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The General Manager
Adjudication Branch
Australian Competition and Consumer Commission
P.O. Box 1199
Dickson
ACT 2602

Dear Mr. Grimwade,

RE: Application for Authorization Nos A90811 & A90812 lodged by Health Purchasing Victoria

As asked, a copy of Belmore Nurses Bureau's views regarding Health Purchasing Victoria's amended proposed tender.

If you have any problems, please feel free to contact me on the above listed telephone number. Thank You.

Yours Sincerely

for
Maria Bottaro R.N.
Managing Director
Belmore Nurses Bureau



The recent directive by the by the secretary of the Department of Human Services (DHS) that regulated the maximum price and conditions under which agency staff can be engaged, has caused many concerns to nursing agencies and agency nurses.

Health Purchasing Victoria have now amended their proposed tender so that it parallels to the DHS directive. While the directive by the DHS has created many complications to nursing agency's, if Health Purchasing Victoria's amended tender is successful then it will only worsen.

Agency nurses have already had their income ultimately "capped" by the DHS, however the present situation allows for any agency to supply nurses to public hospitals, providing they adhere to the DHS directive. If HPV's amended tender is successful, the maximum amount that public hospitals will pay, and the conditions under which agency staff can be engaged, will remain unchanged, but only selected agencies will be allowed to supply nurses to public hospitals. This will not give rise to any public benefits, as it will decrease the amount of nurses that can be supplied to public hospitals.

If the amended proposed tender is successful, then it will decrease competition between nursing agencies. Agencies not selected on the panel to supply to public hospitals, will be forced to close down without public sector access.

HPV's proposed conduct of tender, is largely based on economic reasoning, as opposed to the interests of the whole public health care system and the issue of nursing retention. HPV's new pricing structure, under the amended proposed tender, are identical to the directions made by the DHS. As HPV is largely concerned with pricing structures, and they match the DHS, there is little reason to tender for the supply of nurses to public hospitals as many of the conditions of the tender are already being enforced by another government body.

There are no public benefits to be gained by tendering for the supply of nurses to public hospitals if the conditions under the tender are identical to those already being enforced by the DHS. The only outcome that would eventuate out of the amended proposed tender would be an increase in anti competitive behaviors, which clearly outweigh any of the suspected public benefits.