

Letter + attachment
sent to attached
list.

Australian Competition & Consumer Commission

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30 August 2002

Mr Ian MacCallum
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Dear Mr MacCallum

**Application for Authorisation numbers A90811 & A90812
lodged by Health Purchasing Victoria**

Please find attached a copy of the meeting record from the Pre-Decision Conference held in relation to the above applications on 15 August 2002.

As discussed at the conference, the Australian Competition and Consumer Commission (the Commission) is now seeking further written submissions from interested parties before it releases its final determination. If you would like to make a further submission, please do so by **20 September 2002**.

If you wish to lodge a submission, please address it to:


The General Manager
Adjudication Branch
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PO Box 1199
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Submissions can also be lodged by e-mail to adjudication@accc.gov.au or faxed on (02) 6243 1211.

If you require further information please contact Paul Palisi on (02) 6243 1168.

A copy of this letter will be placed on the Public Register kept by the Commission.

Yours sincerely


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**Australian Competition
&
Consumer Commission**

**Applications for Authorisation
A90811 and A90812 lodged by
Health Purchasing Victoria**

PRE-DECISION CONFERENCE

15 August 2002

ACCC MELBOURNE OFFICE

Minutes

The Belmore Nurses Bureau did not wish to make an opening statement.

Ms Lyn Hepburn-Brown made a statement on behalf of the Nursing Agencies Association of Australia (NAAA). Ms Hepburn-Brown stated that agency nursing is a positive work structure because it is family friendly, flexible and allows nurses to maintain a balance between their work and the rest of their lives.

Ms Hepburn-Brown noted that NAAA surveys have indicated that flexibility is cited by nurses as the main reason for seeking agency employment, and that wages are usually listed as being between the 4th and the 6th most persuasive reason for seeking agency employment.

Ms Hepburn-Brown stated that there was a long history of employment of casual labour to provide nursing services as casually employed nurses where necessary for hospitals to run efficiently and for nursing services to be maintained. Ms Hepburn Brown explained that in order to operate efficiently hospitals employ sufficient numbers of full time nurses to manage 85% - 90% of total occupancy rates as hospitals do not generally operate at 100% capacity. Therefore, casual staff are employed to fill the balance. Ms Hepburn-Brown stated that this system had been operating effectively for more than 50 years.

Ms Hepburn-Brown stated that nurses have individual needs, and that the Commission, in its draft determination, has mistakenly viewed nurses as products rather than as people.

Ms Hepburn-Brown further stated that the proposed tender process is not in the public interest as more nurses will leave the profession and other people will not be encouraged to enter nursing.

Ms Hepburn-Brown noted that the nursing workforce was ageing and shrinking. She noted that there is an international shortage of nurses and that some countries were targeting Australian nurses to address this shortage.

Ms Hepburn-Brown contended that as nurses are under increasing pressure, it is necessary to look at different ways of managing the nursing workforce. She stated that nursing agencies are effectively managing the non-standard work practices demanded by nurses.

Ms Hepburn-Brown noted that nurses have a variety of needs and many, particularly younger nurses who are willing to travel, a number of choices regarding where and when they will work. She argued that nursing agencies are able to manage this process.

Ms Hepburn-Brown further argued that the proposed tender arrangements reduce nurses rights and treat them as a product rather than as people. She added that nurses need to know that they will be rewarded and that they are able to enter and exit the workforce, and that agencies were able to provide this.

Ms Hepburn-Brown also stated that nursing agencies seek improvements to the conditions under which nurses work (particularly in regard to issues such as pay and study support), and that nursing agencies respond to the changing demographic of the nursing workforce.

Mr Bullock-Formosa asserted that many nursing agencies will go out of business as a result of the proposed tender arrangements, and that this will constitute a significant anti-competitive detriment.

Mr Bullock-Formosa questioned the validity of the administrative cost savings claimed to flow from the tender arrangements, and stated that current administrative waste in hospitals is significant.

Mr Bullock-Formosa contended that the proposed arrangements were designed to move back towards the centralised booking system which hospitals had tried to move away from, with good reason, over the last five years. He questioned how a centralised booking system would correctly match the right clinical staff with areas of need.

Mr Bullock-Formosa stated that nurses have rejected hospital nurse banks because they prefer the environment of nursing agency employment. He stated that PRN surveys had found that nurses prefer agencies for reasons of flexibility and choice of shifts.

