

17 May 2002



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

*We'll find the answer..
Whatever it takes.*

Dear Mr Grimwade

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

Further to your letter of 22 April 2002, inviting further submissions in respect to the likely public benefits and effects on competition of the proposed tender process as amended, we advise as follows:

We understand that the Recruitment and Consulting Services Association (Vic/Tas Division) is making a submission in relation to this matter and as a member of that organisation we support the arguments and assertions contained therein.

We are opposed to the granting of the authorisation sort by Health Purchasing Victoria (HPV) and make the following points in relation to the amendments:

1. The anti competitive nature of the proposed tender is exacerbated with HPV introducing price control into the tender parameters.
2. The grade for grade replacement requirement will lead to many agency nurses either being paid less than Award rates or have their opportunity for suitable shifts diminished.
3. Since the introduction of the Directive, effectively reducing pay rates, we have seen a significant number of nurses not prepared to work for the lower rates and pursuing other options outside the public healthcare system.

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4. Anecdotal evidence would suggest that the Public Health system has declined since the introduction of the Directive (in respect to bed closures, ambulance bypass, under staffing, inappropriate use of junior staff, extensive use of overtime, increased staff stress, etc).
5. Also, since the introduction of the Directive, overtime and other measures required to supplant disaffected Agency nurses have significantly added to the costs of healthcare; not reduced costs which has been the major public benefit argument presented by HPV.

Accordingly we believe that the public benefits suggested by HPV do not outweigh the risks to service provided by the public hospital system and the inevitable distortion of the market place.

We request therefore that the ACCC not grant approval in respect to this application.

Yours faithfully,

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