



The Pharmacy
Guild of Australia

SUBMISSION

Productivity Commission consultation on 5 Productivity Inquiries

13th June 2025

National Secretariat

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Ref: SPxxxx-x-xxx

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ABOUT THE GUILD

The Pharmacy Guild of Australia (the Guild) is the national peak organisation representing community pharmacy. It supports community pharmacy in its role of delivering quality health outcomes for all Australians. It strives to promote, maintain, and support community pharmacies as the appropriate providers of primary healthcare to the community through optimum therapeutic use of medicines, medicines management and related services. Community pharmacies are the most frequently accessed and most accessible health destination, with over 443 million individual patient visits annually and the vast majority of pharmacies open after-hours, including on weekends¹.

Owned by pharmacists, community pharmacies exist in well-distributed and accessible locations, and often operate over extended hours, seven days a week in urban, regional, rural and remote areas. They provide timely, convenient, and affordable access to the quality and safe provision of medicines and healthcare services by pharmacists who are highly skilled and qualified health professionals. In capital cities, 96% of people have access to at least one pharmacy within a 2.5km radius, while in the rest of Australia 74% of people are within 2.5km of a pharmacy.²

The network of almost 6,000 equitably distributed community pharmacies plays a pivotal role in the delivery of the National Medicines Policy, by ensuring timely access to safe, effective, and affordable medicines under the Pharmaceutical Benefits Scheme (PBS) for all Australians. Quality Use of Medicines is an important pillar of Australian National Medicines Policy, with community pharmacy having a vital role in the prevention and treatment of communicable and chronic diseases. Changes to regulatory controls around the country is seeing the role of community pharmacy evolving as pharmacists are enabled to practise to their full scope. This is in recognition of community pharmacy being a vital component of the primary healthcare sector, and the ability of the highly trained and qualified pharmacist workforce to do more for their patients.

¹ [Guild Digest - The Pharmacy Guild of Australia](#)

² [PharmacyGuild-Vital-facts-on-Community-Pharmacy-November v2.pdf](#)

EXECUTIVE SUMMARY

The Guild welcomes the opportunity to contribute to the Productivity Commissions Five Pillars of Productivity Review. As the representative organisation for community pharmacy, we have limited our comments to pillars one to four. Below is a summary of the recommendations made in our submission.

- Reduce the company tax rate for small businesses with a turnover under \$20 million from 25% to 20%.
- Implement recommendations in the *Unleashing the potential of our health workforce – scope of practice review* related to harmonisation of legislation and recommendations.
- Make permanent, Continued Dispensing arrangements that covering all PBS and RPBS listed medicines, except Controlled Drugs and section 100 medicines, to be dispensed by pharmacists when immediate need arises.
- Enable legislation that authorises pharmacists to amend prescriptions using therapeutic adaptation and substitution to improve patient health outcomes and reduce administrative burdens.
- Implement government subsidies and incentives to encourage commencement and competition of training, particularly in regional, rural and remote areas.
- Extend Commonwealth Prac Payment to other disciplines that undertake mandatory placement as part of their university degree.
- Undertake a comprehensive costing exercise to understand the cost of delivering higher education degree programs and adjust Commonwealth Supported Places (CSP) funding tiers as appropriate.
- Maintain national regulation for health professions to ensure consistent qualification and training.
- Support ongoing development of university courses for pharmacists to ensure practice readiness and ability to perform duties without requiring additional post-graduate training.
- Government, Ahpra and health professional Councils and Colleges review pathways for internationally qualified practitioners with a view of expediting registration and visa processes to address workforce shortages.
- If progressed, provide clear guidance to stakeholders on intent and implementation of an outcomes-based approach to privacy including practical advice to small businesses.
- Implement measures to recognise the potential impacts on small businesses and commit to conducting business impact assessments before enacting policy reforms.
- Develop a plan to address community concerns about AI that provides informed advice on necessary legislative changes.
- Ensure the Therapeutic Goods Administration (TGA) has adequate resources to regulate AI use in healthcare.
- Recognise that algorithms for patient assessment should not replace personal clinician assessments.
- Focus reforms on aligning and utilising existing quality and safety standards across sectors to create efficiencies and reduce duplicative processes.

