



IRC Global Networks Pty Ltd
PO Box 7176, Dandenong 3175
ACN 099 101 667
Phone: +61 3 9792 9866
Fax: +61 3 9792 5440

6 May 2002

Mr. T. Grimwade
The General Manager
Adjudication Branch
Australian Competition and Consumer Commission
PO Box 1199
DICKSON ACT 2602

Dear Tim,

I am writing in response to your letter dated 22 April 2002 regarding the Application for Authorisation Nos A90811 & A90812.

My name is Carolyn Macgill and I am a director of Code Blue Specialist Nurses P/L. My responsibilities within the organisation include human resources, occupational health and safety, risk management and financial management. I would like to state at this point I am not a nurse, but have been involved in the industry for several years. I am also a director of a manufacturing company holding the same responsibilities, which provides me with extensive exposure in 2 of the most demanding industry sectors.

Since last December Victorian nursing agencies have been subjected to a continued offensive which has seen a decline in agency shift numbers and a migration of nurses to hospital banks, with some returning to agencies as a result of their dissatisfaction with the new hospital bank system and the need for greater personal flexibility. The impact of the accelerated change caused many nurses to lose confidence not only in the government, but also with the Australian Nursing Federation (ANF) and the Department of Health and Community Services, who invariably manage the health system.

The impacts of the changes and the governments handling of the changes over the past 5 months have influenced not only the way in which agencies operate, but also how the health system and those stakeholders within operate. Wards have been closed at several public hospitals due to a lack of nurses, including the Royal Melbourne Hospital and Western and General Hospital. Closures have not been expressly publicised but the group who are most affected by these closures are the patients, who we are advised were to be the beneficiaries of the changes. One of our Emergency agency nurses who works at the Northern Hospital in Epping described how she had 9 patients, yet the ratios negotiated with the ANF through the ARIC are 1-3 or 1-4 depending on the area, and 1-1 in resuscitation. This situation is not uncommon and as hospitals approach the winter I ask, 'what are the government's intentions and how are they intending to service the need'? What will happen when the nurses who are servicing the health sector now suffer burnout and are either sick themselves or choose to leave? Where will they acquire the experienced nurses from?

Your letter asks for additional public benefits. Since the changes there have been ward closures, cancellation of a number of elective operations, and ratios that exceed agreed levels, one may ask what have been the benefits so far. An emergency department where a nurse manages 9 patients is not A responsible directive by the hospital for the patient or the nurse. It places both parties in a position of risk to health and safety and exposes the hospital to litigation.

History shows that agencies analyse tenders for nursing services with caution. Insider trading is not new and still exists today. Past tenders have been seen to be legitimate, but the outcome would suggest otherwise. Offering a monopoly does not provide a balanced service, it provides the only service at a given rate as Monash Medical Centre experienced.

Competition is vital in any industry as is a regulating body. No competition will provide a repeat such as Monash Medical Centre and the North West Health Network experienced. When other industries tender there is a criteria and weighting applied, which allows the tenderer to focus on what the clients needs are. Freedom of Information allows the losing tenderers to view who won and why, yet when Monash awarded the tender to Healthstra several years ago, no one could locate the document. A tender that is procedurally fair and is awarded in an open honest forum may work, but to date this has never happened and the tender process this time is viewed with scepticism. In my extensive experience tenders are an option, but not the only one available.

The health sector as you may be aware is very different from the other sectors. This is also supported by Dr. John Buchanan from the Australian Centre for Industrial Relations research and Training (ACIRRT). I became familiar with Dr. Buchanan as he was a guest speaker at a couple of seminars I attending relating to the manufacturing sector. I attended a seminar last November where Dr. Buchanan was again a guest speaker relating to the health sector, primarily nursing. On that occasion he agreed with me that the health/nursing sector was very different from the other sectors he had previously been involved with. This sector can not be treated the same as other areas of recruitment. The differences are significant and require a different response. The tender proposed by Purchasing Victoria has been designed to treat nursing the same as labourers and word processors, when frankly they're not. Nurses are highly educated people (92% female) who have chosen an occupation that has little recognition for their education and experience.

I thank you for the opportunity to respond.

Yours sincerely,

Carolyn Macgill
GENERAL MANAGER
CODE BLUE SPECIALIST NURSES AGENCY P/L
