certificate 3 and Diploma of Nursing levels. Apart from that, and an obvious need for clearer, more coherent reporting on finances and student progress, the Review Team was unable to access any information from GoA on costs of administering other scholarship schemes, by which to assess the efficiency with which GU has used available resources to achieve outcomes. That said, there has been a steep learning curve for GU in managing the program and GU has adapted to lessons learnt. This is evident, for example, in the additional English language tuition it has offered, additional support in academic report writing, and stronger focus on “extra-curricular” support and encouragement afforded students. The results are evident in the general improvements in academic achievement through the three cohorts.

GU has also taken steps to improve its financial management of the project, including by passing responsibilities here to GU’s central financial management team. Given the level of discrepancies in the

75 The Review Team recognises, nevertheless, that such a move would likely draw criticism from PICs, of Australia and NZ raiding their skill bases for their own benefit, but this could be managed.
financial and student data that the Review Team was given by GU for purposes of analyzing the Program, the review team welcomes an external audit of the Program that will be conducted in conjunction with the Completion Report.

There were also issues with GU management regarding the nurse educators’ study program. The review team considers that proper plan of the best courses for them was not done prior to the students departing for Brisbane, and they also failed to include any direct teacher training component

2.4 Sustainability
Rating: 4

KANI contributes to sustainability through providing: Australian/internationally-recognised qualifications that enable students to be eligible for nursing registration in Australia; work in an area of established overseas labour demand; and where there is an existing migration pathway. While the nursing shortage globally continues as projected, and RNs and ENs remain on DIAC lists, the program should be sustainable. There are risks in targeting employment in a single occupation/sector, and costs likely will remain high. Sustainability could be enhanced through an increased GoA focus on secondary school English teaching in Kiribati to maximise IELTS eligibility for prospective KANI students and for other scholarship programs. All Australian Awards contribute to the long term development needs of Australia’s partner countries in line with bilateral and regional agreements. KANI is no different except that students do not return to their countries of origin but migrate to Australia. Professional and social benefits from training I-Kiribati young people will remain long-term and flow on to their families both in Australia and Kiribati. In this case the long term development needs of Kiribati rely on decreasing population (including through migration), reducing overcrowding on atolls (through internal migration) and increasing employment and income generation opportunities for the existing island population, particularly for young people. As remittances increase, I-Kiribati parents may be able to privately send their children to study and work internationally as well as migrate themselves. However, there may be on-going risks to employment outcomes from KANI in Queensland, and generally throughout Australia given the vagaries and uncertainties that surround Australia’s immigration laws.

Sustainability could be strongly enhanced if KANI was redesigned into, or absorbed within, an international labour mobility program. Better linking of education, skills and employment would enhance sustainable migration and employment results; participants with internationally benchmarked qualifications could easily move between training providers, employers and countries; and the high demand for skills and international qualifications could be addressed.

2.5 Gender Equality
Rating: 4

The review team assessed the equal opportunity for women and men to participate in the KANI program. Although nursing is a predominantly female profession, it is noted that increasing numbers of males are applying with 3 in C1 (11%), 7 in C2 (21%) and 9 in C3 (35%). This is in contrast to the 6% (2 in 30) males who apply to KSON to be nurses and the 9.6% of the Australian nursing workforce generally who are

76 While no direct one-on-one training was delivered, the nurse educators shadowed academics while undertaking their course

77 KANI Design Document, 2006
males\textsuperscript{78} and 7.4\% of the male nurse workforce in aged care\textsuperscript{79}. It was also significant during focus group discussions that males (and some females) were more likely to have had no desire during school years to enter the nursing professions before the opportunity to apply for KANI arose.

Of the 19 KANI males, 4 exited the program at DN level (two failed subjects numerous times, one was terminated); and 6 had to repeat subjects or semesters. While it is recognized the benefits of more males entering the nursing workforce, careful monitoring of the male involvement in the program is warranted given the dearth of education and employment opportunities for I-Kiribati women e.g. MTC recruit 180 males to be seafarers and 10 females for the Basic Steward and Hospitality Course.

