

**Submission
No 52**

**HEALTH SERVICES AMENDMENT (SPLITTING OF THE MURRUMBIDGEE
LOCAL HEALTH DISTRICT) BILL 2025**

Organisation: Australian Salaried Medical Officers' Federation NSW

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Submission

**Inquiry into the
Health Services Amendment
(Splitting of the Murrumbidgee
Local Health District) Bill 2025**

December 2025



19 December 2025

Clayton Barr MP
Committee Chair
Legislative Assembly Committee on Community Services
Parliament of New South Wales

Subject: ASMOF NSW Submission - inquiry into the Health Services Amendment (Splitting of the Murrumbidgee Local Health District) Bill 2025

Acknowledgement of Country

We acknowledge and respect the continuing spirit, culture and contribution of Traditional Custodians of the lands where we work, and pay respects to Elders, past and present.

The Australian Salaried Medical Officers' Federation (NSW) (ASMOF NSW, the Doctors Union) represents over 10,000 members across New South Wales. Our membership includes Doctors in Training (Interns, Residents, Registrars and Senior Registrars), Staff Specialists, Clinical Academics and Career Medical Officers employed in public health, private hospitals, and community health settings.

As the Doctors Union, we are committed to securing safe working conditions, supporting doctors' physical and mental wellbeing, and advocating for a high quality public health system that promotes equitable outcomes.

We have over 100 members working in Murrumbidgee Local Health District, most of whom are employed at Wagga Wagga Hospital, with some also at Griffith Hospital. We have sought feedback from these members on the proposed changes to the district, noting that they have insights into

the current healthcare challenges in the region and the potential impacts of a split on workers and the communities they serve.

ASMOF is committed to improving healthcare across the state, and recognises that remote, rural and regional areas have additional challenges that must be confronted and addressed as a matter of urgency.

The state's healthcare system is in crisis, and the issues are reflected in Murrumbidgee Local Health District. Our submission puts forward important steps that must be taken to fix the worsening conditions that are devastating both workers and patient care.

We thank the Committee for the opportunity to contribute to the Inquiry into the Health Services Amendment (Splitting of the Murrumbidgee Local Health District) Bill 2025.

Kind Regards



for

Dr Nicholas Spooner

President

Australian Salaried Medical Officers' Federation (NSW)

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Introduction

ASMOF welcomes the inquiry as an opportunity to examine healthcare delivery across the Murrumbidgee Local Health District (MLHD). We understand the intentions of the proposal and share concerns about safe and equitable patient care within the district. Our submission considers the key issues affecting the region, as well as the state more broadly, and identifies solutions to benefit both patients and healthcare workers.

Views from members currently working in the MLHD have informed our submission. We have incorporated feedback from doctors working at Wagga Wagga Hospital and Griffith Hospital who are attuned to the issues affecting the district, what changes need to occur, and the potential impacts of a split into two separate LHDs.

ASMOF also contributed to the recent inquiry into the proposed splitting of the Hunter New England Local Health District. Many of the same themes have emerged through our consultation with members on the MLHD proposal. However, we recognise that there are differences between the two districts – including geographically, with MLHD comprised entirely of regional, rural and remote areas.

MLHD members point to several key issues that are affecting the district, including staff shortages, patient access to appropriate and timely care, management and governance, and funding and resourcing. These issues must be urgently addressed.

We believe that the single most pressing issue facing the public health system in NSW is the shortage of salaried doctors. ASMOF's position is clear: without meaningful Award reform, the healthcare and workforce crises across MLHD – and indeed the state – will only worsen. Through our proposed Award, we advocate for increased salaries for doctors, as well as rural and regional incentives to improve attraction and retention of the staff who provide the critical services.

In addition, ASMOF endorses the *Rural Health Action Plan* which is built on the recommendations of the Legislative Assembly Select Committee on Remote, Rural and Regional Health.

Key Issues at MLHD

1. Workforce Shortages & Composition

Medical staffing and services are critically stretched across the whole of NSW. Doctors' salaries and conditions in NSW public hospitals have failed to keep pace with the rest of the country, resulting in an exodus of doctors to other states, the private sector and VMO and locum roles. For the state's rural and regional hospitals, the situation is especially dire as these widespread attraction and retention issues are compounded by the challenges of living remotely.

Amongst the issues affecting MLHD, staffing was raised most often by our members, who report difficulties attracting and retaining doctors, and an overreliance on locums and VMOs. Sites such as Griffith Hospital and the western parts of the district were, due to their relative remoteness, highlighted as severely lacking in permanent staff.

Members report that Griffith Hospital has significantly worse medical staffing across most disciplines. One member describes Griffith as an undesirable place to work due to its small size, minimal air access and distance from larger towns and cities. Limited infrastructure, housing, education and care for children, and isolation from friends, family and support networks, present significant obstacles in attracting staff to rural and remote areas.

