

Dr Thomas Haskell
Emergency Medicine Specialist

Productivity Commission

Yvette Goss

5pillars@pc.gov.au

14th September 2025

Dear Ms Goss

Re: Submission to Five Pillars of Productivity Inquiries

We are two specialist doctors writing to you with a solution that will help to deliver quality care more efficiently.

We share the PC's concerns regarding the fragmentation of the healthcare sector and its regulation. We offer an evidence based, peer-reviewed solution that was published in The Lancet Regional Health – Western Pacific in 2024. [A new framework for Australian specialty colleges and other healthcare leaders to address bullying, discrimination, and harassment that involves doctors](https://doi.org/10.1016/j.lanwpc.2024.101118), <https://doi.org/10.1016/j.lanwpc.2024.101118>

It is difficult to think of a larger loss of productivity than unnecessary workforce turnover or 'workforce churn', particularly when the healthcare industry's own practice and regulation could be modified in line with precedents set in other sectors.

Statistics published by Safe Work Australia shows that healthcare is one of the highest risk industries in Australia – on par with construction and manufacturing and is perhaps even higher risk than mining. 5% of the Australian workforce is employed in healthcare, meaning that systemic improvements have great potential to be cost-effective.

Psychosocial hazards are very poorly managed in healthcare. Robust data shows that the average experienced rate of bullying, discrimination, and harassment for junior doctors in Australia is fixed at 22%, whereas the national average across all other industries is 8.6%. Published data also shows that the rate of these behaviours experienced by nursing staff is similar, and it is reasonable to assume that overall, the broader healthcare sector performs similarly poorly.

Our estimate for the cost that this behaviour incurs to the economy (and please note that we have no relevant qualifications in economic analysis) is around \$3 billion per annum. I have set out the justification for this estimate below.

- [Ballard and Bozin estimate the cost of BDHR to be \\$30 billion](#) across Australia, and across all industries. However, this calculation is based on an incidence of

10% and we know that it is 22% for junior doctors, with other publications noting [similar levels for nursing staff](#). It seems methodologically sound to calculate the cost of this behaviour in healthcare by taking the percentage of the entire Australian workforce that is employed in healthcare and then taking this proportion out of the \$30 billion.

- The [2024 Health Workforce Supply report by the Australian Institute of Health and Welfare](#) (AIHW) states that in 2022, the health workforce represented 5% of Australia's employed workforce. The calculation is therefore 5% of \$30 billion = \$1.5 billion. However, note that this is based on a 10% incidence, not the >20% that we suspect in healthcare, so a range could be \$1.5-3 billion.
- A second, less methodologically sound calculation that serves as a ballpark check, is as follows. The [AIHW](#) states that Australia spends 9.9% of its GDP on healthcare. Given this, the estimated cost could be \$2.97 billion (9.9% of \$30 billion).

I have been informed this is probably an underestimate because of the necessity of provision of care, the high cost of locums, and the higher average incomes in healthcare, but I do not have the expertise to adjust for this. I have also not accounted for the NSW class action, during which the systemic underpayment of junior doctors was described as exploitative and toxic. The NSW government was found liable for \$229 million and class actions are now active in other jurisdictions, with the ACT recently being found liable for \$31.5 million.

We propose a national framework that takes inspiration from the regulatory framework implemented by Sports Integrity Australia and ask that the Productivity Commission consider an economic analysis of this framework to pursue increased productivity, sustainability, and quality of healthcare in Australia.

Video Synopsis of these complex issues – 2025 presentations

These are explained in two videos:

- [Launceston General Hospital Grand Rounds](https://vimeo.com/1111834276), <https://vimeo.com/1111834276> (40 mins),
- [National Healthcare Workplace Safety Conference](https://vimeo.com/1064908058), <https://vimeo.com/1064908058> Aug 2025 (30 mins)

Yours sincerely

Dr Thomas Haskell and Dr Nancy Merridew