**Recommendation:** The selection process limit the proportion of males to females to the proportion of male nurses in the Australian health workforce (10\%) to maximize limited post-school opportunities for I-Kiribati females.

Social and cultural issues related to gender roles and behaviour have been identified by GU staff and have been the cause for some students to be terminated or exiting the program. These behaviours generally reflect the social issues faced by young people within Kiribati – alcohol abuse, violence and pregnancy among young people. More needs to be done at the APP stage while still in Kiribati to acculturate students and to emphasise the obligations of scholarship awardees and conditionality of the scholarship. The recommendation under Student Pregnancy applies here also.

**Recommendation:** The re-designed KANI should include a comprehensive gender strategy incorporating lessons learned.

### 3 Conclusion and Recommendations

KANI is a unique, bold and innovative model for ‘doing development’ in small, environmentally fragile Pacific island countries. The KANI concept remains strongly relevant to the sustainable development needs of Kiribati; and to its adaptation policy of ‘migration with dignity’ to address serious climate change imperatives. The effectiveness of implementation (despite the likelihood of 68 Bachelor graduates and their employment internationally) has been compromised through: limited focus on support for employment outcomes; non-adherence to the design in setting realistic benchmarks for advancement to Bachelor level or exiting at Certificate 3 and Diploma levels; student pregnancies leading to increased extensions, repeating of semesters and subjects and re-scheduling of clinical placements; and a generally more lenient attitude to academic failures. This in turn has decreased efficiency, cost effectiveness and value for money.

KANI’s structural attributes address the needs of Australian employers providing a qualification that Australian employers recognize, understand and value. It addresses English language proficiency and provides for the acquisition of specific skills and knowledge required by employers in the Australian health sector; it links students and graduates with employers; and it caters for employers’ preference to source foreign workers from those already in Australia.

\textsuperscript{78} Nursing and Midwifery Workforce Report 2011, National Health Workforce Series No. 2, Australian Institute for Health and Welfare, Canberra

\textsuperscript{79} Nursing and Midwifery Workforce Report 2011, National Health Workforce Series No. 2, Australian Institute for Health and Welfare, Canberra
The limited scope and scale of the KANI program means that its impact on youth unemployment and remittances can only be marginal. KANI is a pilot program originally designed to mobilize three cohorts of students (75 in total with only 45 expected to continue to Bachelor level studies) so appreciable impact on youth unemployment and remittances in Kiribati should not be expected. Given KANI graduates are only just beginning fulltime nursing work, it will be many years, and require many more trained cohorts, before remittances from nurses trained under the program might have any significant economic or social impact on Kiribati, especially if their families join them in Australia.

The KANI program will end mid-2014 and the review team recommends that (if it is to continue) it be re-designed to focus on awards for students from environmentally fragile PIC (including Kiribati) to train to international standards with the view to labour migration. This will broaden the geographical reach thus making it more equitable for PICs, increase the range of occupations and training, streamline management, ensure a development perspective, work closely with potential employers, address student social and behavioural issues identified through KANI, strategically match exit points with student progress and employment opportunities, support both education and employment components and ultimately improve cost benefit and cost effectiveness. The development impact will be measurable in PIC through increased remittances and decreased population pressure on scarce island resources.

The review team also recommends that possible alternate strategies for achieving the labour mobility objectives more cost effectively be thoroughly evaluated, including the options presented earlier in this Report.

Summary of Recommendations

For GoA –if KANI is to continue

- Consideration be given to expanding the KANI concept to other environmentally fragile PIC with adolescent populations more than 40%

- KANI program be re-designed as a labour migration program and include all current aspects of the program (education, migration, employment, remittances and other development outcomes)

- A thorough assessment be made of other potential options involving working with possibly more cost effective regionally based institutions in achieving international labour mobility objectives.