The state's remote, regional and rural hospitals have a high concentration of VMOs and locum doctors, which is indicative of the even greater struggle in these areas to attract and retain salaried doctors within the public system. In the 2023/24 financial year, locums specifically made up approximately 16.5% of the medical workforce in MLHD, a much higher proportion than in metropolitan districts which had between 0% and 2% locum engagement.¹

Doctors often opt for VMO and locum roles as they provide higher rates of pay and generally afford greater flexibility with respect to work schedules and after-hours commitments. Members have reported that many of these doctors are fly-in/fly-outs, or "FIFOs", who may fly in for work on a regular monthly basis or as little as once a year.

A VMO/locum model of service comes at significant cost to the health district. These more temporary or ad-hoc forms of engagement can also interrupt continuity of care for patients and impact trainees who may require supervision from Staff Specialists.

Certainly, VMO and locum arrangements have a place in the hospital system. However, they must be balanced alongside a core team of permanent salaried doctors to ensure a stable and sustainable health system.

ASMOF argues that recruitment issues are systemic and would not be solved by splitting the district. Pay and conditions, rather than boundaries, primarily drive these issues. Additionally, through member consultation, fears were expressed about the potential for staffing to worsen due to severed contract arrangements that pertain to both Wagga Wagga and Griffith hospitals:

The current model of care allows for specialists based in Wagga to complete work in Griffith under the same contract. This includes geriatrics, anaesthetics, surgery

¹ NSW Health (2024)

and psychiatry. I feel that the need to maintain two separate contracts will discourage Wagga based specialists from performing outreach work in Griffith.

Griffith's isolation could become more pronounced if the support that Wagga Wagga Hospital provides is removed.

2. Access to Appropriate & Timely Care

Griffith Hospital just don't seem to be able to currently provide services at the level of a base hospital, closer to a peripheral hospital

Members report that patients are frequently transferred from Griffith Hospital to Wagga Wagga Hospital due to limited staff and specialist services. Some doctors argue that Griffith cannot deliver orthopaedic surgery, rehab services and aged care services on the scale required.²

Member feedback also raised bed block as an issue at Wagga Wagga Hospital. Concerns were expressed particularly about patients spending time in transfer from Griffith Hospital only to experience further delays upon arriving at Wagga Wagga Emergency Department due to bed block.

Transfers could be reduced by improving the staffing and range of services at Griffith. However, we acknowledge that generally regional and remote areas do not have the population to sustain doctors working in all subspecialties, and the need to travel for care cannot be eliminated altogether. There will surely remain an ongoing need for transfer of patients to Wagga Wagga Hospital, even under a split, given it is the only referral hospital in the region.

Members have raised concerns about how the transfer process will be impacted under a split. One member predicts that patients being transferred to Wagga Wagga Hospital from Griffith will experience delays if entering from a different district. They posit that Wagga Wagga Hospital, concerned with their KPIs and managing bed pressure, will prioritise their own department and local patients. Significant concern was expressed about how this could impact the serious and urgent healthcare needs of out-of-district patients, including those who are admitted involuntarily under the Mental Health Act or who have neck of femur fractures that are associated with high mortality if not treated within strict timeframes.

3. Management & Governance

Members were critical of MLHD's management, particularly with respect to Griffith Hospital. One member objects to Griffith Hospital's governance being 200km away in Wagga Wagga, with another suggesting that Griffith's needs and issues are neglected. A lack of

² ABC News (2025)

collaboration between sites in the district was also highlighted with regards to staff and services.

ASMOF received mixed responses from members about how a split could affect management and governance issues. Concerns were raised about the possibility of Griffith's current management remaining, yet with increased responsibility over the new LHD. There was also hope expressed that a split would provide the opportunity for local decision-making as well as renewed attention and investment in Griffith Hospital as the principal site of a new district.

4. Funding & Resourcing

MLHD spends substantial funds on locums. During the Special Commission of Inquiry into Healthcare Funding, the MLHD Chief Executive provided figures relating to the district's locum medical expenditure over recent financial years – this revealed a cost of \$19.2 million on locum medical labour in FY 2023/24, a significant increase on the previous year's figure of \$11.8 million.³ These figures do not include travel and accommodation costs spent on locums which would increase the total spend further. The cost of VMOs at MLHD in the same year was \$58 million.⁴

Hospital spending in Australia continues to rise, yet the spending is wasteful and inefficient, and the health system remains under strain.⁵ As a measure of addressing inefficient spending, the Grattan Institute recommends that the states slash spending on temporary staff, the cost of which continues to grow.⁶ For example, from 2019 to 2024, the cost of temporary doctors in NSW more than doubled, to \$270 million.⁷ It is ASMOF's position that, instead of costly spending on locums, district funds would be better spent investing in permanent staff who can provide a strong and stable workforce.