GUILD RESPONSE TO CONSULTATION

PILLAR 1: CREATING A MORE DYNAMIC AND RESILIENT ECONOMY

Supporting business investment through corporate tax reform

The Guild welcomes the inclusion of corporate tax reform as an area of focus in the Productivity Commission's inquiry. The Guild's focus in this policy area is on the impact that reforms to small business tax rates would have on community pharmacy.

The Guild supports the position of the Council of Small Business Organisations Australia (COSBOA) put forward in their FairGo for Small Business Report (Report)³, which proposes a reduction in the company tax rate for small businesses with a turnover under \$20 million from 25% to 20%. The Report details the positive impact that reducing the tax rate would have on small businesses, and the benefit to productivity.

Reduce the impact of regulation on business dynamism

Healthcare is a highly regulated industry to ensure patients can access and receive safe and quality healthcare from trained and competent healthcare professionals. However, layers of Commonwealth, state and territory regulation create complexity and inconsistency within the healthcare system and impact on the equity of patient access to healthcare services.

In 2010, the National Registration and Accreditation Scheme (NRAS) was established and adopted in all jurisdictions. In part, the NRAS was implemented to support the mobility of the health workforce across different states and territories.⁴ Whilst this has achieved its purpose by enabling healthcare practitioners registered under the NRAS to move across jurisdictions without the need to re-register, it has highlighted the existence of other regulatory barriers that stem from a federated system and affect professional practice.

The Australian Government provided funding in the 2023-24 Budget for a health workforce scope of practice review, with the final report provided to the Government in October 2024⁵. To date, the Government is yet to provide a response to the recommendations. The Guild believes that implementing recommendations from the Scope of Practice Review⁶ related to harmonisation of legislation and regulations would improve the productivity of the health system as a whole, including primary healthcare providers such as community pharmacies which mostly operate as small businesses.

The community pharmacy experience of regulation of pharmacist scope of practice has been a decentralised, piecemeal approach, where Queensland has forged ahead in response to the Australian Government Productivity Commission and Queensland Government report *Unleashing the potential: an open and equitable health system*⁷. Recent examples of changes that are being implemented by individual states and territories that would benefit the broader health workforce and provide consistency of practice if harmonised across jurisdictions include:

³ [FairGo-Report.pdf](#)

⁴ [National Registration and Accreditation Scheme | Australian Government Department of Health and Aged Care](#)

⁵ [Unleashing the Potential of our Health Workforce – Scope of Practice Review | Australian Government Department of Health and Aged Care](#)

⁶ [Unleashing the Potential of our Health Workforce – Scope of Practice Review Final Report | Australian Government Department of Health and Aged Care](#)

⁷ [Unleashing-the-Potential-an-open-and-equitable-health-system.pdf](#)

- Victorian investment as part of 2025-26 Budget to fund pharmacists to deliver expanded care through consultations in community pharmacies
- From Jan 2025, trained SA pharmacists are allowed to administer any vaccine in accordance with the Australian Immunisation Handbook⁸
- The recent announcement by the NSW Government to allow trained GPs to manage ADHD⁹

While the above are great examples of changes happening at a state level, there is no national consistency. Cross-jurisdictional harmonisation in legislation, such as amendments to state/territory medicines and poisons regulations to enable health practitioners to work to full scope of practice, can significantly enhance the business dynamics and resilience of community pharmacies. This approach not only benefits patients by increasing access to services and improving health outcomes, but also boosts workforce satisfaction and retention, ultimately contributing to business growth.¹⁰ Additionally, a more efficient, accessible healthcare system delivering better patient health outcomes can result in broader productivity and economic benefits through a reduction in workforce absenteeism and personal leave.

