



cate'schemist
Caring for you...

PO Box 81
GARBUTT EAST QLD 4814
GARBUIT ABN 28 626 453 152 ACN 143 699 987
HYDE PARK ACN 616 990 973 ABN 77 616 990 973

Committee Secretary
HCDSDFVPC
Parliament House
George Street
Brisbane, QLD 4000

Dear Mr Hansen

RE: Inquiry into the establishment of a Pharmacy Council and transfer of Pharmacy Ownership in Queensland

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

I welcome consideration of a Pharmacy Council. Many pharmacists in Townsville are weary of less scrupulous 'colleagues' flaunting gaps in the regulation and regulating, that a council can fix. One instance has impacted my patients directly. An unapproved pharmacy has been dispensing PBS Benefit that a patient could not then claim on their Safety Net entitlement. In each instance it amounts to a criminal offence of around \$6 value, so the Commonwealth does not pursue. Very hard to prove on a criminal basis, but easy to discipline on a reasonable, natural justice and procedurally fair basis. State Pharmacy Councils have greater powers to police these matters in a collective, civil and regulatory role.

In other states, Pharmacy Council equivalents support pharmacies by allowing them to focus on health outcomes instead of trying to police a regulation that is not enforced. It has personally cost me and my employees many days of work that I would rather be spending on patients. Our experience with Ramsay pharmacies has many questioning the discipline and spirit with which we implement the regulations. We have for some time looked on at other states in envy. A Pharmacy Council is good for adherence and the ethics of the profession in Queensland, as well as supporting the interests of the community.

I was surprised by the consideration of pharmacy ownership in the Terms of Reference, although I expect corporations are lobbying the government for profit, just as hard as pharmacists are lobbying for health outcomes. As an owner of a community pharmacy, I am concerned about a takeover of community pharmacies in Queensland from 'profit- focused' businesses and the impact this would have on my patients. I know the Return on Asset of my pharmacy is not attractive to corporates like Coles or Ramsay, but my market share is. Under these circumstances any interested corporate would either:

- Price me out of the market until I closed, or
- Buy my pharmacy and then close the site.

These are practices that have been employed in other sectors in Australia, and in deregulated pharmacy sectors overseas. It is what aspiring corporate executives are taught in Bachelor of Business, Bachelor of Commerce, and MBA. Big business focuses on shareholders and bottom line profit. It is their job.

Like my peers, I would prefer to focus on health rather than be constantly looking over my shoulder for the next attack by corporate market development departments and strategists. Solid support for pharmacist owners by government would be a huge relief, allowing us to concentrate on health and less about corporate battlegrounds.

I request the committee compare Australian jurisdictions with overseas experiences of deregulation, especially the contraction and corporatisation of pharmacy diminishing objectivity and access in communities.

I request the committee note no corporate jobs, no doctors, no executives, no shareholders are at risk of deregulation; but my employees are at risk, and my house. The principle of 'do no harm' must be a factor of this Inquiry. Government would need a compelling reason to choose the only option that put jobs at risk.

I request the committee compare the 'moral report card' of corporates compared to health professionals. Corporate Australia is experiencing unprecedented low levels of trust, while pharmacists remain highly regarded in their communities. Corporates in Australia repetitively scandalise their community with experiences like recent Royal Commission into Banking. Doctors are even disappointed by their deregulated clinics exerting profit pressure to deny care to high maintenance (and high need), low profit patients.

The committee should also review our experience with PBS Reform and Direct Supply in pharmacy. Decreasing margins have reduced the willingness of overseas manufacturers to seek Australian licenses for little return. This has impacted health outcomes by reducing available reserve stocks and alternative molecules, resulting in short and intermittent supply. There is nearly too much efficiency in our medicine supply chain already. Corporatisation risks further downward pressure on margins in the supply chain, compounding supply shortages. The problem will be exacerbated further by corporate strategies such as tendering for a molecule. Tendering will limit doctors prescribing and supply options to single brands of drugs.

Pharmacy and pharmacist remuneration is complicated by years of precedent, subsidisation and agreements. Reform should focus on aligning systems across states. Consideration of 'reform' that isolates a state from national standards has high risk of unintended and unforeseen consequence. The Pharmaceutical Benefits Scheme (PBS) is too important a piece of public health policy to place in the hands of corporates. The system is world class, provides tangible health outcomes, and provides savings to Australian taxpayers.

I have watched the effects of deregulation and corporatisation with the local small businesses. Community access to many services is already being concentrated in large supermarkets at the expense of smaller community centres. We should not support and accelerate this degradation of services, especially for health. Protection of health and other essential services from the profit motive is a core moral duty of government and the ethical basis of regulation.

I have watched the effects of deregulation on pharmacy in other countries, and do not aspire to those degraded standards of health care. Especially the reduction of access to pharmacy in remote and rural communities evidenced in the US and Canada, and to a lesser extent in the UK and NZ. The sale of alcohol and cigarettes in corporate pharmacies is an outrage.

While I understand there are other matters before the inquiry, my main concern is securing support for community pharmacist owners to be able to keep supporting their communities.

I request that the committee consider the important role of pharmacist owners and recommend against deregulation.

Sincerely



Cate Whalan

Owner

Cate's Chemist Townsville

www.cateschemist.com.au

www.facebook.com/cateschemist

10 July 2018

ⁱ [Sydney Morning Herald Article 4 July 18](#)