- Consideration be given to the feasibility and cost effectiveness of contracting any post-KANI program through an Australian commercial managing contractor rather than through an educational institution so that all activities (selection, English assessment, preparation programs, job search support etc.) across all sectors can be subcontracted, supported, managed, monitored and reported.

- If KANI is to be re-designed as a labour migration program, support for the long-term and complex visa application process needs careful consideration; including negotiations between Australia’s Pacific Desk and DIAC.
• As part of the assessment of KANI’s future, a thorough assessment should also be made of these and other potential options involving working with possibly more cost effective regionally based institutions in achieving international labour mobility objectives.

• The re-designed KANI should include a comprehensive gender strategy incorporating lessons learned.

• Consideration be given to expansion of Australia’s education assistance in Kiribati to include support for English literacy in secondary schools to improve student’s readiness for tertiary (including KANI) and technical education to Australian/internationally recognized standards.

For KANI

• To strengthen relevance of KANI to GoK and GoA policies and priorities, entry age to KANI be no more than 25 years; awards limited to one award per family per cohort (or year) and selection of school leavers be prioritised.

• Transparency of the selection process be strengthened through more thorough engagement of GoA in approval of the students selected and in monitoring adherence to selection criteria (particularly age/school leavers and gender. Consideration be given to a formal audit of the KANI student selection process as part of the Independent Completion Report.

• As Bachelor of Nursing entry and registration with AHPRA require IELTS 7, only this system be used in any future KANI program.

• Consideration be given to engaging KIT to conduct English testing (with capacity building if necessary) and other components of the Academic Preparation Program (in Kiribati) in the interests of strengthening links between KANI and Australia Pacific Technical College (APTC) and possible future pathways in health and community services.

• Stronger and stricter academic achievement benchmarks be applied to determine student eligibility to progress beyond each of the first two exit points to counteract the perverse incentives that currently exist towards pushing students into the Bachelor of Nursing course.

• Greater emphasis be given to linking students with potential employers during the Certificate 3 and diploma study phases, especially those unlikely to progress further.

• In future nursing education/migration programs, more emphasis and support be given to encouraging graduates to seek employment in Australia in regional areas and interstate.

• KANI scholarship conditionality be mainstreamed in line with the AAS program e.g. course fees and management fee paid direct to education institution; no extension if more than 2 subjects failed; introductory academic program; English for academic purposes; pastoral support, health care services etc. all provided.

• KANI students be better briefed during the APP on the benefits, conditions and obligations of the scholarship including extra cost, scheduling and difficulties associated with studying while pregnant or
with children. Active engagement of KFHA in counseling and providing services (including pregnancy testing) for all students on safe sex and contraception is advised.

- The Independent Completion Report include a study on the social issues facing KANI students with the view to strengthening gender in any further KANI program.

- The selection process limit the proportion of males to females to the proportion of male nurses in the Australian health workforce (10%) to maximize limited post-school opportunities for I-Kiribati females.
### ADDENDUM 1 - updated data on student progress

**Table 1 Data on Student Progress (as at 1 February 2014)**

<table>
<thead>
<tr>
<th>Status</th>
<th>Cohort</th>
<th>Cohort 2</th>
<th>Cohort 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Students recruited</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>90</td>
</tr>
<tr>
<td>Students who passed APP</td>
<td>30</td>
<td>28</td>
<td>26</td>
<td>84</td>
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<tr>
<td>Deferred students</td>
<td>4</td>
<td>0</td>
<td></td>
<td></td>
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<tr>
<td>Students who took up KANI award</td>
<td>26</td>
<td>32</td>
<td>26</td>
<td>84</td>
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<tr>
<td><strong>Academic progress</strong></td>
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<td>Graduated BN (RN)</td>
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<td>Graduated Diploma Community Welfare</td>
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</tr>
<tr>
<td>Still studying</td>
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<td>1 (BN)</td>
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</tr>
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<td>Withdrawn/Exited with no qualifications</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>5</td>
</tr>
</tbody>
</table>

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80 This remaining student is scheduled to graduate in June 2014