Overtime the regulatory burden has grown causing inefficiencies and affecting overall cost to government and businesses. One such example is the PBS Continued Dispensing (CD) Emergency Measures, in force from time to time, which allow a pharmacist to supply a standard PBS quantity of a medicine in the absence of a prescription to ensure continuity of treatment for patients (e.g. disaster displacement, emergency relocation, travelling). Having had the full PBS General Schedule safely established under CD emergency measures during the COVID pandemic, the list was significantly reduced in mid-2022 and the emergency instrument revoked, reverting back to usual CD arrangements. The full General Schedule continues to be reintroduced in response to natural disasters.^{11,12} This inconsistency is confusing for pharmacists and fails to address the urgent need for a broad range of PBS medicines beyond disaster management situations, including for conditions such as glaucoma, epilepsy, Parkinson's disease, colitis, and depression. The need to turn on CD emergency measures during times of need, creates government inefficiencies and leads to delays and uncertainty for community pharmacies and patients. The Guild strongly advocates for a stable and comprehensive Continued Dispensing policy that allows any PBS or RPBS listed medicine, except for Controlled Drugs and section 100 medicines, to be dispensed by an approved pharmacist when there is an immediate need, and it is not practicable to obtain a valid PBS prescription. This approach mitigates the need for emergency instruments to be activated producing efficiencies.

Regulators have successfully reduced regulatory burdens in some areas, such as the TGA's production of Serious Scarcity Substitution Instruments (SSSI). These instruments, which allow pharmacists to substitute medicines in short supply, are automatically recognised across all jurisdictions, enabling pharmacists to assist patients during specific medicine shortages. However, the ongoing high incidence of medicine shortages in Australia¹³ has a significant detrimental impact on the productivity of a community pharmacy, interrupting dispensing workflows and requiring additional resourcing to manage orders and/or identify and order alternative medicines as well as liaising with prescribers and patients.¹⁴

⁸ [Pharmacist immunisers | SA Health](#)

⁹ [Game changing reforms allow GPs to treat ADHD to reduce wait times and costs | NSW Government](#)

¹⁰ [Victorian Community Pharmacist Statewide Pilot: Summary report | health.vic.gov.au](#)

¹¹ [More surprising updates to Continued Dispensing arrangements - Australian Pharmacist](#)

¹² [PSA again calls for permanent continued dispensing arrangements - Pharmaceutical Society of Australia](#)

¹³ [Why doesn't Australia make more medicines? Wouldn't that fix drug shortages? | InSight+](#)

¹⁴ [Acute medicine shortages leaving pharmacies and patients in the lurch - News and events - University of South Australia](#)

The Guild believes that productivity lost due to ongoing medicines shortages could be mitigated by enabling pharmacists to use their clinical knowledge and medicines expertise to amend prescriptions via therapeutic adaptation and substitution for the benefit of patients. This would improve patient health outcomes by enhancing the timeliness of care and reducing the administrative burden on both physicians and pharmacists. Patients receive optimised medications sooner leading to better health outcomes and avoidance of hospitalisations, prescribers and pharmacists are better leveraged, and the health system benefits from enhanced treatment continuity and compliance without burdening the provider network.¹⁵

PILLAR 2: BUILDING A SKILLED AND ADAPTABLE WORKFORCE

Support the workforce through a flexible post-secondary education and training sector

Work related training

Education and training are essential for pharmacists and pharmacy assistants to develop and build on skills and knowledge required to undertake their role. Pharmacists and pharmacy assistants participate in work-related training for several reasons: they must undertake regular Continuing Professional Development (CPD) to maintain a contemporary understanding of medicines and pharmacy practice; pharmacy staff are trained to understand operational processes, take on new responsibilities such as becoming dispensary technicians, and provide additional services like vaccinations, which benefit the local community and offer business opportunities for the pharmacy.

