

12th July 2018

Committee Secretary HCDSDFVPC

Parliament House

George Street

Brisbane Qld 4000

RE: Inquiry into the establishment of a pharmacy council and transfer of pharmacy ownership in Queensland

Dear Mr Hansen,

I have been made aware of the abovementioned inquiry, and I write to submit my views on issues within the terms of reference of this inquiry.

There is a diversity of pharmacies within the community from discount through to high service models. The consumer already has a wide variety of choice and I feel the focus for the government should be to provide a high-quality distribution service of primary health care through the communities within the state.

a) Establishment of a pharmacy Council

In essence, I would support the establishment of such a body so long as it did not just exist to control what is already controlled by other bodies and is not created just to provide another revenue source but it adds value to the consumer and the industry.

Examples of items I believe an authority may look at to include (not in any particular order);

- guidelines on the workload of a pharmacist
- Standards of advertising
- Pharmacy Design
- The Dispensary
- Reference Library
- Pharmacy Management, Ideally, having the owner/operator working within the business
- Storage of Scheduled Substances
- Ensuring the pharmacy offer is not opposed to health such as not selling tobacco or alcohol.
- Whether a pharmacy is approved to supply medications or not under the Pharmaceutical Benefits Scheme and if not highlight such fact
- Ensuring adherence to the Poisons Regulations

b) Ownership of pharmacy

I believe this is a two fold question. A) who can own a pharmacy and B) how many pharmacies can an entity own.

Who can own a pharmacy

With respect to the ownership of pharmacy, I disagree with the corporatisation of health care as I am not convinced it leads to better health outcomes for the consumer. I believe a single dedicated individual practitioner will be more motivated to provide a service differentiating themselves from others in a competitive environment. In a corporate structure I feel this is done at a higher level and not always aimed at benefiting the consumer. Having corporate entities introduces a new barrier to entry of size and should in my opinion be discouraged.

I am an owner myself and as such have employed staff who have worked in many previous pharmacies and it disappoints me to find the single most disenchanted group of young professionals are those that have worked in large corporatized or franchised pharmacies where the emphasis has been on targets rather than health outcomes or taking pharmacy to the community. I do not have the resources to find studies to support what I have seen over the last 30 years but over the last 15 years especially, I have witnessed an increasing problem of attracting and retaining intelligent and talented young people within our industry. I believe one of the reasons is due to the reducing ownership opportunities within pharmacy.

I believe corporatisation reduces the career chances of ownership by young pharmacists due to the large barriers to entry. Non-Corporate ownership structures allow for the opportunity of more young pharmacists to move their career and eventually into ownership positions. Having ownership in the hands of only a few eg Woolworth or Coles and other large organisations can stifle diversity for the consumer as their market size creates a barrier to entry. This can also be seen with the rise of the Chemist Warehouse Group. Having restrictions on the number of pharmacies an entity can own allows for a number of different operators to enter the market and provide different offers

Number of Pharmacies able to be owned by an entity.

It is difficult enough to focus on a single business and ensure outcomes are consistent for the consumer and if I were to own more than a single pharmacy I would find it difficult to ensure this would happen across multiple pharmacies.

I understand that Queensland has restricted ownership to a small number of pharmacies and I support whole heartedly the current position. What needs to be discouraged is the rise of franchises/groups that remove the control of the business away from the owner of the business and any change to current legislation should address this

I thank you for the opportunity to air my position and I am happy to take any questions of the above should you wish.

Yours thankfully

Alistair Cook BPharm BBus MPS, AFACP