Mr Bullock-Formosa also stated that the service targets in the proposed tender contracts are unattainable due to the nursing shortage, and that the proposed tender process does not focus on the significant issue of why people do not wish to join the nursing profession. He contended that nursing agencies remunerate highly skilled nurses at levels commensurate with their skills, which keeps them in the industry.

Mr Bullock-Formosa argued that the DHS written direction has artificially lowered demand for nurses resulting in a huge detriment to the community, and that as a result the incidents of hospital bypass are now greater than ever.

Mr Bullock-Formosa also argued that it is not correct to state that many nursing agencies are part of bigger employment agencies, as is suggested in the draft determination, as most nursing agencies in Victoria are independently owned.

Code Blue Specialist Nursing Agency did not wish to make an opening statement.

Mr Gian Bhogal did not attend the PDC.

Victorian Nurse Specialists did not wish to make an opening statement.

Commissioner McNeill then invited the applicant, Health Purchasing Victoria (HPV), to make an opening statement.

Mr Dennis O'Keefe made a statement on behalf of HPV. He spoke to a PowerPoint presentation a copy of which is attached at Attachment B.

Discussion

Commissioner McNeill then opened the floor to comment by asking if any person would like to respond to comments made by any other person to date.

Ms Janet Secatore spoke on behalf of Bayside Health. She noted that Bayside Health supports the proposed tender, and that contrary to some arguments put at the conference, it was seeking an inclusive rather than exclusive tender. She stated that

administrative savings under the proposed tender arrangements, as opposed to any administrative savings that may have come about as a result of the DHS written direction. Mr Petty answered that there were significant administrative cost, time and effort involved in managing different relationships with a wide range of agencies.

Mr Morrison was then invited to comment. He said that he disagreed with the suggestion that the tender process would be inclusive, and that he did not believe that a broad range of agencies would be involved in the final tender. Mr Morrison noted that there was nothing in the proposed tender documents put to the Commission for authorisation, or in any other information he had seen to date, to suggest this would be the case. Mr Morrison also said that even if three to five agencies were empanelled, the other thirty agencies would be unable to access the public system and would be forced to target the private system instead. Mr Morrison contended that demand in the private system would not be sufficient to maintain all these agencies.

Mr Bullock-Formosa commented that the \$20 million saving flagged by Mr O'Keefe constituted 0.3% of the Victorian health budget. Mr Bullock-Formosa asked why, if the market effect is so small, the tender process is desirable? Mr Bullock-Formosa also said that he doubted that there would be any benefits to nursing agencies.

Ms Claire Hudson spoke on behalf of RCSA Professional Nursing Agencies, stating that many RCSA members consider that they will be unable to tender under the proposed tender conditions. Ms Hudson suggested that the tender conditions are unduly harsh, and cited the example of a clause which states that if a successful tenderer cannot supply a nurse for a shift, HPV can source that nurse from another agency outside of the preferred provider agreement, and charge the preferred provider any extra cost incurred by HPV in sourcing that nurse from another supplier (ie the difference between the agreed rate and the rate charged by the other agency).

Ms Hudson also stated that nursing agencies felt strongly about the lack of consultation in the process thus far, and that HPV had misunderstood and misrepresented nursing agencies.

Ms Lesley Dwyer, of Melbourne Health, noted that her points had already been raised and that she did not need to address the PDC.

Mr Bullock-Formosa stated that PRN Nurses had not found that its relationship with health services had improved as a result of past tender processes. Mr Bullock-Formosa stated that PRN Nurses had been successful in previous tender processes run by area health services but had no relationship at all with the hospitals after the tenders were signed. He contended that PRN Nurses were consistently bypassed in favour of unsuccessful tenderers who were charging higher rates. Consequently, he expressed scepticism that these proposed arrangements would improve hospital relationships with nursing agencies.

Mr Murray Erwin spoke on behalf of RCSA Professional Nursing Agencies. He asked Mr O'Keefe why HPV believed a range of agencies would be involved in the panel. Mr Erwin contended that many agencies would not tender as many of the conditions of the proposed tender agreement were unreasonable and would be unable to be met by the agencies. Mr O'Keefe responded that he considered that the clauses of

Mr Erwin then asked **Mr O'Keefe** if he expected the panel to draw from a wide range of nursing agencies? **Mr Hancock** stated that when the UK National Health Service undertook a similar approach, it spent two years in consultation and selected twenty nursing agencies as approved suppliers. He asked why HPV could not have taken a similar approach, or at least indicate the number of successful tenderers it expects to place on the panel? **Mr Hancock** noted that the proposed tender arrangements were vague and unspecific on this point. **Mr O'Keefe** responded that the intention is to draw upon a broad range of suppliers. He stated that no one agency would be able to meet all of the area health services needs, that the criteria for inclusion on the panel would be flexible and that agencies meeting these criteria would be included on the panel.