Pharmacies in rural and remote locations may receive subsidies to assist staff attendance at formal training events, encouraging staff training. The availability of online training, particularly self-managed modules/events that can be undertaken at a convenient time, further encourages participation, especially for rural and remote providers or those unable to attend during regular trading hours.

However, there are several reasons for non-participation. Private businesses and frontline service providers often face unique challenges compared to government and other organisations, which can lead to non-participation in training programs. For example, training during business hours requires additional coverage to maintain service levels and meet legal requirements to have a pharmacist present at all times. This increases costs associated with training, making it cost prohibitive and limiting attendance at training sessions.

Other costs associated with training that may be prohibitive, include hosting trainers, travel and accommodation. Rural and remote businesses may struggle with access to in-person training due to significant travel time and costs and limited available workforce to cover shifts. Additionally, non-participation in training may also be due to other barriers such as restrictions on funding programs, as seen with patient caps on pharmacy programs, which mean that businesses are unlikely to see a return on investment from training additional staff members to undertake services as there is a limit to the ability to expand the service. However, when businesses support and invest in staff training, participation improves and has positive impacts on the business.

¹⁵ [Prescription Adaptation Services: A Win for Patients and Providers - PMC](#)

Government subsidies and incentives can encourage commencement and completion of training when implemented in an appropriate manner. For example, incentives for employers to take on a trainee or apprentice should ideally be paid at the time of commencement as recognition of the willingness to employ and support that person through their training program, whereas incentives for a trainee or apprentice should ideally be paid upon successful completion of training to encourage completion. This does not include out-of-pocket expenses incurred for the trainee or apprentice to complete training (e.g., attend assessments etc) which should be covered by other forms of financial assistance or allowances. In regional, rural and remote areas, subsidies and incentives can help with commencement and completion of training by mitigating additional costs. These types of financial assistance can also support undergraduate pharmacy students doing work placement in regional, rural and remote areas.

In 2024, the Government announced a new Commonwealth Prac Payment effective from 1 July 2025 for nursing, social worker and teaching students doing unpaid placements¹⁶. The Guild believes that this policy should extend to other disciplines that are required to undertake unpaid placement as part of their university degree to ensure that 'placement poverty' does not become a reason for attrition and non-completion of university degrees, particularly health degrees where workforce shortages are already an issue.

Tertiary Education

The community pharmacy workforce consists of pharmacists and pharmacy assistants who require high quality university degree programs and vocational education and training (VET), respectively. The Guild supports coordination and collaboration between VET and Higher Education providers to establish clear pathways into university degree programs for people who have completed VET courses. The Guild also supports comments made by the Australian Chamber of Commerce and Industry (ACCI) on 'Tertiary Harmonisation' in their submission to this inquiry.

Additionally, feedback from higher education providers of pharmacy degree programs is that the cost to deliver programs of study is often higher than the allocated Commonwealth contribution for CSP. The outcome of this being that universities are hesitant to diversify their program offerings or allocate additional CSPs to pharmacy degree programs, affecting the pipeline of the Australian-trained pharmacists required for a resilient community pharmacy workforce. Tertiary education policy reforms should include a comprehensive costing exercise to understand the cost to deliver different higher education degree programs and adjust CSP funding tiers as appropriate. The Guild notes that this was a recommendation made in the 5-year Productivity Inquiry: Advancing Prosperity¹⁷.

Balance service availability and quality through fit-for-purpose occupational entry regulations

Some occupational entry regulations may not align with the actual risk levels of certain professions. Overly stringent regulations can create unnecessary obstacles for entry, while inadequate licensing standards can heighten the risk of harm to consumers and workers.

