

Pharmacy Business Ownership Bill 2023

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Economics and Governance Committee
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Via: [<EGC@parliament.qld.gov.au>](mailto:EGC@parliament.qld.gov.au)

Dear Committee

RE: Inquiry into the Pharmacy Business Ownership Bill 2023

I am Neil Owen, a community pharmacist with over 50 years of experience and the proud owner of four pharmacies in Queensland:

- Warwick Discount Drug Store, Warwick QLD 4370
- Priceline Pharmacy Warwick, Warwick QLD 4370
- Lowood Pharmacy, Lowood QLD 4311
- Cains Pharmacy, Pittsworth QLD 4356

Having thoroughly reviewed the proposed bill, I find myself in broad support of its overarching goals. However, certain aspects of the drafting that, if not addressed, may introduce ambiguity and potential loopholes contrary to the legislation's intent.

From the outset, I recognize that the health and safety of Queenslanders are paramount, constituting the primary purpose of this legislation. The small business ownership and clinical accountability model has empowered the community pharmacy industry to establish a best-in-class pharmacy network, delivering exceptional service to Queenslanders.

For over five decades, my efforts as a pharmacist have been dedicated to serving our communities, optimizing health outcomes, and providing employment opportunities for over 1000 Queenslanders. Currently, we proudly employ around 80 individuals.

Community pharmacists and proprietors are revered as pillars of the community, particularly in rural areas. As one of the few professionals in town, we find ourselves on the front lines of primary healthcare issues, often preceding the involvement of doctors or local hospitals. From offering advice on wound care to addressing pain, coughs, or colds, pharmacists are integral to managing everyday ailments without the need for an appointment. In rural areas, we extend our expertise to assist in veterinary, industrial, agronomical medicine and various after-hours emergencies. The unique role of a pharmacist who also serves as the proprietor ensures a vested interest in the local community, contributing to its economy by shopping locally, employing residents, and supporting community initiatives.

Contrary to the potential repercussions of corporate ownership, community pharmacies, driven by the ethos of small businesses, are dedicated to better clinical outcomes, improved community health, and the prosperity of rural areas. In stark contrast, the profit-driven motives of corporate

entities could compromise the reinvestment into local production, negatively impacting the very fabric of community pharmacy in Australia.

The current legislative framework, as outlined in the Pharmacy Business Ownership Act (PBOA) 2001, has face challenges from certain pharmacy groups within Queensland. They exploit proxies, intricate accounting and legal structures to maintain proprietary and pecuniary interests in their businesses. Regrettably, the current administration by Queensland Health falls short of upholding the PBOA's legislative intent by not clearly determining the true financial and managerial control of pharmacies. This was highlighted by the Queensland Audit Office (QAO) report in 2018.

The existing 'Tick and Flick' exercise by Queensland Health for pharmacy registrations is easily circumvented by corporate entities, concealing the true ownership. Utilizing complex contracts and financial strategies, these entities funnel profits away from the business to undisclosed owners. The legitimacy of these strategies as market-competitive business transactions remains challenging to ascertain without adequate industry expertise.

The establishment of a QPC, driven by industry expertise, would serve as a crucial step in preserving the integrity of the pharmacy profession in Queensland. This approach aligns with practices in other states and holds the promise of a more robust and accountable system, ultimately benefiting the health and well-being of all Queenslanders.

To fortify the intent of the PBOA, I propose some amendments to the proposed legislation as outlined below:

Primarily:

1. A Queensland Pharmacy Council (QPC) equipped with **majority** pharmacy owners, ample resources and transparency. This would ensure that the legislation is diligently upheld, safeguarding the interests of Queenslanders.
2. To adopt a broader definition of 'core pharmacy services' as 'pharmacy services'
3. To provide a contemporary definition of a supermarket within a digital environment
4. To broaden the definition of 'material interest' to include the words 'legal' and 'beneficial':
5. Implement significant enough penalties to ensure compliant through third parties contracts.

Kind Regards,

Neil Owen

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