

# Australia: Protest resignation of psychiatrists highlights crisis of public mental health sector

Our reporters  
29 January 2025

Around 181 New South Wales (NSW) public sector psychiatrists are expected to resign in the coming days and weeks, or have already done so, in protest against the state Labor government's refusal to meet their wage demands.

They are seeking an immediate 25 percent wage rise to bring NSW salaries closer to the levels in other states and in the private sector, which they hope will help to remediate serious staff shortages.

The Australian Salaried Medical Officers Federation (ASMOF), which covers the psychiatrists, encouraged the mass resignation action late last year promoting illusions among workers that the action would force the government to grant their pay rise demands.

In fact, the action has been used by the Labor government to accelerate the process of privatisation that is already well underway. According to the Australian Broadcasting Corporation, the health ministry plans to open 46 private hospital beds in the Western Sydney Local Health District to partially offset the closure of seven public mental health wards.

The dispute is not simply over wages. Psychiatrists want an immediate boost to desperately needed resources, including increased staffing and other measures to prevent a total collapse of the sector. Of the 416 designated public sector staff specialist psychiatry positions in NSW, 121 were already unfilled prior to last week's resignations.

In a December 2023 survey by the Royal Australian and New Zealand College of Psychiatrists (RANZCP), 75 percent of NSW psychiatrists reported experiencing symptoms of burnout in the past three years, while 94 percent said the workforce shortage negatively impacted patient care.

Overall, the state has the equivalent of 1,127 full-time psychiatrists (public and private), just three more than Victoria, which has 1.5 million fewer residents. These are heavily concentrated in wealthier areas, with 27 per 100,000 residents in Central and Eastern Sydney, while the city's working-class west and south-west have just 11 and 6 per 100,000 respectively.

In 2021–22, the most recent year for which data is available from the AIHW, overall per capita mental health spending in NSW was the second lowest in the country, at \$268.

According to the Australian Medical Association (AMA) 2024 Public Hospital Report Card, the number of specialised mental health public hospital beds in the state declined sharply between 2010–11 and 2021–22, from more than 36.5 per 100,000 to 32. Over the same period, the rate of mental health presentations to emergency departments rose from 700 per 100,000 to 1,050.

The dire situation in NSW mental health is just one expression of what is a nationwide crisis. According to recent Australian Institute of Health and Welfare (AIHW) data, national recurrent expenditure on

mental health-related services was only \$12.2 billion in the 2021–22 financial year, equal to just one quarter of Australia's military budget.

The AMA report shows that, since 2004–05, the number of public sector specialised mental health beds per 100,000 Australians has fallen from just under 31 to 27 in 2021–22. In comparison, the OECD average is around 71. Meanwhile, the number of mental health related presentations to emergency departments each year rose from fewer than 700 per 100,000 residents in 2004–05 to more than 1,200 in 2020–21.

Those patients are arriving at emergency departments with more severe mental distress and waiting longer for treatment. Australia-wide, since 2010–11 the number presenting with a mental illness triaged as "emergency" has increased from 9 to 21 per 10,000 people, while those categorised as "urgent" has risen from 37 to 57 per 10,000.

As the AMA notes, these figures demonstrate that "the needs of patients with severe mental illness are increasingly unmet by the community and primary care system, leading them to an ED as a last resort."

Due to the lack of available staffed beds and other resources, these highly distressed patients are waiting an average of seven hours in the emergency department before being admitted to hospital. A shocking 10 percent of those who are eventually admitted wait more than 23 hours in emergency.

*Don't Walk By*, a recent investigation by the Australian National University and the *Australian* newspaper, found the country needs an additional 8,310 full time mental health professionals, including psychiatrists, nurses and support workers, and 838 addiction specialists across the public and private sectors. In other words, the study concluded the size of the mental health workforce would need to increase by around one quarter.

This social catastrophe is the product of decades of inadequate government funding, attacks on public sector health workers' wages and conditions endorsed and imposed by all the health unions, including ASMOF.

This social assault is accompanied by ever-increasing parts of public health, including mental health, being handed over to the private sector.

According to Department of Health figures, the fastest growing category of government mental health expenditure is "grants to non-governmental organisations," which has risen an average of 8.82 percent per annum in real terms since 1992–93, compared with the overall increase in mental health spending of 4.1 percent per annum.

This is starkly expressed in NSW, where NGO grants rose an average of 12.56 annually while total mental health spending

increased just 3.7 percent per annum.