In terms of resourcing, members expressed that Griffith Hospital is under-resourced for a base hospital, and funding within the LHD is inequitable and inadequate. It is uncertain how funding and resourcing would be arranged if MLHD was to split into two districts, or if particular sites would receive an increase in current funds and resources.

However, it is clear that the creation of a new, separate district will involve significant cost in duplication of management and administrative roles. As highlighted in member feedback, money could instead be directed towards clinical positions and the delivery of frontline services, rather than on bureaucracy.

³ Ludford (2024)

⁴ NSW Health (2024)

⁵ Grattan Institute (2025)

⁶ Grattan Institute (2025)

⁷ NSW Health (2024)

Recommendations

A. Award Reform

ASMOF advocates for a new Award for public hospital doctors. Our proposed Award is designed to attract and retain doctors in the public health system, and to stem the exodus of doctors to interstate roles and the private sector. It sets out a clear path toward fairer, safer, and more sustainable working conditions in NSW and would translate to safer patient care.

The core elements of our proposed Award include:

- Attraction and retention incentives, including for rural and regional workers;
- Safe working hours;
- Fair compensation for unsociable hours of work, including nights, weekends, and public holidays;
- Fair and predictable rostering;
- Pay parity with other states;
- Job security for Doctors in Training; and
- Improvements to Education and Professional Development Leave (TESL/study leave)

Arbitration for a new Award is currently underway. Until our core claims are agreed to and enforced, the system will remain in crisis.

B. Rural Health Action Plan

ASMOF also endorses the Better Care, Closer to Home Alliance's *Rural Health Action Plan*, convened by Member for Wagga Wagga, Dr Joe McGirr. The *Rural Health Action Plan* provides a roadmap to improve the health system for remote, rural and regional communities, advocating for:

1. A GP Guarantee

- *ensuring every town has a doctor*
- *funding flexible, team-based models and training a local workforce*

ASMOF recognises the important role GPs play in healthcare across the country. Alarming, there are GP shortages in many rural, remote and regional areas which result in people missing out on vital care and can add pressure on hospital emergency departments. Strengthened investment in the GP workforce and training programs are essential.

2. Birth Closer to Home

- *Safe, local maternity care*
- *Reopen rural birthing units and expand midwife-led & culturally safe models*

ASMOF supports safe, local maternity care that prevents rural patients from travelling long and dangerous distances to access services, and we recognise the importance of funding and investment in the O&G and midwife workforce to help achieve this.

3. Local Staff, Not Fly-ins

- *End the \$270M locum merry-go-round*
- *Redirect funds to permanent staffing, housing, and support*

Instead of costly spending on locums, ASMOF urges NSW Health to direct funds towards recruiting and retaining permanent salaried doctors who provide continuity of care and workforce stability. ASMOF maintains that the state's chronic understaffing can only be meaningfully addressed by improving salaries and conditions for doctors in NSW.

Further, our proposed new Award advocates for additional incentives such as a "Regional and Rural Attraction Allowance" and accommodation and relocation support. To assist recruitment to rural and regional areas, staff should receive wraparound support – for example, with respect to housing, schooling and childcare.

4. Local Voices, Real Power

- *Mandate genuine consultation and embed communities in governance, including First Nations communities*

Our members working in regional, rural and remote areas repeatedly report that they, and the communities they serve, feel ignored, dismissed and left out of conversations about local healthcare. There must be communication, consultation and collaboration with communities. This should include local clinician engagement and representation in decision-making.

5. A Watchdog for Rural Health

- *Accountability, not just promises*
- *Create an independent Rural Health Commissioner*

ASMOF supports establishing the position of a Rural Health Commissioner who could advocate for community healthcare needs and ensure government accountability.

6. One System, Working Together

- *Stop the gaps and handballs*

- *Fund Rural Health Precincts and require collaboration between hospitals, GPs, and community care*

ASMOF appreciates that quality healthcare requires collaboration and interdependence between different groups of healthcare workers, including salaried doctors, GPs, VMOs and locums, nurses and midwives. There must be sufficient numbers in each of these groups of workers to ensure balance and prevent gaps and pressures in the system.

ASMOF supports integrated care precincts that improve patient access to care and prioritise training and education for the health workforce.

Conclusion

ASMOF agrees that there are serious issues affecting healthcare in MLHD that must be urgently addressed. However, we are not convinced that splitting the district would resolve these issues.

Instead, we advocate for comprehensive Award reform that secures improved pay and conditions for doctors and further incentivises work in remote and rural regions. Award reform is the answer to the staffing crisis.

In the meantime, we also support the implementation of the *Rural Health Action Plan* which addresses the specific healthcare challenges faced by rural, remote and regional communities.

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