CHP Australia
Advancing Responsible Self-Care

Consumer Healthcare Products Australia
ABN 55 082 798 952
Suite 1, Level 2
35 Chandos Street
St Leonards NSW 2065
+61 2 9922 5111
PO Box 209, St Leonards NSW 1590

info@chpaustralia.com.au
www.chpaustralia.com.au

30 September 2025

Productivity Commission
Level 8, Two Melbourne Quarter
697 Collins Street
Docklands Vic 3008, Australia
Email: 5pillars@pc.gov.au

Dear Commissioner(s)

RE: Five pillars of productivity inquiries

CHP Australia is the leading voice and industry body for manufacturers and distributors of consumer healthcare products, which includes non-prescription medicines. We strive to advance consumer health through responsible Self Care. Our key priorities for the industry include improving health literacy, growing the consumer healthcare products industry and increasing access to medicines where appropriate.

CHP Australia welcomes the opportunity to respond to the current inquiry.

Five Pillars of Productivity Inquiry

1. Creating a more dynamic and resilient economy

Regulating to promote business dynamism

- CHP Australia members are primarily regulated by the Therapeutic Goods Administration, and it is recognised that this is an area of high regulation. CHP Australia is supportive of the current regulatory framework; however, we have concerns about the increasing levels of regulation and regulatory complexity impacting our sector. Concerns about the impact of over-regulation on:
    - Over the Counter Medicines – (General Sale, Pharmacy Only and Pharmacist Only)
    - Listed medicines (including complementary medicines and sunscreens)
    - Low risk medical devices
    - Australian therapeutic goods manufacturing sites
- Regulatory harmonisation – reduce barriers to supply products between Australia and New Zealand
    - Australia and New Zealand are both small markets, in the overall global context. Sponsors of medicines often seek economies of scale by developing single products that can be supplied to both markets, however regulatory divergence prevents the development of common products. Regulatory divergence can also lead to duplication of

processes and costs, despite the strong similarities between the markets, resulting is an unproductive usage of resources.

- Performance of regulatory reforms:
    - Previous regulatory reform projects, such as the Medicines and Medical Devices Regulatory Reforms from 2015 have had inconsistent impacts on the regulatory framework, particularly for lower risk medicines. The cost, timeframes and data requirements for the assessment of new materials have all increased. This is despite objectives of the reforms being to incentivise industry and improve innovation to support the productivity of the sector, and to increase access to new products for Australians, through Australian companies, rather than reliance on e-Commerce.
    - CHP Australia believes there is an inadequate evaluation structure in place for regulatory reform projects to confirm that the project has delivered effectively on the objectives, such as delivering on a real reduction in regulatory red-tape, when this is the stated intent of the project.
    - CHP Australia would like to see clearer metrics that reflect on the outcomes of regulatory reforms and provide avenues for underperforming or unsuccessful reforms to be redressed. This is consistent with the report's recommendation for quantitative targets to ensure that regulations are performing effectively and that reforms deliver on stated objectives of reducing regulatory burden.
- Scrutiny of impact assessments:
    - CHP Australia notes that the projected impact of regulatory reforms often underestimates the cost-burden, with incremental cost-burdens over a number of reforms eventually resulting in a significant increase in the cost of doing business for the nonprescription medicines sector.
    - The effectiveness of impact assessments is often a challenge for the nonprescription medicines industry in Australia. An impact assessment will be produced based on a policy or regulatory proposal, however there are often insufficient details at the time that industry is called upon to share the costs to industry to assess the actual impact. Drafting of legislation and the associated guidance can provide additional constraints or expectations that were not expected, changing the overall impact of the decisions. These may not be clear until sometime later when the decision is being implemented.
    - Impact assessments are also not always made available, or industry is not given the chance to raise concerns about costs. In the context of larger regulatory reform projects, the overall reform may be a government recommendation, however the granularity that comes through drafting and targeted consultation may introduce a range of

impacts not previously anticipated. Industry has expressed frustration previously to the regulator about this structure.