Ms Hudson stated that even a panel of, for example, ten nursing agencies would not be sufficient to meet staffing needs. She said that nursing agencies wished to be involved in the process, and suggested that a consultative approach was necessary if the nursing shortage is to be addressed. She stated that there was a worldwide shortage of nursing staff which could not be addressed through legislation. **Mr O'Keefe** responded that the proposed arrangements were not intended to address the worldwide shortage.

Ms Belinda Moyes, of the Department of Human Services, stated that Victoria has recruited 3,300 nurses over the last year and that over the period 1 February 2002, to 28 May 2002, 1,400 nurses have moved to nurse banks. **Mr Dapiran** stated that this was as a result of scare tactics on the part of the health services.

Mr Bullock-Formosa asked how many nurses left the profession over the same period. **Ms Moyes** responded that, while the DHS does not keep figures on the attrition rates, the figure of 3,300 was a net gain.

Mr Hancock stated that the DHS has no data on the use of agency nurses and queried these figures given that lack of information. **Ms Moyes** responded that the DHS is collecting data on agency nurses.

Ms Wendy Wood addressed the PDC on behalf of the Peter MacCallum Cancer Institute. She noted the particular problems faced by smaller organisations when utilising agency nurses, and stated that the tender process will provide such organisations with administrative savings and greater certainty. **Ms Wood** noted that her organisation has had problems with nursing agencies in the past where they were not able to give a commitment that nurses would turn up for shift. She stated that often agency nurses were booked only for them to not show up or for the booking to be cancelled. **Ms Wood** stated that she hoped that the tender arrangements would address this problem.

Ms Wood also stated that her hospital currently deals with up to 60 agencies to fill its agency nursing needs, and that because of its size it did not have the budget or the staff to deal with the administrative burden this created. She contended that the tender arrangements would reduce this administrative burden. **Ms Wood** stated that she was hopeful that the tender process would establish the same set of rules and conditions for all agencies so that she would not have to deal with them each individually.

Mr Adam Ferrier, of HPV, noted that the written direction was introduced by the DHS, not by HPV, that there was no consultation with HPV over the written direction and that there is no correlation between the written direction and the tender.

With respect to concerns regarding the conditions of the tender agreement, **Mr O'Keefe** stated that if authorisation was granted there would be at least one, possibly more, industry forums on the tender process so that issues such as service levels agreements could be worked through with the agencies prior to the tender arrangements being implemented.

Mr Morrison urged the Commission to take the conditions of the tender into account when examining the question of public benefit. **Commissioner McNeill** responded that the Commission would consider this in its evaluation.

Commissioner McNeill then called for any further comments and reminded participants that written submissions on the draft determination may be forwarded to the Commission. **Mr Grimwade**, of the Commission, explained that a copy of the record of the PDC would be circulated to conference attendees, and that in the letter attaching the record, the Commission would specify a deadline for final submissions (probably 3-4 weeks). **Commissioner McNeill** then closed the PDC.

The conference closed at 12:20pm.

Attachment A.

SUBMISSION OF RECRUITMENT & CONSULTING SERVICES
ASSOCIATION ("RCSA")

DRAFT DETERMINATION
BY THE AUSTRALIAN COMPETITION AND CONSUMER
COMMISSION

APPLICATIONS No. A90811 AND A90812

1. INTRODUCTION

- 1.1 The purpose of this short submission is to address various matters which the RCSA sees as arising from the draft determination made by the ACCC on 27 June 2002.
- 1.2 The RCSA continues to rely on its submissions provided to the ACCC prior to the making of the draft determination to support its argument that a final authorisation should not be made.

