



POLICY

Pharmacy Ownership

Position

The Pharmacy Guild of Australia strongly believes pharmacy ownership and control should be solely in the hands of registered pharmacists.

Pharmacy is a profession. The Guild believes the public is best served when pharmaceutical services are provided from a practice which is owned and controlled by pharmacists who are personally responsible for its conduct. This ensures the protection of the public's health and safety and ensures that quality professional services are available at all times.

Current ownership provisions and location rules ensure that community pharmacies are well distributed throughout the Australian community. Pharmacies should be separate from other retail premises, such as supermarkets, and all pharmacy premises should be quality assured to national standards.

The Guild believes that there is a public benefit in legislative restrictions being imposed both nationally and in relevant State and Territory legislation and that these must be strictly enforced to ensure the existing model of community pharmacy is not undermined. It is vital that pharmacy ownership regulations are appropriately maintained and strengthened by the relevant regulatory authorities to ensure all pharmacy business structures and ownership models are compliant.

The ownership rules requiring pharmacies to be owned by pharmacists and limiting the number of pharmacies each pharmacist can own ensure a decentralised and diverse ownership structure. They also ensure pharmacies are owned by pharmacists with a financial, personal and professional interest in providing high quality service and maintaining a strong health focus through a competitive small business sector, which is inherent in their high levels of consumer satisfaction.

The empirical analysis undertaken in 2014¹ demonstrates that the community pharmacy model provides near universal access, high quality service and choice for consumers, helping achieve Governments' overall economic, social and health policy objectives.

¹ Community Pharmacy: A trusted public-private partnership delivering accessible high quality healthcare for all Australians (Submission by the Pharmacy Guild of Australia in response to the Competition Policy Reviews Issues paper) November 2014

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Pharmacy Board of Australia Policy

In 2015, the Pharmacy Board of Australia (the Board) revised its policy to state that proprietor pharmacists must ensure that they hold the type of registration specified in the premises legislation in the jurisdiction in which the pharmacy premises is located. Regardless of registration type, proprietors' ongoing compliance with the requirements of the National Law, including all relevant registration standards and guidelines, is required.²

This is in contrast to its policy in 2010, where the Board adopted a policy that a pharmacist who owns a pharmacy is practising pharmacy and therefore proprietor pharmacists will be required to maintain General Registration.³

It is the Guild's continued position that a registered pharmacist who is a proprietor of, or who has a pecuniary interest in, a pharmacy business must maintain general registration, despite some jurisdictions permitting a pharmacist with non-practising registration to own a pharmacy under their respective ownership legislation.

The Guild supports the Board's guidelines which focus on the professional responsibilities of proprietor pharmacists that impact on the safe, effective delivery of services to the public. The Guild also recommends that proprietors are aware of the Board's guidelines which require that:

A registered pharmacist who is a proprietor of, or who has a pecuniary interest in, a pharmacy business, must maintain, and be able to demonstrate an awareness of, the manner in which that pharmacy business is being conducted, and where necessary, intervene to ensure that the practice of pharmacy is conducted in accordance with applicable laws, standards and guidelines.

Background

Acceptance of the Health Care model of Pharmacy

The consistent support from all political parties in all jurisdictions across Australia indicates strong support for the current system of community pharmacy and rejection of proposals put forward by a number of parties during various pharmacy reviews and processes for deregulation of the community pharmacy sector.

Governments have collectively supported the retention of a regulated industry in the interests of safety and equality of access to medicines and services through a sustainable network of community pharmacies, supported by full line wholesalers subsidised to distribute medicines equally across the country.

Community pharmacy continues to enjoy very high levels of public trust and support, significantly higher than alternatives such as supermarkets. The empirical evidence strongly supports the position that community pharmacy regulation meets the Federal Government's and the public's health objectives.

² Pharmacy Board of Australia Guidelines for proprietor pharmacists (December 2015)

<https://www.pharmacyboard.gov.au/documents/default.aspx?record=WD15%2f17691&dbid=AP&checksum=38U9CgE45JL%2bBPCUEpSjWw%3d%3d>

and Fact sheet – registration type required by proprietor pharmacists (September 2015)

<https://www.pharmacyboard.gov.au/documents/default.aspx?record=WD15%2f17689&dbid=AP&checksum=alVqAnwboAKdq7eAshE%2fuw%3d%3d>

³ Pharmacy Board of Australia 'Guidelines on responsibilities of pharmacists when practising as proprietors' (2010)

www.pharmacyboard.gov.au

The ownership rules ensure that local pharmacies are owned by registered pharmacists, who are health care professionals first and foremost and are patient focused through their professional autonomy.

The public supports this model, as evidenced by the independent research, that the majority of consumers support the principle that professionals should own the business they work in, with 'skin in the game', and do not regard supermarket pharmacies as an acceptable alternative.

By ensuring that pharmacy ownership is competitive and widely spread among thousands of pharmacists and their small businesses, the major supermarket chains and other corporate giants are prevented from securing the high degree of market dominance.

National Registration and Accreditation Scheme (NRAS)

The Council of Australian Governments signed an Intergovernmental Agreement on the health workforce in 2008 which included the creation of a single national registration and accreditation system for ten health professions, including pharmacists.

The Health Practitioner Regulation National Law Act 2009 took effect in July 2010 and provides for the full operation of the NRAS, including registration and accreditation arrangements, complaints, conduct, health and performance arrangements, privacy and information sharing arrangements, and transitional arrangements, all of which are being overseen by the Australian Health Practitioner Regulation Agency (AHPRA).

As a result, State and Territory Pharmacy Boards who were previously responsible for the accreditation of pharmacists no longer exist, with many being succeeded by 'Pharmacy Authorities', now responsible for the administration of relevant pharmacy legislation within that State or Territory and for approval and regulation of pharmacy premises.

Authority

Endorsed

National Council – July 2019
National Council – March 2011
National Council – July 2004
National Council – November 2001
National Council – November 1986

Reviewed

June 2019 – Policy and Regulation Sub-Committee
February 2011 – Government Relations & Policy Committee
June 2004 – Strategic Policy/Rural and Professional Services Committee