

Australia: Rising anger over cuts to services at community health clinics in Melbourne

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Cohealth, a community health network serving vulnerable patients in inner Melbourne, advised patients on November 12, “Our doctor, pharmacy and counselling services at 365 Hoddle Street, Collingwood, and doctor and counselling services at Fitzroy and Kensington, will be closing. We understand this may be concerning for you...”. Ending of General Practitioner (GP) medical services is planned for December 19 this year.

Substantial opposition erupted when two meetings organised at short notice to oppose the cuts attracted nearly 1,000 people. This groundswell of support for community health reflects growing working class opposition to the attacks on healthcare and public housing by state and federal Labor governments which prioritise tax cuts and other concessions for big business and military spending over social needs.

Cohealth’s announcement is due to the chronic underfunding of community health by the federal Labor government.

This decision delivers another blow to some of Melbourne’s poorest residents. The three affected centres are all located within walking distance of public housing estates that the Victorian Labor government intends to demolish—44 high-rise towers housing around 10,000 residents—to make way for the private redevelopment of valuable inner-city land.

GP visits at cohealth are free to patients, funded through Medicare. During the May 2025 federal election campaign, Labor Prime Minister Anthony Albanese waving a Medicare card, promised that by 2030, 90 percent of Australians could visit a GP for free. The government pledged to raise the Medicare rebate from \$42.85 to \$70 per consultation—but only if clinics bulk-billed all patients.

As reported in July by the *World Socialist Web Site*, the proposed \$70 rate remains far below the true cost of a GP visit. Many clinics said they could not operate solely on bulk billing, even at that rate. Cohealth’s costs are even higher due to the complex, time-intensive care it provides.

Most GP clinics only survive by shortening appointment

times and increasing patient throughput. At cohealth, GPs can spend up to 30 minutes with patients, often requiring interpreters and managing multiple complex conditions. Some of its 30 GPs regularly receive referrals from nearby private clinics unable to handle such cases within strict time limits. The federal Labor government has refused to properly fund this level of quality care.

Although cohealth receives funding from federal, state, and local governments, its financial situation remains dire. Official records from last year show revenue of \$111 million against expenditure of \$119 million.

Cohealth CEO Nicole Bartholomeusz told the Australian Broadcasting Corporation, “This decision reflects multiple, complex pressures including decades of underinvestment, aging infrastructure, and a funding model that doesn’t match the reality of the need or the type of care that is required...”

“We actually need a different funding model. We have a \$4 million gap between what we receive from Medicare and what the cost is to deliver our services. It’s been death by a thousand cuts.”

By mid-next year, cohealth will also close and sell its deteriorating Collingwood building, which has suffered decades of neglect. The organisation has said it is effectively broke, despite repeated appeals to all levels of government for sustainable funding.

A statement issued by cohealth doctors warned, “If these clinics close, the people who have nowhere else to go will truly have nowhere else to go.”

Royal Australian College of General Practitioners chair Anita Muñoz expressed shock at the decision, stating, “When people live with homelessness, severe mental health issues, are refugees or live in other complex social situations, they need wraparound services delivered by people highly trained in those populations.”

Cohealth provides free, multidisciplinary, high-quality care at 20 sites across Melbourne and Tasmania. Services include medical, dental, mental health, allied health, pharmacy, drug and alcohol treatment, outreach, and social support for refugees, single parents, domestic violence

survivors, homeless people, and others with complex health and social needs.

If GP services end at the three cohealth sites, 12,500 patients will be forced to attempt to find alternative care. Many nearby clinics are full and not accepting new patients, meaning already-overcrowded hospital emergency departments—underfunded and understaffed—will bear the overflow. This effectively shifts costs from federally funded Medicare services to state-funded emergency departments (EDs), where many treatments are no longer free.

One cohealth doctor explained that many patients avoid EDs due to traumatic past experiences, including rushed treatment and poor follow-up. Some return to cohealth in worse condition after visiting the ED.

On October 29, the Greens claimed victory when the Victorian parliament passed a \$30 million emergency funding bill for cohealth, \$4 million to prop up GP and counselling services and \$25 million to refurbish the crumbling Collingwood building.

However, if and when the money eventuates, this is merely a stopgap measure. Once the emergency funds run out, cohealth will again face collapse unless Medicare rebates and base funding are increased.

Despite the passing of this bill on October 29, cohealth officially messaged their patients on November 12 advising of the closure plans.

The *Age* newspaper reported on October 30 that two other community health centres, run by the Better Health Network in Bentleigh and Clarinda, are also facing closure due to rising energy, leasing, and cleaning costs. This points to a broader systemic crisis in community health funding that governments at all levels have failed to address.

At the Fitzroy meeting on October 24, attendance exceeded expectations with over 500 people requiring organisers to relocate to the main town hall. The following day in Kensington, another packed meeting filled a school hall opposite the local cohealth centre.

The WSWs spoke to patients and doctors who attended the meetings and reported on some of the meeting discussion explaining the importance of cohealth and what closure of GP services would mean.

The City of Yarra convened the Fitzroy meeting which was presided over by Mayor Stephen Jolly, ex-member of the Victorian Socialists. Jolly said, “The federal and state governments need to step in and if the politicians fail to do that the community has to step in ... We will not just roll over if the politicians don’t act. With that in mind I’m going to hand over to our Federal member for Melbourne Sarah Witty [Labor Party].”

Witty offered no firm commitments, merely stating that federal Health Minister Mark Butler would review

cohealth’s operations to determine “whether it is right for the government to spend taxpayers’ money on a model that may not work.”

The Kensington meeting was organised by local federal Labor MP Jo Briskey who bemoaned the cohealth cuts but took no responsibility as a member of the government implementing this attack.

In a radio interview, Jolly said, “Unfortunately so far the people who have the power to stop this, which is the state and federal governments haven’t stepped in ... We’re going to keep putting the blowtorch to the backside of the ALP [Australian Labor Party] state and federally, politically, on the street, in every way, until they intervene and stop these cuts.”

Jolly’s feckless appeals to the very governments that are implementing this assault are intended to keep opposition within the parliamentary framework and peddle the illusion that pressuring Labor can stop these attacks.

This line presents the underfunding of cohealth as a single issue, divorced from Labor’s broader assault on public healthcare and social spending. In reality, Labor is restricting health funding across the board, under conditions of a breakdown of the public hospitals. It is axing billions of dollars from the National Disability Insurance Scheme, kicking vulnerable disabled people off their supports.

Labor’s role in the cohealth crisis is not an aberration. It expresses the character of the Labor governments as the unalloyed representatives of big business, determined to make the working class pay for the deepening economic crisis through sweeping austerity measures.

In opposition to fake-left figures such as Jolly and the Greens, the Socialist Equality Party (SEP) insists that the fight to defend public healthcare requires a political struggle against the Labor governments, not plaintive appeals to them.

The SEP is fighting for the establishment of rank-and-file committees of health workers, independent of the Labor-aligned and corporatised unions, to coordinate unified industrial and political action across healthcare, to fight the assault on workers’ wages and conditions and to secure the right to high-quality healthcare for all.



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