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A dozen reports can't be wrong - address anti-competitive ownership and location rules for pharmacies

The Australian Medical Association says it's high time recommendations from over a dozen reports and inquiries over two decades are adopted to reform anti-competitive pharmacy ownership and location laws which restrict patients' access to cheaper medicines and better pharmacy services.

The AMA lodged a submission to the [Inquiry into promoting economic dynamism, competition and business formation, noting that the Productivity Commission](#), in particular, has consistently called for an end to the anti-competitive rules dating back to 1999. A key example is from the 2015 "Efficiency in Health" research paper:

*"Restrictions on retail pharmacy location and ownership are clearly more about protecting the vested interests of incumbent pharmacists than about promoting consumers' interests and maximising benefits for society as a whole. These rules limit competition in the sector and can make it harder for some consumers to access pharmacy services. There is much to gain from removing these regulations while targeting safety and access objectives more directly."*¹

AMA President Professor Steve Robson said successive governments ignoring repeated messages from so many reports has been wilful blindness.

"The case has clearly been made for pharmacy ownership and location rules to be removed, yet they remain in place. The AMA has consistently called for reform of community pharmacy to ensure patients benefit from lower prices and better services.

"The outdated pharmacy ownership rules are undeniably anti-competitive, drive-up costs for consumers and governments and are even more punitive for rural and remote Australians because they have less competition with restrictive location rules.

"These changes would encourage competition and go hand-in-hand with our call to increase the extent pharmacies can discount the PBS patient co-payment, currently restricted to \$1. This amount has not been indexed since the measure was introduced in 2016.

"If the government is serious about access to cheaper medicines, it's time they listened to the economic sense of the experts, for the sake of all patients, but especially those struggling with affordability," Professor Robson said.

In February, the AMA [wrote to Minister for Health, Mark Butler](#), urging federal government to reconsider the findings of the independent Pharmaceutical Benefits Advisory Committee (PBAC) which recommended the maximum dispensed quantities on 143 selected PBS funded medicines should be increased from one to two months' supply and allowing a total of 12 months' supply from a single script. The AMA followed this up with similar letters to all federal parliamentarians.

"This simple change could save patients up to \$180 each year for each selected medicine, free up GP consultations and make care more accessible for patients."

[Read the AMA's submission](#)

¹ <https://www.pc.gov.au/research/completed/efficiency-health/efficiency-health.pdf>

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