2. **THE ACCC HAS MISDIRECTED ITSELF IN ITS AUTHORIZATION
FUNCTION UNDER SECTION 90 OF THE TRADE PRACTICES ACT 1974**

- 2.1 The ACCC has assessed the public benefit/public detriment effects of the proposed HPV tender process on the assumption that the direction made by the Victorian Department of Human Services ("DHS") under section 42 of the *Health Services Act (Vic)* 1988 is a relevant matter to consider in determining whether authorisation should be granted.
- 2.2 In this regard, the ACCC is referred to paragraphs 2.35 - 2.41, 5.3 - 5.10 and 5.18 of the Draft Determination.
- 2.3 Pursuant to sub-section 90(6) of the *Trade Practices Act 1974* the ACCC must not make a determination granting an authorisation in respect of a provision of a proposed contract, arrangement or understanding unless it is satisfied that the benefit to the public of that contract, arrangement or understanding would outweigh the detriment to the public constituted by any lessening of competition that would result from the implementation of the contract, arrangement or understanding.
- 2.4 That is, the Commission must determine the public benefit requirement by reference to the particular contract, arrangement or understanding in issue. The Commission has correctly identified that it should apply the "future with - and - without test". In applying this test, however, it should have regard to the arrangement only. It is not part of the Commission's role to make the determination with the comfort that the authorisation would be unnecessary or irrelevant in any event because of the DHS direction. This is made clear by the decision of the Trade Practices Tribunal (Deane J, President; Walker and Brunt, members) in *G & M Stephens Cartage Contractors Pty Ltd on behalf of the members of the Concrete Carters Association (Victoria)* (1977) ATPR 40-042 at page 17,478 where the Tribunal said:

"It is the overall assessment of benefits and any detriment resulting from a lessening of competition which sec 90(6) of the Act requires, that the consideration that, in the absence of the conduct for which authorisation is sought, other circumstances which can be expected to develop would inhibit competition to an equal or greater extent, assumes its full importance. Be this as it may, we agree with the view propounded by the Commission in the *Shell* case and adopted by this Tribunal in *Re Queensland Cooperative Milling Association Limited* that where an applicant believes on what appear to him to be good grounds, that his conduct (if not authorised) may be in breach of the Act and he applies for authorisation accordingly, the Tribunal's duty, on an application for review, is to decide the application on the public benefit grounds spelt out in the Act and that it is not one of those grounds that the application might appear to be unnecessary."

- 2.5 It is submitted that the ACCC should draw no comfort from the DHS direction and should determine the public benefit issue in light of the merits of the HPV tender authorisation application.

3. IN ANY EVENT THE ACCC ANALYSIS OF THE COMPARISON OF THE EFFECTS OF A HPV TENDER PROCESS AND THE DHS DIRECTION IS FLAWED

- 3.1 The tender process if authorised will have the effect that, in consideration for complying with the tender conditions, the successful tenderers will be rewarded with an oligopoly over the market relating to the provision of casual nursing labour to public hospitals. It will therefore have the effect of severely curtailing competition in the market by drastically reducing the market players in a direct manner (i.e. by exclusion in the tender process) and by the imposition of onerous requirements as to tendering.
- 3.2 By contrast, the direction by DHS capping the rate at which public hospitals can hire agency nurses does not have the direct impact of excluding competitors from the market as the tender process does. Competitors will be free to compete with each other at or below the capped prices. There will be no artificial exclusion of competitors from the market. Hence, in a very real way, what is being sought to be authorised is more directly anti-competitive than the mechanism selected by DHS.
- 3.3 It may be, in the long run, that the effect of the authorised tender process compared to the DHS cap will be similar. That is, the imposition of the cap may result in certain competitors in the industry not competing at that level and therefore the competitors in the market would be reduced to the same number (perhaps even identity) as would result from a tender process in any event.
- 3.4 However, there is nothing before the ACCC that would indicate that this is the case. It is therefore submitted:

- (1) the submission above based upon the *Concrete Carters* case has extra force in relation to the facts of this case; and
- (2) the conclusion set out at paragraphs 5.3 - 5.10 and 5.18 are flawed.

3.5 In particular, it is a dereliction of the ACCC's duty to conclude at paragraph 5.10 that many arguments already made by RCSA and others are irrelevant to the assessment of the application for authorisation. At paragraph 5.18 the Commission notes that a key plank underpinning its conclusions is only a "presumption". That is, there is no evidence before the Commission to justify such a conclusion.

4. THE MARKET IN OPERATION

4.1 The current "problem" identified by HPV is an example of the market operating to set an appropriate price in relation to the supply of casual nursing labour. In this context, it should be noted that the current nursing shortage is not created by nursing agencies competing in the market; it is created by other factors including the inability or unwillingness of public hospitals to remunerate nurses in such a way to retain them in public hospitals or to attract further staff.

