



Clive Ward Centre
16 Arnold Street, Box Hill
Victoria 3128 Australia
PO Box 94, Box Hill 3128
Tel (03) 9895 4888
Fax (03) 9895 4844
info@easternhealth.org.au
www.easternhealth.org.au
ABN 68 223 819 017

28 December, 2001

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



Dear Sir/Madam

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

Eastern Health strongly supports the application lodged by Health Purchasing Victoria in relation to the exclusive acquisition of temporary agency nursing staff from suppliers of agency nursing staff.

Like all of the other health services, Eastern Health operates under an extremely tight budget with revenue depending on maintaining throughput and meeting a range of performance targets. We therefore strive to maximize the number of open beds while at the same time controlling our costs, particularly in the area of staffing.

The increased costs of agency nurses is jeopardizing this budget strategy. The additional funds to meet agency nurse payments are being found by diverting money from other important areas of activity as there is no opportunity to obtain additional funding from the State Government. The inevitable result is bed closures, resulting in decreased admissions, increased waiting times and pressure on emergency departments.

The benefits to the public health system that would flow from the proposed tendering arrangements are outlined in some detail in the application. Eastern Health would expect that, in addition to reduced costs overall, there would be much greater certainty around price together with an increase in the availability of nursing staff. Our capacity to provide much needed services to the communities of eastern Melbourne would be significantly enhanced.

Members of Eastern Health

Angliss Health Service

Albert Street,
Ferntree Gully
Victoria 3156 Australia
Ph: (03) 9764 6111
Fax: (03) 9758 0536
angliss.health@angliss.org.au

Box Hill Hospital

A Monash University Teaching Hospital
Nelson Road, Box Hill
Victoria 3128 Australia
PO Box 94, Box Hill 3128
Ph: (03) 9895 3333
Fax: (03) 9895 3268
boxhill.hospital@boxhill.org.au

Maroondah Hospital

A Monash University Teaching Hospital
Davey Drive, Ringwood East
Victoria 3135 Australia
PO Box 135, Ringwood East 3135
Ph: (03) 9871 3333
Fax: (03) 9879 1570
maroondah.hospital@maroondah.org.au

Peter James Centre

Mahoneys Road, Burwood East
Victoria 3151 Australia
Locked Bag No.1,
PO Forest Hill 3131
Ph: (03) 9881 1888
Fax: (03) 9881 1801
pjc@peterjames.org.au

Yarra Ranges Health Service

377 Maroondah Highway,
Healesville
Victoria 3777 Australia
PO Box 1247, Healesville 3777
Ph: (03) 5962 4300
Fax: (03) 5962 2226
yrhs@smart.net.au

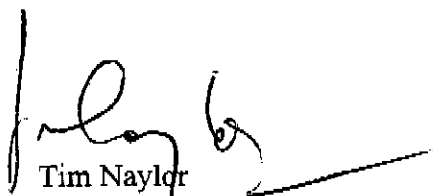
ACCC C JAN02/02 01:00

Another important benefit of the proposed tendering arrangements is that the discrepancies between the remuneration of permanent and agency staff are likely to reduce. This should improve workplace harmony and staff morale.

Eastern Health also believes that the proposed tendering arrangements provide an opportunity to address the difficulties faced by outer metropolitan health services in accessing appropriately qualified nursing staff.

I would be happy to expand on any of the matters presented in this submission.

Yours faithfully,



Tim Naylor
Acting Chief Executive
Eastern Health