

MEDISTAFF

HEALTH CARE PROFESSIONALS

May 17th, 2002

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

Dear Sir,

**Re: Authorisation For 'Application For Authorisation Nos A90811 & A90812-
Amendments**

Further to your letter of the 22nd of April, regarding the proposed amendments to the HPV tender as a result of the Department of Human Services (DHS) directive, I would like to submit the following comments.

Medistaff International is a member of the Recruitment And Consulting Services Association Ltd. (RCSA) and as such, our views have been represented by the both the original submission and the subsequent comments against the proposed amendments, which the RCSA has presented

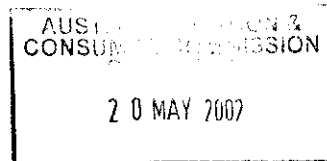
In addition to the requirement to pay nurses at award rates of pay, the amended tender also requires that agencies who wish to participate within the tender process, provide pricing within a capped range of 80% of the base award rate for a nurse. As such, we believe that the tender has become even less competitive than the previous version and may effectively reduce the number of companies that could participate within the tender process, should they elect to do so.

Fundamentally, we believe that any collusive tendering agreement would be detrimental to the health care system, as it would reduce the total number of nurses providing patient care. As noted by the Commission, the introduction of the Directive has in part pre-empted a number of anti-competitive impacts that would have stemmed from the introduction of the tender. We have already seen the negative impacts of such an outcome.

Should you have any further queries, please do not hesitate to contact me on 03 9510 1444.

**Yours sincerely,
MEDISTAFF INTERNATIONAL PTY. LTD.**


George Dapiran
Chief Executive Officer



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