- Revision of key performance indicators for regulatory agencies would be desirable to ensure that the metrics employed are meaningful to the regulated industry:
    - Outcomes that improve the flow and productivity of businesses are reflected, rather than a focus on risk-management outcomes.
    - Mandatory KPIs should be applied where possible with financial consequences for failing to meet them (in place of the "target" KPIs in place at the moment).
- There is a strong call among industry for frameworks that enable the regulator to make quick and risk-appropriate decisions. Within the Therapeutic Goods Administration it has been noted that:
    - It is becoming increasingly easy for the TGA to make risk-averse decisions. This has resulted in projects that are otherwise rational being unable to progress because of policy constraints.
    - In addition, it is also increasingly easy for the TGA to make adverse decisions that impact the day-to-day operation of industry contrary to industry needs. There has been a decrease in pragmatic and confident decision-making and an increase in data requirements and regulatory barriers, this has been particularly noticeable for lower risk medicines and medical devices.

2. Investing in cheaper, cleaner energy and the net zero transformation

- Importance of supporting circularity Beyond Net Zero
    - There needs to be increased use of recycling and recycled content in the therapeutic goods industry, however it is recognised that there are challenges to ensuring that this progress is made without compromising the quality and safety of medicines. A collaborative approach between regulators, legislators and industry is needed to effectively implement circularity objectives.
    - It is important for the TGA to be engaged in discussions with industry regarding sustainability, unfortunately while TGA decisions do have on impact on circularity, too often discussions are cut short because of the TGA's view that "sustainability" is not with in the remit of quality, safety, efficacy and timely availability established under the Therapeutic Goods Act.
- Balancing costs and regulation for net zero
    - Concerns have been raised by local manufacturers that current carbon measurement methodology encourages manufacturers to move operations offshore, where oversight is lower and emissions often not measured at all. While the consumer healthcare products industry

supports net zero ambitions, policies and mechanisms need to support industry rather than shifting the problem.
    - Challenges have also been identified regarding the complexity and poor definition of Scope 3 emissions measurement. Productivity requires clear regulatory expectations to enable businesses to invest for growth. Government should establish a clearer, more detailed framework for measuring and reporting scope 3 emissions.
    - A productive economy needs balanced policies that maintain and increase domestic manufacture while also achieving overall net zero targets. Energy and transport infrastructure are critical parts of this, but a broader lens is needed to ensure an enduring robust manufacturing sector.

3. Harnessing data and digital technologies

- Value of streamlining regulatory processes through digital tools.
    - In an environment of increasing regulation, the scope for assessment by regulatory agencies, such as the TGA, is only going to increase. Initiatives that engage digital tools to streamline and simplify regulatory assessments are needed to balance the increased scope for regulatory review against a capped budget for business regulatory expenditures.

4. Building a skilled and adaptable workforce

Building Skills and qualifications for a more productive workforce

- Commercial skills and expertise:
  Supporting the Australian manufacturing sector involved in the production of nonprescription medicines is a core part of the role of CHP Australia. It is critical to the ongoing viability of the sector that pathways are maintained for ensuring a skilled workforce. CHP Australia members have identified challenges in recruiting a skilled workforce, partially through reduced vocational training that supports manufacturing roles, as well as educational pathways for technical and specialist roles, including drug development and regulation. There has been an increasing trend for manufacture to be moved offshore due to cost and regulatory barriers in recent decades, and this is to the detriment of Australian productivity and sovereign manufacturing capacity. The proposed measures from this review to enhance business investment in Australia is strongly supported by CHP Australia, however we note that this goes hand in hand with a need to maintain a skilled workforce to fill these functions.

- Health workforce:
  A modern health workforce is most productive when every professional can work at the top of their scope. For the self-care industry, this means

pharmacists having the skills, qualifications and frameworks to provide safe, evidence-based services beyond dispensing. By investing in their training, pharmacists can take on greater responsibility for supporting self-care, managing health, preventing illness and guiding patients within the health system.

