

Information on the Voluntary Bonding Scheme: Midwifery

What is the Voluntary Bonding Scheme?

Voluntary bonding is an incentive payment scheme that has been introduced by the Government to reward medical, midwifery and nursing graduates who agree to work in hard-to-staff areas. It is a practical initiative designed to move graduates into the communities and specialties that need them most. Parallel schemes have also been created for teachers and veterinarians.

Graduates who are part of the Scheme are eligible for incentive payments intended to help repay their student loans for up to five years. Combined with compulsory student loan deductions from the graduate's income, this will give individuals a significant boost in repaying their student loans.

Why have a Bonding Scheme?

New Zealand needs more doctors, midwives and nurses in a number of communities and specialties. Hard-to-staff communities and specialties struggle with higher vacancy rates, higher locum use, higher use of overseas trained professionals and longer waiting periods than their counterparts.

Research shows that the longer new graduates stay in a community or specialty during their training years, the more likely they are to stay on once their training is complete.

How the Scheme Operates for Midwifery Graduates

Registration of Interest

In 2010, the Scheme is only open to graduates who completed their studies in 2009. These graduates will only be eligible to apply in 2010. Eligible graduates may register their interest in the Scheme via an online form, available at www.moh.govt.nz/bonding. Registrations will close for 2010 on 30 April. Once registrations close, decisions will be made regarding who is confirmed onto the Scheme, as there are a limited number of places.

Managing your career

Once a graduate is confirmed on the Scheme, it is their responsibility to ensure they remain eligible for payments. To do this, they must manage their career to ensure that they meet the eligibility criteria for their profession. Note that both District Health Board employed and Lead Maternity Carer (LMC) midwives are eligible for the Scheme.

In order to remain eligible for the Scheme, midwifery graduates must:

- have secured themselves a position in a hard-to-staff community by 30 June 2011
- work in a hard-to-staff community for 3-5 years
- meet all the requirements of the Scheme regarding breaks and pauses.

The list of hard-to-staff communities for midwifery graduates in 2010 are below:

<i>Community</i>
Northland DHB
Counties Manukau DHB
Tairāwhiti DHB
Taupo
Whanganui DHB
Wairarapa DHB
Capital and Coast DHB
South Canterbury DHB
Southland DHB
West Coast DHB

The full terms and conditions of the Scheme are available on the bonding website www.moh.govt.nz/bonding.

Payment

Once the graduate has completed three years' service in eligible positions, they may apply for payment. Midwifery graduates receive \$3,500 after tax for each full year of completed service. Graduates will be recognised for every full year worked, but must stay on the Scheme for **at least three years** before they receive their first lump-sum payment. In the fourth and fifth year on the Scheme, graduates will be eligible for annual payments. Payments will be made against the graduate's student loan. If the graduate does not have a student loan, a cash payment will be made.

Prior to submitting a claim for payment, graduates will need to sign a declaration and provide documentation to confirm that they have worked in a hard-to-staff community, met the terms governing absences or pauses, and worked in a role that is at least 0.6 of a full time equivalent. You will be provided with further information on how to apply for payment before you become eligible in 2013.

What to do if you have an unanswered question?

In the first instance, it is recommended you refer to the website www.moh.govt.nz/bonding, as this contains all of the terms and conditions and eligibility criteria for the Scheme. Otherwise, please email bonding@moh.govt.nz.

Key Points for 2010:

- Graduates who finished their studies in 2009 are eligible to apply. This is the only year that these graduates will be eligible.
- There is a limit on the number of graduates who will be confirmed on the Scheme.
- Registrations of interest are now open and may be completed online at www.moh.govt.nz/bonding. This website also contains further information about the Scheme and eligibility.
- Registrations of interest will close on Friday 30 April 2010.