Many health professions are regulated at a national level. This is a sensible approach that ensures consistency in qualification and training irrespective of jurisdiction. The national Boards manage each professional group, setting the training requirements for qualification and managing

¹⁶ [Commonwealth Prac Payment Frequently Asked Questions - Department of Education, Australian Government](#)

¹⁷ [Recommendations and Reform Directives - Advancing Prosperity](#)

practitioners to ensure ongoing public safety. In the case of pharmacy, the Pharmacy Board works with the profession to set competency standards for individual pharmacists as well as professional codes, standards and guidelines for the practice of pharmacy. The Pharmacy Board also works with the profession to set the training standards for pharmacy students, working via the Australian Pharmacy Council to accredit courses. As practice within the profession evolves, pharmacists continue to access post-graduate training to build their knowledge and skills, and university courses for pharmacy students continue to develop to ensure graduates are practice ready.

The other group of workers within a community pharmacy are the pharmacy assistants. While not a tertiary qualification, pharmacy assistants must complete training relevant to their position. This recognises the responsibilities and public safety risks associated with handling medicines. Pharmacy assistants are an essential part of community pharmacy, able to assist patients directly in many cases within their capabilities and being trained to recognise when to refer patients to the pharmacist.

The set up for community pharmacy works well, with pharmacists being the most highly trained staff member with tertiary qualifications and a requirement for ongoing training to retain contemporary knowledge and registration. Pharmacy assistants are trained to work within a number of levels, the highest being as a dispensary assistant who assist pharmacists with the administrative and assembly functions when dispensing a prescription, as well as many other medicine-related duties.

We expect that university courses for pharmacists will continue to develop so that graduating pharmacists will be able to perform duties currently requiring post-graduate training e.g. administering a vaccine or other injectable medicine, conducting medicine reviews, prescribing for common conditions.

Internationally qualified practitioners

Internationally qualified pharmacists (IQPs) are an important contribution to Australia's pharmacy workforce. IQPs can assist in supplementing the Australian-trained pharmacist workforce, particularly in locations where it is difficult for pharmacies to recruit, attract or retain employee pharmacists. IQPs can also bring valuable skills and experience gained in their country of origin, such as experience as prescribers or delivering professional pharmacy services, that strengthens the Australian workforce.

The requirements for assessment of IQPs qualifications, knowledge and competencies are set by the Pharmacy Board of Australia (Board) and are administered by the Australian Pharmacy Council (APC).¹⁸ There are a number of different pathways under which IQPs can apply for general registration in Australia; some pathways quicker than others, depending on the IQPs country of origin. Despite the various pathways, feedback on the current registration process for IQPs is that it can be slow. We suggest expediting registration, for candidates from countries where education curriculums and scope of practice are similar, could be beneficial for both the applicant and the community pharmacy workforce, considering advancements in the full scope of practice and community pharmacy expanding their service delivery.

We acknowledge that the application pathways for pharmacist registration and visas are separate with the inability to combine them. However, we suggest reviewing whether efficiencies could be gained if these processes occurred concurrently rather than consecutively.

¹⁸ [Assessment Standards | Australian Pharmacy Council](#)

PILLAR 3: HARNESSING DATA AND DIGITAL TECHNOLOGY

Support safe data access and handling through an outcomes-based approach to privacy

Unlock the benefits of consumer data through effective access rights and controls

The Guild is generally supportive of initiatives which improve access to and utilisation of available data, including where such initiatives empower consumers to be more directly involved in how their data is handled. The Guild is also generally supportive of the Government's existing privacy regime, however, recognises the administrative burden and cost that is often created for small businesses in remaining adherent to the requirements. The Guild also recognises that overly restrictive privacy legislation and regulations may limit opportunities for innovation and growth.

Given this, the intention behind an outcomes-based approach is welcomed, to ensure privacy obligations placed on small businesses are fit-for-purpose rather than one size fits all. However, it is essential to provide clear guidance on its intent and implementation. For instance, pharmacies and small businesses require practical and relevant advice that does not compel them to allocate unnecessary resources to fulfill these obligations.

Any initiatives that are considered by Government to unlock productivity through enhanced access to data by consumers and other organisations including itself must recognise potential impacts on small businesses including community pharmacy, and Government must commit to undertaking business impact assessments before proceeding with any policy reform.