Pharmacists are highly accessible health professionals. They already play a trusted role in providing medicines advice, yet their potential remains underutilised. With targeted qualifications and structured programmes, pharmacists could assess and treat common conditions, manage ongoing treatment, and ease demand on GPs and hospitals. This approach requires new training pathways, recognition of expanded practice, and closer collaboration with other health professionals.

Evidence shows what can be achieved. Research from the University of Technology Sydney found that a national common ailments scheme could save between AUD 380 million and AUD 1.26 billion a year[1]. In pilot programmes in Western Sydney, up to one in five GP consultations and more than one in ten emergency department visits could have been managed in community pharmacies[2]. These results show both the safety and value of enabling pharmacists to practise more broadly.

To support this, several actions are needed:

- Develop structured, nationally recognised and implemented qualifications in areas such as prescribing for minor conditions, managing long-term treatments, and providing self-care support.
- Build continuing professional development that strengthens clinical and communication skills.
- Create collaborative practice models that bring pharmacists, GPs and allied health professionals together.
- Put in place clear regulation and incentives that support pharmacists to deliver expanded services.

By strengthening pharmacists' skills and qualifications, Australia builds workforce capacity and reduces pressure across primary care. Patients benefit from faster access to advice and treatment. The outcome is a more capable, resilient health workforce that makes better use of existing expertise.

---

[1] University of Technology: An Australian Minor Ailment Scheme - https://www.uts.edu.au/sites/default/files/2019-11/Executive%20Summary%20%28wl%29.pdf .
[2] Ibid.

5. Delivering quality care more efficiently

Aligning quality and safety regulation

- Greater alignment across the care economy can be achieved by embedding self-care as a recognised and regulated element of healthcare in both policy and practice. Evidence-based self-care interventions, such as appropriate use of medicines, digital health tools and preventive behaviours, are already proven to be safe and effective. National standards that support responsible self-care would reduce duplication, ensure consistency, and improve outcomes. With $511 million to $1.67 billion currently spent on unnecessary GP and ED visits for minor ailments[3], clear regulatory recognition of self-care can shift patients safely to more appropriate care settings.

Embedding collaborative commissioning

- Self-care requires coordination between individuals, pharmacies, GPs, allied health and digital services. Commissioning models that bring these providers together will reduce fragmentation and improve patient navigation. For example, Australian evaluations show that up to 21 per cent of GP consultations and more than 10 per cent of ED presentations could be managed in community pharmacy[4]. Embedding these pathways through collaborative commissioning would improve access, encourage innovation, and release capacity across the health system.

A national prevention investment framework

- Prevention is at the heart of self-care. Up to 80 per cent of heart disease, stroke and type 2 diabetes, and over one third of cancers are preventable through lifestyle changes and risk avoidance[5]. Yet only 37 per cent of Australians feel confident in their ability to take preventive action[6]. A National Prevention Investment Framework that includes health literacy, digital health access, and support for self-care would strengthen individual capability, reduce chronic disease burden, and slow the growth of health expenditure. Short-term investment in prevention yields long-term savings: international and local data show reductions in hospital admissions and per-patient costs of $1,300–$7,515[7] annually when self-care is maximised.

---

[3] University of Technology: An Australian Minor Ailment Scheme - https://www.uts.edu.au/sites/default/files/2019-11/Executive%20Summary%20%28wl%29.pdf .

[4] ibid

[5] Nichols T, et al. (2020). Self-Care for Health: A National Policy Blueprint. Policy paper 2020-01, Mitchell Institute, Victoria University, Melbourne - https://www.vu.edu.au/sites/default/files/mitchell-institute-self-care-for-health-a-national-policy-blueprint.pdf

[6] 8. Consumer Health Products Australia. The self-care opportunity: Empowering Australia towards better health, 2022. Available at: https://www.chpaustralia.com.au/Self-Care/The-Self-Care-Opportunity

[7] University of Technology: An Australian Minor Ailment Scheme - https://www.uts.edu.au/sites/default/files/2019-11/Executive%20Summary%20%28wl%29.pdf .

Kind Regards

Annaliese Scholz
Complementary Medicines and Sustainability Manager
P [redacted]
E [redacted]