

**From:**  
**To:** [Pharmacy](#)  
**Subject:** Inquiry into the establishment of a pharmacy council and transfer of pharmacy ownership in Queensland  
**Date:** Friday, 13 July 2018 3:33:25 PM  
**Attachments:** [image001.jpg](#)  
[image002.jpg](#)  
**Importance:** High

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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'd like to submit my views regarding a number of issues within the terms of reference of this inquiry.

Apart from having a personal interest in continuing to be able to deliver positive health outcomes for my customers and patients I have a particular interest in owning and operating my own business. Something that would become increasingly difficult for myself, young and older pharmacists for that matter in the event that the Queensland government was to open ownership of pharmacies to non-pharmacists.

While supportive of steps necessary to enforce the current Pharmacy Act I believe that opening pharmacy ownership to corporates answerable to shareholders and not owned and controlled by pharmacists would not be in the best interests of consumers or the pharmacy profession. Current regulations stipulating pharmacy ownership by pharmacists enables maintenance of professional autonomy and ensures that individual pharmacist owners or individuals are in turn accountable.

As can be seen in the American model there is a greater risk that large corporates not under pharmacist control will take shortcuts and any measures that may be deemed "acceptable" in the cut and thrust of operating a large company, so as to improve profitability, often at the expense of the consumer. Simply Google and one can find that massive fines have been imposed on corporate entities in the United States for a variety of indiscretions. Fines that despite being what I'd class as significant hardly dent large corporates annual earnings. Under the current pharmacist owned model the pharmacist owner is directly responsible for the operation of the business and an indiscretion can directly impact pharmacy registration and in turn his or her livelihood. I believe this serves the best interest of customers and patients.

While I can't compare directly what service would be experienced in a corporate non-pharmacist owned pharmacy, here in Australia, as compared to a pharmacist owned and operated pharmacy I can draw upon the closest comparison we have, that of the managed Big Box Discounters vs. other pharmacies. You only have to walk the isles of the Big Box Discounters to quickly realise they have markedly lower staffing levels. Pharmacists are instructed to remain

within the confines of the dispensary and in the main required to dispense a greater number of prescriptions daily to meet targets. I have had customers from a nearby Big Box Discounter present for advice on prescribed medication dispensed at the discounters telling me that they were told to “pop next door for more information regarding their prescription” given the pharmacist didn’t have sufficient time to speak to them. While this may not happen all that often it has happened and if the likes of Coles or Woolworths were to secure pharmacy ownership time available for necessary one on one counselling would be further diminished.

I have personally on numerous occasions opened the pharmacy for customers in desperate need of medications late in the evening or early hours of the morning. I’m not alone in offering this service and you would find that most pharmacists especially in regional country towns are known personally to the majority of customers and make their private contact details known. I can’t imagine the manager of the local Coles, Woolworths or IGA for that matter going in at 1am in the morning to supply an appropriate medication for a child with a raging temperature.

Open ownership of pharmacy has been given consideration most recently by the federal government and it’s my understanding that both sides of parliament having acknowledged the important role pharmacist owned pharmacies play within their given communities aren’t supportive of this change. Open ownership would serve to undermine the national Pharmaceutical Benefits Scheme a scheme that currently provides a very effective means of distributing prescription medications to every Australian no matter where they reside in Australia in a very timely manner. A decision made in Queensland regarding open ownership could have far reaching consequences adversely impacting pharmacy operations across the country.

In the main regional pharmacies are often owner managed or have an owner living within the community the pharmacy serves. Current legislation which dictates that only pharmacists have a pecuniary interest in a pharmacy helps ensure an even distribution of pharmacies especially in remote areas given many pharmacist owners derive little more than a wage and not unlike myself prefer being owner operators and not employees. There is little doubt that the profession currently attracts young talented individuals who would otherwise look elsewhere if their future prospects excluded ownership opportunities and were restricted to hospital pharmacy or being employed in a “hole in the wall” dispensary at the back of Coles or Woolworths. A loss to the profession and to the healthcare network as a whole.