Enhance reporting efficiency, transparency and accuracy through digital financial reporting

The Guild sees potential benefits of the use of digital financial reporting, particularly efficiency gains for comparing financial results over time for a single organisation or between companies/organisations. However, a potential issue is the reporting of non-standardised information, such as unique disclosures and narrative statements for specific entities, and how this would be facilitated via digital reporting.

Enable AI's productivity potential

AI is a relatively new technology, and both businesses and consumers are still learning how to use it effectively. The technology itself is also evolving to become more user-friendly. Until its full functionality is understood, there is a concern that its use in healthcare could have unintended consequences if not used judiciously and appropriately. Health professionals are trained and continue to gain experience in understanding their clinical roles in healthcare. Clinicians can review and assess patient health problems, considering the nuances and risks involved. The goal is for AI and other technologies to support clinicians in their roles, not replace them.

From a community pharmacy perspective, AI offers many opportunities. It can significantly assist with administrative functions, such as inventory management of dispensary and front-of-shop stock and managing staff wages and leave allowances. Additionally, AI tools will likely assist pharmacists with clinical aspects of their practice, providing evidence-based guidance for clinical decisions and assisting with clinical note taking. However, the final clinical decision should always rest with the pharmacist, using their expertise and experience.

There are also concerns about the use and impact of AI in the community. Understanding these concerns is crucial for providing advice to the government on necessary legislative changes. It's important to understand what people think can and should be done about these risks. The Therapeutic Goods Administration (TGA) needs adequate resources to regulate and guide practitioners and healthcare businesses in using AI.

As new and emerging medicines enter the market, there is concern about how these can be commoditised through technology like AI. Algorithms for patient assessment should not replace personal clinician assessments, as they rely on the information entered by the patient.

PILLAR 4: DELIVERING QUALITY CARE MORE EFFICIENTLY

Reform of quality and safety regulation to support a more cohesive care economy

The Guild agrees that there are opportunities to streamline processes related to quality and safety to reduce duplication for healthcare providers and broadly support alignment for more consistency. However, we believe that sector specific safety and quality standards remain relevant, as they ensure sector specific aspects are recognised and managed appropriately.

For community pharmacy, the Quality Care Pharmacy Program (QCPP) is a quality assurance program that accredits pharmacies against Australian Standard AS85000:2017, through application and assessment of QCPP requirements¹⁹. In addition to being a quality management system, the QCPP requirements are recognised as the clinical governance framework for community pharmacy. Currently, over 95% of all community pharmacies in Australia are QCPP accredited.

A new Australian Standard was published in 2024 (AS85000:2024) and aligns with the National Safety and Quality Primary and Community Healthcare Standards, whilst also retaining elements that are community pharmacy specific such as delivery of community pharmacy services. This is a good example of how alignment can be used to create consistency in quality and safety, without the need for all care sectors to adhere to a single standard.

The Guild believes that quality accreditation should be a requirement for all healthcare providers delivering services to patients. For community pharmacy, we see it as being vital to support the delivery of full scope of practice services. Greater recognition of sector specific quality and safety standards and accreditation has the potential to reduce duplicative processes required to participate in or become a provider for different healthcare programs. For example, the process to become a registered NDIS provider could be streamlined through recognition of sector specific quality accreditation in place of the requirement to undergo a NDIS audit²⁰.

The Guild recommends that reforms in this policy area focus on how existing quality and safety standards across different sectors can be aligned and utilised to create efficiencies in the care sector, using the QCPP as an example of how standards can be sector specific whilst also aligning to national standards. By reducing the administrative burden and providing clear guidance to small business on quality and safety standards, this enables businesses to better serve their patients improving the overall patient healthcare experience.

¹⁹ [What is QCPP? - qcqp site](#)

²⁰ [About registration | NDIS Quality and Safeguards Commission](#)