

New issues

Changes to the Trade Practices Act over the past couple of years, especially those introduced as part of the national competition policy reform program, have greatly extended the Act's coverage.

These following few examples are from widely separated parts of the economy — government business, the medical profession, and health funds.

Water blues

In Melbourne about 100 of City West Water's customers have been affected by a rare phenomenon known as blue-green water since January 1995.

Blue-green water results from increased copper levels due apparently to corrosion of customers' copper pipes. Generally restricted to cold water pipes, it has a cloudy to blue-green appearance and can have an unpleasant, bitter taste. The increased copper levels are not found in the mains supply.

National Health and Medical Research Council guidelines state that concentrations of copper above 2 mg/L are known to cause ill effects in some people. Exposure to concentrations above 3 mg/L for a number of months can cause liver damage in infants.

Blue-green water is not limited to Victoria or Australia. It has become evident since the 1960s with the general trend to copper pipes instead of galvanised metal pipes in houses.

City West Water has been working actively with the affected customers for some time.

However, after discussions with the Commission, it agreed to provide information on blue-green water to all of its customers. (The Commission had been alerted to the problem by the Victorian Regulator-General whose staff also provided technical information and assistance.)

City West gave the Commission court enforceable undertakings to:

- send written material to residents in areas with properties known to be affected by blue-green water;
- send general information (in early 1998) to all residents within its licence boundaries; and

- implement a six-monthly program of random sampling for elevated copper levels in customers' homes.

The agreement between City West Water and the ACCC accelerated the program started by the company. This program has involved extensive studies by the CSIRO, with expenditure to date of some \$500 000 and the provision of electronic copper test kits on short term loan so that customers can monitor copper levels in their home.

While City West had been working of its own initiative with customers known to have problems, it was felt that because of the unpredictability of blue-green water all City West consumers should be aware of the possibility of it running from their taps and have some advice on what to do about it.

The Commission has written to other Victorian water suppliers and the industry association representing Australian water suppliers. It encourages other water suppliers who are having blue-green water problems to be as pro-active as City West Water.

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Anaesthetists' fees

Late last year the Commission instituted proceedings against five Sydney anaesthetists and the Australian Society of Anaesthetists (ASA) alleging price fixing of after-hours on-call roster services.

It is alleged that the anaesthetists agreed to charge \$25 an hour for on-call services to three Sydney private hospitals following meetings of the departments of anaesthetists at the hospitals.

In 1995 a sub-committee of the ASA circulated a report to its members recommending that the ASA set a fee of \$25 an hour for on-call services to private hospitals.

The Commission alleges that three of the anaesthetists, through their medical practice companies, arrived at agreements with others to charge the fee and that another was knowingly concerned in making the agreements.

It also alleges the ASA and its NSW Section Chairman were knowingly concerned in, or party to, one or more of the agreements.