Large corporates non-pharmacist owned would cherry pick locations in larger urban environments maximising turn-over and profitability and likely close “underperforming” pharmacies which otherwise would have continued to offer vital healthcare services if owned by a pharmacist under current ownership regulations. In turn the corporates would warehouse and distribute internally. This I expect would result in the demise of the existing pharmacy wholesalers or at the very least result in closure or amalgamation as they are already struggling with an increasing number of drug companies by-passing the wholesaler and selling, direct to individual pharmacies, drugs available on the PBS. While quite likely outside the terms of reference of the inquiry a positive outcome would be to insist that drugs on the PBS must be made available to the drug wholesalers and no drug company should be able to exclusively supply direct cutting the wholesaler out of the equation. Any remaining pharmacist owned businesses would struggle to compete without the support of the existing wholesale chain.

In the event that the Queensland State Government chose to open ownership of pharmacy in Queensland to large corporates and non-pharmacists it would be directly responsible for placing the responsibility the pharmacists now have in ensuring the best possible health outcome for all patients to the likes of Woolworths and Coles. Companies which by the very nature of operations don't necessarily have consumers health and wellbeing uppermost in mind selling, soft drinks, cigarettes, controlling liquor sales and promoting betting. I suppose it would complete the circle – make them sick and then sell them something to make them better. A great business model but once again not in the best interests of the consumer.

Open ownership will jeopardise the relatively “even” distribution of pharmacies across Queensland and deny a large portion of the population ready and easy access to the health professional already recognised as the most readily accessible of all in the healthcare chain. Pharmacy as it is currently structured is a major employer and open ownership will lead to job losses.

I'm happy to leave the committees considerations, relating to the expansion of the scope of pharmacy practise, to be guided by the recommendations of the various professional pharmacy bodies, which no doubt have made submissions also. Enabling pharmacists to perform vaccinations resulted in many Queenslanders who would otherwise not have been vaccinated to be vaccinated this year. GP's in the main especially those in regional areas already struggling to allocate time to see all their regular patients embraced pharmacy vaccination. My personal experience being that of two medical centres commenting “Happy to have the pharmacist offer this service as we simply don't have the time to meet the demand”. Rescheduling of some S4 prescription lines to S3 makes sense as does the up scheduling of some S2 medications sold in supermarkets which when sold without professional advice can lead to misadventure with multiple small quantities purchased in one transaction from supermarkets. Allowing pharmacists to provide continued dispensing on certain medications that by their nature are long term provided there are no significant changes in the patients' health status makes sense. As does the formalisation of pharmacy assistants qualifications over time. Few if any of these benefits will gain traction even with Queensland Government support in the event that corporate ownership by non-pharmacists is allowed, despite the positive health outcomes that would result, purely because in the main these are services performed by pharmacists at or below cost and they wouldn't be promoted within the likes of a Woolworths or Coles as they provide little or no return.

Enough from me. Please don't make recommendations which may well result in the demise of pharmacy as we currently know it and hand control to the supermarket duopoly or Amazon for that matter. In the main prices across the board in most pharmacies are fair and reasonable and I ask that committee members take into account that when it comes to delivering best health outcomes accessibility to a pharmacist and receiving the most appropriate and correct advice regarding use of medications outweighs savings that may be delivered by a Big Box Discounter or Supermarket using prescription medications as “lost leaders” increasing customer traffic primarily to sell non-scheduled items from the “front of store”.

Do you really want to make a recommendation that could well result in Coles or Woolworths offering half price Viagra to help promote condom sales? I'll leave you with that thought.

Just another thought – the infirm, elderly and frail will never receive the personal care and

attention from large corporate or “supermarket” non-pharmacist owned pharmacy that pharmacist owned pharmacies currently offer in Queensland.

Yours Sincerely,

Clint Coker. B.Pharm.

P.S. Could you recommend that Queensland State Government drop stamp duty on business sales (transfer of pharmacy ownership) as some other states have already and drop payroll tax for what are effectively small individual businesses caught up in unfair grouping provisions likely implemented to stop big corporations avoiding this impost. Money currently paid in payroll tax could be more effectively spent employing more pharmacists and pharmacy assistants taking people off the dole.

## Clint Coker

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