4.2 The proposed tender process will not arrest the shortage; indeed it may accelerate it. This can be demonstrated, logically, by a consideration of the submission of HPV which is set out at paragraph 2.27 of the Draft Determination. It is worth reproducing this paragraph in full:

"HPV contended that employee nurses who are interested in working overtime tend to register with nursing agencies rather than making themselves available to the Health Services' internal nurse bank as they can obtain significantly higher wages for the same shifts. HPV further contended that due to the higher income available, some nurses also opt to reduce the total number of shifts they are prepared to work, resulting in an overall reduction in labour available."

4.3 The behaviour of nurses in this regard is not the evil for which HPV contends; rather, it is a reflection of the market in operation. The solution from the hospitals' point of view is to increase remuneration so that employee nurses will be willing to increase the total number of shifts they are prepared to work and decrease the amount of time they make themselves available to nursing agencies rather than the internal nurse bank. The proposed authorisation will not solve this problem. It will result in a tender process that will cause nurses to leave the profession in droves, thus exacerbating the shortage. Hence the principal public benefit for which this process is intended to achieve will not eventuate.

4.4 In this regard, the RCSA relies upon its earlier submissions. In particular RCSA draws the ACCC's attention to its statistical survey evidence at Part 3 of its submission dated 14 February 2002. RCSA submits, further, based on this evidence, that there are other qualitative reasons why nurses opt for agency

work including flexibility of rosters and working conditions. These reasons, which extend beyond pay rates, indicate that a solution which is addressed simply to tackle increased agency fees (compared to wages) will not address the problem of nursing shortages, but will add to it.

5. OTHER FACTUAL MATTERS

- 5.1 In paragraph 5.20 of the Draft Determination, the ACCC notes "agency nurses comprise a very small section of the overall market for nursing services". It further notes that agency nurses constitute approximately 3% of all nurses employed by public hospitals and approximately 2% of nurses employed by private hospitals. Accordingly, the ACCC goes on to conclude, the impact on remuneration in this very small sector of the market would not result in significant change in the longer term supply of nurses.
- 5.2 It is submitted that this analysis is simplistic. HPV itself notes that there is a shortage of qualified nursing staff in Australia that are willing or available to be employed directly by hospitals. It also notes that hospitals need to top up approximately 5% of their nursing staff from other sources and this can be up to 50% in some institutions' emergency wards. It is submitted that the exclusion of these skilled employees from their ability to earn appropriate remuneration with an agency will have a detrimental effect upon the provision of health services in public hospitals in Victoria. The conclusion at 5.20, it is submitted, therefore downplays the impact the tender process will have upon public health services in Victoria.
- 5.3 The major public benefit which the ACCC contends will override any detrimental effect on lessening of competition is the lessening of administrative costs said to flow from the tender process.
- 5.4 It is submitted that there is no evidence that lesser administrative charges will result. The RCSA relies on its earlier submissions in relation to the costing of services.
- 5.5 If, down the track, as HPV contends the nursing shortage repairs itself (rather than as RCSA contends, getting worse) this will be largely the result of most casual labour being derived from internal nursing banks at public hospitals. Whilst there may be less administration in engaging nursing agencies due to the fact that only a few will still be supplying labour; this will be outweighed by the increase in administration costs in maintaining and administering the internal nursing bank workforce. No analysis is needed on this point. It is self-evident. Nursing agencies are currently responsible for payment of wages, remission of taxation, payment of public liability premiums, payment of WorkCover insurance, monitoring the qualifications of employees on their books and all the incidental obligations of an employer in relation to the workforce. By supplying the labour to public hospitals for a fee, agencies relieve the hospitals of the administrative burden of these matters. Under the proposed tender arrangement a great proportion of this administrative burden will end up back with public health service providers. The RCSA therefore strongly opposes the conclusion set out at paragraphs 5.32 and 5.33 of the Draft Determination.

- 5.6 There is no evidence to suggest that the quality of services which is currently provided by nursing agencies is any less than that which would be required to be met by successful tenderers under the authorised process. Accordingly, it is disputed that there is any public benefit as contended for in paragraph 5.34 of the Draft Determination.

6 CONCLUSION

- 6.1 For all the reasons set out above together with the matters set out in the earlier submissions filed by RCSA, it is submitted that the Commission not proceed to make a final authorisation in this matter. Thank you for the opportunity of providing this submission to the Commission.

DATED 15 August 2002.