In 2013, the previous Labor government established the National Disability Insurance Scheme (NDIS), which effectively privatised a substantial part of mental health services. Currently an estimated 25 percent of people with severe mental illness are supported under the NDIS, via a patchwork of individuals, NGOs and for-profit operators. The NDIS, the Albanese government now declares, is too expensive and the target of brutal funding cuts which will deepen the plight of thousands of mentally ill and other disabled patients.

As part of this privatisation drive, most Australian mental asylums were closed by the 1990s, in line with “deinstitutionalisation” programs which began in NSW in 1983 with the Richmond Report.

Residential mental health services are now all but non-existent in NSW. In 2021–22, just \$3 per capita was spent on this sector and just 121 people received care. In comparison, 3,693 Victorians received residential mental health care in 2021–22, with recurrent expenditure in the sector of \$38 per capita.

The brutal consequences for the mentally ill are expressed in countless surveys of mental health professionals.

“Since deinstitutionalisation, people with severe mental illness have been neglected and marginalised ... They’ve ended up in prisons. They’ve ended up dying prematurely, they’ve ended up dealing with severe substance use, they’ve ended up on the streets,” Associate Professor Gary Galambos told *Don’t Walk By*.

A general practitioner told the 2023 RANZCP NSW report, *Mental health on the brink*, “Our local public hospital is very underfunded and after minimal assessment of a very depressed man, discharged him and he was found dead the next day by suicide and this was on the news, we are in a working-class area.”

The lack of funding for mental health services often means people with severe mental illness end up being handled by the police and the judicial system. A 2023 report by the *Guardian* found that 52 people experiencing mental distress had been killed in “interactions” with NSW police between 2019 and 2023, an average of more than ten each year.

According to the Australian Institute of Health and Welfare, more than half of Australian prisoners surveyed in 2022 had been told by a doctor, psychiatrist, psychologist or nurse that they had a mental illness or behavioural problem at some point in their lives.

The crisis in mental health care, and in public health more broadly, is the product of decades of funding cuts and privatisation by Labor and Liberal-National governments. This has been carried out with the full collaboration of the health unions, which have repeatedly shut down strikes by nurses and other health workers and prevented any unified struggle by staff across the industry.

The federal Labor government’s 2024–25 federal budget outlines nothing that will resolve this dire situation. It included no measures to increase the mental health workforce or address the chronic shortage of clinicians. Overall, it contains just \$361 million in new mental health funding over four years, a drop in the ocean compared with what is needed and the smallest investment into mental health since 2018.

A year earlier, the federal Labor government halved the number of publicly subsidised psychologist appointments available annually per person each year from 20 to 10, drastically worsening the situation for the mentally ill.

This is in line with the broader austerity agenda of Labor governments at the state and federal level which are carrying out the wholesale slashing of public sector wages and social spending.

In NSW, the state Labor government is seeking to impose the same real wage slashing 9.5 percent over three year offer made to the psychiatrists throughout the public sector. This underscores the need for all public sector health workers to fight together against this attack.

ASMOF’s promotion of the mass resignation of psychiatrists is directed against such a unified struggle. It divided the psychiatrists themselves up as individuals and cuts them off from the broader health workforce.

The mass resignation tactic promoted the bankrupt illusion that the Labor government could be pressured to make minor concessions to the psychiatrists within the framework of the underfunded and crisis-ridden public health sector. The government having remained intransigent, the ASMOF-orchestrated resignations only serve to accelerate the privatisation of mental health services.

The NSW Nurses and Midwives Association similarly has done nothing to mobilise its members or draw out the connection between their ongoing wage dispute and the situation in mental health. The Health Services Union has effectively endorsed Labor’s attack on psychiatrists, stating it is an “opportunity” for its members to take on higher duties—in other words, to aid the government in slashing the health budget.

This means that new organisations of struggle must be built. Through rank-and-file committees, independent of any union, psychiatrists along with other doctors, nurses, midwives and health workers can break down the artificial walls of isolation imposed by the union bureaucracies and begin to work together, democratically, on a set of demands and a plan of attack, including united industrial and political action across the sector.

Above all, the reality they confront is that the capitalist system is incapable of meeting the most basic needs of the population, including for high-quality mental and physical health care. Overcoming this will require a political fight for an alternative: socialism. It is only through the establishment of workers’ governments, placing vital public infrastructure including hospitals, along with the major corporations and banks, under democratic workers’ control and ownership, that society can be restructured on the basis of meeting human needs, including free medical treatment of the highest standard, rather than the demands of the financial and corporate elite.



To contact the WSWS and the Socialist Equality Party visit:

**[wsws.org/contact](https://www.wsws.org/contact)**