



VICTORIAN NURSE SPECIALISTS

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

Wednesday, December 19, 2001

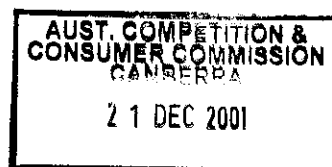


Dear Mr Grimwade,

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

Victorian Nurse Specialists, are writing to formally oppose the request for interim authorisation by Health Purchasing Victoria (HPV), prior to the Australian Competition and Consumer Commission releasing its final determination.

My objection for HPV gaining interim authorisation is based on the fact that HPV are unable to provide any substantiated reasons regarding the need for urgency on the matter. As HPV have commented in their application for authorisation, the number of nurses affected by this decision, is only minimal, with HPV stating approximately 5% of the total nursing labour force are working under the agency umbrella. Further to this, HPV have also stated that there has only been a 4% increase in the use of agency staff, however, no comparison is made to the increase in the total nursing labour force in Victoria, therefore other motivating factors may be present that are driving HPV's claim of urgency, such as the minimal operating timeframe set out by the Victorian state government to achieve their task of tendering.



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The granting of interim authorisation to HPV will have a devastating affect on the nursing agency industry, both to agency nurses, and to the nursing agencies themselves, If HPV were to gain interim authorisation, the level of precedence that other agencies may gain over health care facilities ensures that agency nurses and nursing agencies stand to loose excessive amounts. This irreversible development of precedence also has a strong potential to cause the closure of many well established nursing agencies.

The development of precedence amongst health care facilities also has the potential to be detrimental to the health care industry. Many nurses opting to work only minimal hours, or only select days, will leave the nursing profession entirely if their agency career structure is modified during the interim authorisation period. This would consequently result in nurses working even fewer hours, than if they were to receive higher remuneration packages. Therefore with fewer nurses circulating within clinical areas, further bed closures may be eminent, decreasing any public benefits.

Careful analysis of HPV's agenda will result in failure to provide all the benefits as outlined in the public benefits test. HPV has not demonstrated the need for their claim of urgency, and have not given consideration to the effects that interim authorisation will have on the agency industry. Consequently, HPV's motivating factors should be examined further prior to the ACCC granting interim authorisation.

Your Sincerely

Lina Cornell

**Victoria Nurses Specialists**