



## Kallangur Day and Night Amcal Pharmacy

1387 Anzac Ave.

Kallangur

QLD 4503

PH: (07) 3204 5155

FAX: (07) 3886 5875

Email: [kallangur@amcal.net.au](mailto:kallangur@amcal.net.au)

Committee Secretary

HCDSDFVPC

Parliament House

George St.

Brisbane Qld 4000

11/07/2018

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

My name is Douglas Roberts and I have been a pharmacist practising in Queensland for 32 years and a pharmacy owner for 22 years. During this period, I have owned medical centre, tourist strip and Day/Night pharmacies. I am currently the sole proprietor of Kallangur Day and Night Pharmacy, a large extended hours pharmacy in outer suburban northern Brisbane. My pharmacy has been servicing its community for well over 50 years. We provide the full suite of pharmacy supply and professional services in a generally lower socio-economic area which is carrying a large and growing chronic disease burden.

During my career I believe I have placed the care of patients and the community at the forefront of my practice. I am gravely concerned that any changes to regulations which may "loosen" ownership rules will threaten the viability of my business and therefore my ability to care for the members of my community. I would strongly suggest to the committee that they in fact look at "strengthening" the ownership rules. My wish list includes the following:

1. Maintain the rule that states that an owner must be a registered pharmacist and reduce the number of pharmacies in which an owner can hold an interest to a maximum of three. Convincing evidence suggests that pharmacies in which an owner works and has control are financially more successful and produce better patient outcomes. I cannot see how any pharmacist can achieve the level of input, oversight and involvement to achieve this

adequately in more than three pharmacies. Ideally, I would like to see the minimum percentage owned by any one pharmacist set at say 30% so that we no longer see pharmacies owned by large groups of partners.

2. Abolish ownership of pharmacies by corporate structures. This may reduce the likelihood of large corporates circumventing the ownership laws by using creative company structures. I personally am the director of a company which owns my pharmacy, but I do not see how this helps me provide a better service to my patients, it simply improves my tax and asset protection status.
3. I think we need federal harmonisation of ownership laws and I do not understand why the commonwealth has jurisdiction over the location of pbs numbers but not who owns the pbs numbers. My own view is that you should be resident in the state of Queensland to own a pharmacy in Queensland. How can you possibly run a pharmacy properly from Victoria? Similarly, it is my belief that a single pharmacist should not be allowed to have an interest in more than three pharmacies in the entire country.
4. Remove the exemptions for friendly societies.

I realise that my ideas are somewhat radical and fly in the face of the corporatisation by stealth that we have seen in recent times. However, what we have witnessed has occurred because clever people with significant commercial clout have been able to circumvent and manipulate the regulations to create pharmacy businesses that are only about generating massive cashflows and not patient care.

What we are seeing in all the major population centres is the proliferation of several corporate models where the discounting of prescription medicines is being used as a “loss leader” to generate store traffic in the same way that supermarkets use \$1/l milk. There is no way that any rational analysis of the dispensing of an antibiotic for \$5.40 can conclude that a profit is being generated unless the associated labour costs are too low, inadequate professional services are being offered or the pharmacy is receiving some sort of rebate or it is being subsidised by the sale of other products. The latter is the case and the products are often expensive complementary medicines of spurious therapeutic benefit. The public are being duped into spending money on such products which would be better spent on good quality food or lifestyle intervention. I am sure that the current regulations never intended the proliferation of such pharmacy models to occur. However, they have not prevented it and regulators should be doing everything within their power to protect the public from these models and to prevent their further proliferation.

I am gravely concerned that any further “loosening” of the ownership rules will simply consolidate the ownership of pharmacy businesses in the hands of fewer and fewer individuals and corporations. This has been seen in virtually every other industry in Australia. It is absolutely feasible that total relaxation of ownership rules may result in ownership by only two or three corporations. There will be no pharmacies in rural areas as these will not be viable. Pharmacies like mine will be gone. Monopolies would exist, and my patients will be presenting at hospital more frequently, will be entering nursing homes at a younger age and will ultimately be paying more for medicines.

Review of the ownership regulations is a timely exercise given the recent King review and government response. For the sake of my patients and my pharmacies ability to continue the valuable work that we are doing I encourage the committee to recommend shoring up the ownership rules to prevent the further proliferation of discount and corporate pharmacies.

My suggestions would ensure this and provide a regulatory environment for higher quality pharmacy practice that will benefit all Queenslanders.

Kind Regards

**Douglas E Roberts BPharm MPS AACPA (Proprietor)**