



21th December 2001

Fax: 02 6243 1211

The General Manager
Adjudication Branch
Australian Competition & Consumer Commission
PO Box 1199
DICKSON ACT 2602

FILE No.

Dear Sir/Madam

**RE: Application for Authorisation Nos A90811 & A90812 lodged by
Health Purchasing Victoria(HPV)**

We are writing to formally oppose the applicant's request for interim authorisation based on the following arguments:

1. HPV states that "the current nurse staffing situation has created a staffing funding crisis for the health services and the situation needs to be addressed as a matter of urgency."

The HPV have not stated how the request for an interim authorisation will change the current staffing funding issues they have. If prices do not change before the start of a tender date then no cost benefit can be gained by an interim authorisation. The timeframe in which a tender could be called for and assessed could occur in a very short time if the application for final authorisation is awarded.

2. HPV states that "We consider that there would be no significant change in the market during the conditional tender process as no appointment of the panel would be made and there will be no detriment to the suppliers other than the cost in preparing the tender responses."

During a conditional tender process there would be much speculation and gossip about the possibility of exclusive acquisition of nursing services and which agency or agencies that might be awarded a tender. As a consequence nurses registered with one agency would leave one agency to join and work for another agency. This shift of the labour force from different agencies would result in some agencies being forced to close, therefore the market would be changed.

3. We believe that the Australian Competition and Consumer Commission should examine the substantial applications that will be lodged by Friday, 1st February 2002 by many parties in order to consider all the facts and circumstances.

If you would like any further clarification or we can be of any assistance – you may telephone our office at any time and speak to myself or Ann Gidley. Thank you for your time and consideration.

Yours sincerely

ROSALIND NEWIS
MANAGING DIRECTOR