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Brian Morison, Executive Officer
Recruitment and Consulting Services Association
Victoria/Tasmania Region

Health Purchasing Victoria

Presentation to:

**Australian Competition &
Consumer Commission**

**HEALTH Pre-Decision Conference VICTORIA
15 August 2002**

Probity Requirements

- In its commercial dealings, the Victorian Government should observe the **highest standards of probity**. Government business must be **fair**, **open** and **demonstrate the highest levels of integrity** consistent with the public interest.
- The Government's objective is that a **consistent set of rules** on probity should apply and be implemented across the entire public sector. The five point program for entrenching probity in Government's business dealings is based on the Premier's Statement "Ensuring **Openness** and **Probity** in Victorian Government Contracts", issued on 11 October 2000.
- *For these reasons, HPV has sought an exemption from the ACCC to proceed in this matter.*

We will ensure that best value is obtained in the procurement of services, equipment and goods in Victorian hospitals and health services.

Service Reference Group

“...a working party set up to review and make recommendations to HPV on the selection of appropriate clinical and non-clinical services on behalf of participating health services.”

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Tender Objectives

- Provision in accordance with Health Service Standards
Ensure timely and efficient supply of Temporary Nursing Services to meet operational, business and management needs of participating Health Services
- Reduce financial risk of Public Hospitals and the State by
 - securing reasonable and competitive prices
 - arresting the Nurse Agency price spiral
- **Ensure availability** of a flexible component of Health Service labour force that meets **regulatory** and **policy** requirements
- **Ensure consistency of quality** in temporary staff

We will ensure that best value is obtained in the procurement of services, equipment and goods in Victorian hospitals and health services.

Section 42

On March 1, 2002 the Secretary of the Department of Human Services made a direction to all Public Denominational and Metropolitan Hospitals under Section 42(1)(c) of the Health Services Act (1988), describing the circumstances upon which Agency staff may be procured.

Key Conditions

Conditions = Only unexpected absences (sick leave, exceptional circumstances, compassionate leave)

Replacement = Paid at same substantive grade as the employee being replaced

Existing Employees = Not to be engaged via another source if already employed by the Health Service

Maximum Price Not more than (substantive award rate) x 1.8, and allowances not to exceed 15% above the award provision

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Tender Structure

- **3-5 year tender**
- **Exclusive** provision of services of experienced Registered Nurses to work on a temporary basis in participating Health Services
- **Appointed panel** of broad range of Nurse Agencies for selection by Health Services
- **DHS direction**
 - caps agency fees and will ensure consistency with conditions of engagement
 - will remain in place for the life of the contract

We will ensure that best value is obtained in the procurement of services, equipment and goods in Victorian hospitals and health services.

Public benefits (continued)

- ✓ **Consistency, transparency and probity in dealings between agency nurses and health services**
 - ✓ Clear statement of terms and conditions of employment in Request for Tender and Service Agreement
 - ✓ Lessens uncertainty for both agency nurses and health services
- ✓ **Streamlines administrative procedures among health services**
 - ✓ Greater administrative consistency between health services
 - ✓ Of benefit to agency nurses.

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Countering anti-competitive detriment

Two arguments to address;

- **Tender will change market structure and will lead to concentration of market share in control of the successful tenderers**
- **Tender will lead to nurses exiting the market => long term shortage**

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Will the Tender Change the Market?

✓ But in any case - agency nursing services only represents only **1.5 – 2%** of overall nursing employment

⇒ any potential decrease in the number of agencies participating in the market as a result of the tender would lead to a **negligible increase in concentration in the market** for nursing services defined by the ACCC

✓ ACCC accepted **low barriers to entry** ⇒ agencies can establish themselves at end of tender period.

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Summary

- Tender **delivers many benefits** to agencies, health services, and the general public
- **Strengthens relationships** between nursing agencies and health services
- **Enhances quality** of patient care and safety.
- Will allow for incorporation of **performance and service standards**
- **Enhances clarity in services** offered, reduces uncertainties in employment
- Introduces **administrative consistency** (Agency & Health Service)
- Streamlines and **reduces administrative costs** and reinvests into core business
- **Collective** process rather than dealing individually => administrative cost savings
- **Consultative and cooperative** approach, opportunity for successful tenderers to negotiate mutually acceptable service level agreements

We will ensure that best value is obtained in the procurement of services, equipment and goods in Victorian hospitals and health services.

Thank You

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Approved for Public Register and
to be published on the Internet

YES / NO

31 9/ 2

We will ensure that best value is obtained in the procurement of
services, equipment and goods in Victorian hospitals and health
services.

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