

**INQUIRY INTO PROPOSED CHANGES TO LIABILITY AND  
ENTITLEMENTS FOR PSYCHOLOGICAL INJURY IN NEW  
SOUTH WALES**

**Organisation:** The Doctors Union (ASMOF NSW)  
**Date Received:** 19 May 2025

---

The Hon Mr Greg Donnelly, MLC  
Committee Chair  
Standing Committee on Law and Justice  
Parliament House of New South Wales

15 May 2025

Dear The Hon Mr Greg Donnelly, MLC

**Inquiry into the proposed changes to liability and entitlements for psychological injury in New South Wales**

The Australian Salaried Medical Officers' Federation (NSW) ("the Doctors Union") represents over 11,000 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 well-being, and advocating for a high-quality public health system that promotes equitable outcomes.

We thank the Committee for the opportunity to contribute to the Inquiry into the proposed changes to liability and entitlements for psychological injury in New South Wales.

The Doctors Union welcomes reform to the NSW Workers Compensation scheme; it is failing workers and employers through poor claims management, needless bureaucracy and falling return-to-work rates. However, we cannot support the changes proposed in their current form.

The Doctors Union has significant concerns with respect to both the timing and the content of the proposed changes.

---

It is our position that there has not been adequate consultation on the proposed changes. Effective and genuine consultation provides relevant stakeholders with ample time to consider the matters at hand. Failure to properly engage and consult may overlook the real-world impacts of legislative changes and may result in adverse outcomes, even where unintended.

In good faith, the reforms should be delayed to allow the matters to be fully considered by all relevant parties and for concerns to be ventilated and, where appropriate, alternatives proposed.

The Doctors Union anticipates that such changes will cause harm to workers, especially frontline and essential workers such as the doctors we represent. The proposed changes seek to limit the circumstances in which compensation can be obtained for psychological injuries, narrow the definition of “psychological injury” and increase Whole Person Impairment thresholds for psychological injury claims. These changes will have a profound impact and will exclude workers from receiving the financial and mental health support that they need.

We expect that the proposed changes will disproportionately affect frontline workers who, due to the nature and conditions of their work, have relatively high risk of psychological injury. This includes workers in health and care settings, such as doctors, who are exposed at a higher rate to traumatic events like death and injury, as well as to violent or aggressive behaviours from patients. Stressful work environments for such workers can also contribute to psychological harm.

Further, the Doctors Union is concerned about what constitutes psychological injury under the proposed changes. We object to a narrow, legislated definition of ‘psychological injury’ and believe medical professionals should be trusted to evaluate and determine psychological injury in a worker. Additionally, we are opposed to the definition being limited to a specific list of psychological hazards that would, in some circumstances, exclude compensation that relates to burnout, work overload and poor workplace culture. These are known and serious psychological hazards which our members are frequently exposed to in their daily work environments.

Additionally, the Doctors Union strongly objects to an increase in the Whole Person Impairment threshold to 35% for psychological injuries. We predict this would severely

---

impact on workers with psychological injury and exclude an extraordinary number from benefits. Our position is that the existing threshold is sufficient.

We understand that psychological injury claims relating to vicarious trauma would also be affected by the proposed changes. The Doctors Union is significantly concerned about the requirement for such claims to involve a 'close work connection', thereby excluding workers who experience vicarious trauma through responding to serious incidents in the workplace. While there may not be a direct relationship to the victim, such experiences can still be injurious to the worker. Limiting the concept of vicarious trauma to such a narrow context disregards the experiences and risks faced by frontline workers.

The Doctors Union also opposes the requirement to prove work-related bullying and harassment in the Industrial Relations Commission prior to accessing workers compensation. We acknowledge that the Industrial Relations Commission plays an important role. However, such a requirement risks retraumatising workers who have experienced sexual harassment, racial vilification or bullying in the workplace.

There must be a focus on preventative measures by reducing and mitigating psychological hazards in the workplace. Improvement in workplace conditions that give rise to burnout, exhaustion, stress, bullying and harassment is vital. Employers must ensure adequate staffing levels, safe hours and patterns of work, and implement measures to improve workplace culture.

A robust and effective workers compensation scheme relies on doctors to treat and assess injured workers. Currently, injured workers are waiting months to access mental health support. The NSW Government must ensure equitable and timely access to care for injured workers that supports and encourages their return to work. Part of this involves ensuring doctors are available to provide the care required.

Society's understanding of mental health has vastly improved over recent years, and it is widely acknowledged that psychological injuries can be as debilitating as physical ones. The proposed changes would be a step backwards in supporting vulnerable workers.

Our members are passionate about providing healthcare and support to the people who need it. They do not want to see any patient, or colleague, further harmed by policies that ignore the realities of frontline work.

---

The Doctors Union endorses Unions NSW's submission and supports their recommendations.

Kind Regards

For Dr Nicholas Spooner  
President, ASMOF NSW

---