

Australia: Northern Beaches Hospital, a case study in the consequences of profit-driven healthcare

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The preventable deaths of two young children at the Northern Beaches Hospital (NBH), one last year and the other in February, have exposed the horrific consequences of the subordination of healthcare to the profit motive.

The hospital, in Sydney's northern suburbs, is one of 38 run by the Healthscope company which was placed into receivership on Monday with a \$1.7 billion debt and unpaid rents for 11 of its facilities. The for-profit provider is Australia's second largest private hospital chain, employing 19,000 workers nationally with facilities in every state.

NBH, which is run as a public-private partnership (PPP) with the New South Wales state government, currently services a population area of 270,000 people.

Under the agreement organised by the then state Liberal government in 2014, Healthscope is obliged to provide public hospital services at NBH, including the emergency department and obstetrics, until 2038, and private hospital services until 2058.

The newly-built hospital opened in 2018 and was supposed to centralise and replace all services at the now-closed public hospitals in Manly and Mona Vale. From the outset, the new facility was criticised by northern Sydney residents and healthcare workers over difficult and long distances to reach the hospital and substandard care.

These concerns increased in subsequent years and erupted to the surface over the past twelve months following the separate death of two infants at NBH, tragedies which exposed the catastrophic consequences of Healthscope's cost-cutting, for-profit operating model.

The first of these tragedies occurred in September 2024 with the death of 22-month-old Joe Massa who was left in an Emergency Department chair for 2.5 hours after having been triaged incorrectly. The hospital missed critical warning signs, including when the toddler lost consciousness, and denied his mother's request for an IV drip for the child.

Elouise and Danny Massa have told the media that their son's death was the result of a series of systemic failures. "He was just deteriorating in my arms. He died a cruel death at the hands of a hospital that failed him. The system at Northern Beaches

Hospital, the Emergency Department, entirely failed us at every possible level," Elouise Massa said.

"It's 2025 in Sydney. We should not have a hospital system that's run like this, he's not here because of their care... They stole memories," Danny Massa said.

Healthscope should not be allowed to run emergency care in Australia, he continued:

"Not by any stretch of the imagination. We aren't an isolated case through the care of Healthscope in emergency departments. It makes my blood boil."

Six months later, in February this year, Leah Pitman and Dustin Atkinson lost their baby daughter Harper because the facility did not provide immediate access to a 24/7 operating theatre.

Leah, who was due to be induced on February 21, was sent home that day because of staff shortages. She returned to the hospital the following day, after going into labour at home, and was sent to the birthing suite at around 8.20pm.

Cardiotocography monitoring indicated concerns about the baby's heart rate at about 9.30pm. An obstetrician arrived and examined Leah at about 10.30pm and ordered a Category One caesarean section at 10.55pm.

But instead of that procedure being performed straight away, she was left waiting because the hospital did not have a staffed operating theatre. In fact, NBH only maintains its operating theatre on Friday, Saturday and Sunday nights on an on-call basis, with theatre staff to be available at the hospital within 30 minutes.

Leah was on the operating table 33 minutes after the Category One call, and Harper was delivered at 11.52pm—57 minutes after the original emergency call. The baby was unresponsive and did not take her first spontaneous breath for another 21 minutes. Despite efforts to resuscitate her, Harper passed away the following day.

"We were told later by senior staff it wasn't economically feasible to operate that hospital with a 24/7 theatre," Leah Pitman told the media. "They were prioritising profit over healthcare. If we went to any other hospital Harper would be alive," Dustin Atkinson said.

Faced with rising community anger over these disasters, the NSW state government was forced to pass legislation in March banning future governments from establishing PPP agreements to build or operate an acute care public hospital. NSW Health Minister Ryan Park also initiated a review of the NBH operations by the state's auditor general and a separate parliamentary inquiry.

The recently released auditor general's report, which only covered July 2022 to June 2024—before the deaths of Joe Massa and baby Harper—concluded that the public-private partnership was “not effectively delivering the best quality integrated health services and clinical outcomes” as required under the deal.

The report declared that “the public private partnership structure creates tension between commercial imperatives and clinical outcomes”—i.e., the drive for profit prevents the provision of optimum and safe healthcare—a point raised by health workers and residents since the PPP deal began.

It also revealed that under the current arrangements, Healthscope “has no obligation or commitment to implement NSW Health initiatives—such as the Safe Staffing Levels initiative.” This means that the company is exempt from implementing the already inadequate state government staffing mandates, leading to understaffing and the consequent pressures on its existing workforce.

The auditor general investigation admitted that Healthscope had been reported and penalised for having patients in the emergency department for longer than four hours, and for transfer of care time between ambulances and the emergency department exceeding 30 minutes. NBH had also underperformed in dealing with third- or fourth-degree perinatal lacerations, hospital-acquired pressure injuries, infections and birth trauma.

Last Thursday, doctors told the NSW parliamentary inquiry that Northern Beaches Hospital suffered from chronic understaffing and its electronic medical record system was dysfunctional, posing significant risks to patients. The submission, which was presented by the Australian Salaried Medical Officers' Federation, was based on a survey of doctors who had worked at the facility.

Doctors reported systemic problems, including unsafe staffing, onerous work hours, poor rostering practices, inadequacies in the handling of adverse events and serious incidents, and dangerously faulty electronic medical records systems.

One doctor reported instances where a single registrar and an intern were responsible for covering upwards of 50 patients on one team, raising serious concerns about patient safety.

Addressing a May 15 community meeting, Health Minister Park and NSW Treasurer Daniel Mookhey denounced Healthscope, telling the audience that the government was in constant negotiations with Healthscope's owners about returning the hospital's public services to government hands.

Park declared that the state government would “do anything we can” to make sure the hospital would “come back into public hands.”

This is hot air. Elected to power in March 2023, the Minns Labor government, along with the health sector trade unions, has allowed the sub-standard and unsafe conditions to persist at the hospital. It is now engaged in a cynical attempt to divert attention from its complicity in the NBH disaster.

Behind closed doors, the real calculations are based on minimising government expenditure, while ensuring that the basic privatisation drive continues. The Labor government could likely acquire the Northern Beaches Hospital, given the dire financial straits of its owners, but whether that comes to pass will be based on budget calculations.

Whatever the consequence, it can be safely predicted, based on Labor's entire record, that the decision will be based on corporate profits and government austerity, not the health needs of the population.

Like its federal and other state counterparts, the NSW Labor administration is systematically starving the public health sector of desperately needed funds while imposing brutal working conditions on all health workers and refusing to pay them decent wages. In fact, the harsh and dangerous conditions in the Northern Beaches Hospital are little different from those in all public sector hospitals.

The fight for decent, adequately funded public health care and the defence of jobs requires unified action by health workers, private and public alike, against government and private health corporation attacks.

This necessitates the building of rank-and-file committees, independent of the trade union bureaucracies, at every Healthscope hospital and across the public health sector as whole, based on a socialist perspective, which prioritises public health over corporate and government dictates.

We urge Healthscope workers to contact the Health Workers' Rank-and-File Committee to discuss how to establish a committee to fight at your workplace and the inevitable attacks on your jobs and working conditions.

Contact the Health Workers' Rank-and-File Committee (HWRFC):

Email: sephw.aus@gmail.com

Twitter: [@HealthRandF_Aus](https://twitter.com/HealthRandF_Aus)

Facebook: facebook.com/groups/hwrfcaus



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact