

10 June 2004

NCP Enquiry  
Productivity Commission  
PO Box 80  
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**Attention: Roberta Bausch**

Thank you for the opportunity to participate in the review of National Competition Policy Arrangements.

The Royal Australasian College of Physicians represents over 7,000 Fellows who include Fellows of the College (physicians and paediatricians), its Faculties of Public Health Medicine, Rehabilitation Medicine, and Occupational Medicine and its Chapters of Palliative Medicine, Addiction Medicine, Community Child Health and Sexual Health Medicine. The Joint Faculty of Intensive Care Medicine is part of the College and the Royal Australian and New Zealand College of Anaesthetists. In addition, the RACP encompasses a range of associated Specialty Societies representing the spectrum of practice in Internal Medicine and Paediatrics across 23 sub specialties.

The core business of the College is now clearly focussed in four areas:

- Promoting professional standards and patient safety through the broad areas of training and assessment;
- Promoting the maintenance of professional standards among physicians through education;
- Promoting the knowledge base of physicianly practice and the science of medicine through research and dissemination of new knowledge and innovation to the profession and in the community;
- Promoting the health outcomes of all people through the development of health and social policy and advocating it in partnership with health consumers.

In undertaking its core business, the College provides the training infrastructure through curriculum development and assessment for the majority of consultant physicians working in high volume and high cost areas of medicine, in cognitive and procedural practice, and in public health.

The College undertakes its roles in the public interest, in order that members of the community in need of specialist medical care, whether in the public or private system, can access the best possible care that is most appropriate to their needs.

It is the College's contention that health care does not operate in a competitive market in which market forces determine supply and demand. Health is a right, and the community (and therefore government) has a responsibility to ensure that all its members have access to health and social services according to need.

Many economists argue that competition in the health system does not, contrary to general market theories, necessarily lead to reduced costs; nor does it prioritise issues essential to social justice including equity and access.

The delivery of health care, in a system as complex and evolving as is found in Australia, occurs in a collaborative manner through effective partnerships between government, clinicians/providers and health care consumers. Competition appears not to occur at the system level, more at the delivery level of the health system, for the scarce resources necessary to provide an adequate level of care.

The practice of medicine in Australia is an activity that is highly regulated by governments in all jurisdictions. Whereas many important social benefits have accompanied reform in areas such as removal of ownership and practice restrictions in some jurisdictions, such moves in the practice of medicine would result in increased risk of adverse event for the community and greater conflict between the practice of medicine for the public good and the generation of income.

The Royal Australasian College of Physicians recognises the need for economic reform and supports changes that can be demonstrated to be in the public good. The ability to provide social infrastructure services such as education, training, community services and health are a demonstration of the wealth and maturity of this country. The College is proud to have had a role in the education of medical practitioners to provide health and community services to Australians over the past 67 years.

Jill Sewell  
PRACP