



PRIME MINISTER  
CANBERRA  
2 NOV 2007

*Dear Pharmacist,*

On 24 November 2007 you will be asked to make a decision that will impact directly on the delivery of health care services to all Australians. In making that decision, there will be a range of factors that you are likely to take into account, including weighing up those policies which enable Australian pharmacists and their staff to continue to derive professional fulfillment from their role, and to continue delivering the best possible services to the community.

Over the past 11 and a half years my Government has worked in close partnership with pharmacists in the community, hospitals, academics and industry, and values the relationship that has evolved through this cooperation.

I believe our partnership is continuing to deliver better health care to all Australians. And while I would like to reflect on all that we have achieved over the past decade, I do not lose sight of the fact that there is more to be done.

The Coalition Government has supported the pharmacy profession, and has made decisions which confirm that the ownership and control of pharmacies remains with the pharmacists. Under a re-elected Coalition Government there will be no pharmacies in supermarkets.

The certainty of this position allows you and your assistants to concentrate on providing first-class services to the community and to meet the ever-increasing expectations and demands of an evolving health care environment.

At the same time the initiatives developed by my Government in conjunction with the profession have broadened the role of the pharmacist and enhanced the already high standing that your profession rightly enjoys in our community.

Australia's Pharmaceutical Benefits Scheme (PBS) is an example to the rest of the world, and has received recognition by many Australian and overseas experts. The scheme, and its long term sustainability in the face of an ageing population and new breakthrough medicines, would not be possible without a strong Government-Guild relationship based on mutual trust.

The negotiations between the Government and the profession have been necessarily robust from time to time. However I believe that the overall results, including the successful conclusion of the Fourth Community Pharmacy Agreement and the PBS reform process, is a testament to the strength of this relationship. Both of these important initiatives will provide certainty and stability for the profession over years to come.

Pharmacists continue to be an example to other professions and the wider community in the way you have embraced information technology, particularly in the administration of the PBS. The adoption of the PBS Online and Project STOP by pharmacies has been remarkable and this has benefited pharmacists, and the community at large.

I commend you, the pharmacy profession, for your willingness to embrace future generations of pharmacists, particularly by allowing undergraduates the opportunity to progress in the profession. A re-elected Coalition Government will continue to work with the pharmacy profession to ensure that future graduates are attracted to working in pharmacy and can enter the profession with confidence.

The Coalition has a strong and sound understanding of the role and value of pharmacies in local communities, especially in the rural and remote areas of Australia. We recognise your role not only in improving the health care needs of rural and regional Australians, but also your role as a small business employing local residents.

That is why the Government has put in place specific measures to address the needs of this sector. Last year, in cooperation with the Guild, the Government put in place a new Community Service Obligation Funding Pool to ensure that patients, particularly those in rural and remote towns, get access to the full range of vital lifesaving PBS medicines through pharmacies in a timely manner.

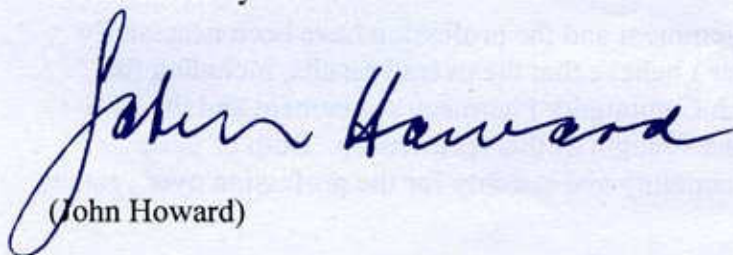
A re-elected Coalition Government will also continue our strong support for training opportunities to enhance the strategic business management and practice skills of pharmacists and help expand the range of health services pharmacies will offer in the future.

Please find attached a more detailed list of pharmacy initiatives that my Government has been able to deliver for the community, as a result of the strong working relationship we have with pharmacists.

I have also included our plans for a stronger Australia in the future, including strengthening the Australian pharmacy profession.

My colleagues and I have listened to you over the past decade and have achieved mutual trust and understanding with your profession and its leaders. The Coalition Government looks forward to the opportunity to build on this foundation to further advance the reputation and fine performance of Australian pharmacy and pharmacists.

Yours sincerely



(John Howard)

## Coalition Achievements

- Commitment to pharmacy owned and controlled by pharmacists and no pharmacies in supermarkets.
- Supported successive Community Pharmacy Agreements with the Fourth Community Pharmacy Agreement providing up to \$11.1 billion to pharmacists from 1 December 2005 to 30 June 2010.
- The Fourth Community Pharmacy Agreement also provides \$568 million for Professional Pharmacy programmes and services including:
  - Medication reviews - \$150 million;
  - Home medicines reviews - \$54.15 million;
  - Indigenous access - \$27 million;
  - Rural pharmacy allowance and support - \$111 million;
  - Dose administration aids programme - \$72.9 million;
  - Patient medication profiling - \$33.6 million;
  - Diabetes management - \$12.9 million;
  - Asthma management - \$12.9 million
  - Research and Development - \$19.3 million
- Supported the return of unused medicines arrangements for pharmacy.
- Provided funding for Medicare access points in pharmacy nationally.
- Provided funding to enable the Pharmacy Guild Quality Care Pharmacy Program and ongoing incentives of \$75.8 million in Fourth Community Pharmacy Agreement.
- Supported the Guild National Training Programme for Pharmacy Assistants.
- Supported rural and remote pharmacists with development programmes.
- Provided \$20 million for E-Health incentives and funding for information technology in pharmacy including:
  - PBS Online program which now has almost all pharmacies involved;
  - Rollout of broadband in pharmacies across Australia;
  - Project STOP to ensure pseudoephedrine-based medicines are purchased for legitimate use.

- Provided Community Service Obligation (CSO) funding of \$150 million per year, indexed annually, to pharmaceutical wholesalers to provide all Australians with ongoing timely access to all PBS medicines, regardless of where they live.
- From 1 August 2008 additional funding of \$69 million over three years will be added to the CSO.
- Under PBS Reform provided compensation of \$435.8 million over four years with increased mark ups, dispensing fees and improved risk share arrangements.
- Continued commitment to Pharmacy Location Rules to ensure appropriate spread of pharmacies across Australia

### **Coalition Future Plans**

- Maintain our commitment to the principles that:
  - only pharmacists own and control pharmacies;
  - pharmacies should not be located inside supermarkets; and
  - there will continue to be 5 year Community Pharmacy Agreements between the government and pharmacy.
- Work to further develop pharmacist involvement in the primary health care team providing services which improve health outcomes such as
  - services for older Australians, veterans and youth;
  - child and infant health and other services for families;
  - palliative care and mental health; and
  - specific disease state management.
- Support to enhance the strategic business management and practice skills of pharmacists.
- Work with the profession to support pharmacy smoking cessation programmes.
- Recognise how pharmacists can assist in addressing the problem of obesity.
- Continue to support the profession's involvement with indigenous health services and consider ways to enhance pharmacy services to indigenous communities.
- Work with the profession to identify effective continuing education programs for its members to maximise use of IT initiatives such as PBS Online as part of the primary health care team.