

Review of Pharmacy Remuneration and Regulation  
Submission #43; 6-Sep-2016; Andrew Johnson

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Submission to the panel for Review of Pharmacy regulation and remuneration

**PHARIA system for quantifying degree of remoteness.**

My name is Andrew Johnson Pharmacist partner of Broken Hill South Pharmacy 140 Patton Street, CP Peoples Chemist 323 Argent Street and Tembys Day and Night Pharmacy Broken Hill NSW 2880. I am making a submission with relation the Review of Pharmacy regulation and remuneration.

"The Pharmacy Access/Remoteness Index of Australia (PhARIA) quantifies the degree of remoteness (both geographic and professional) of pharmacies for the purposes of administering the Rural Pharmacy Maintenance Allowance (RPMA) and other rural pharmacy allowances administered by the Commonwealth Department of Health. The PhARIA was designed specifically to aid in the equitable distribution of financial assistance to rural and remote pharmacies."

Broken Hill is classified as PHARIA 2. Thus Broken Hill has the same classification of remoteness as Batemans Bay for example but is not considered as being as remote as Bermagui for example which is classified as PHARIA 3.

Though there needs to be a broad system to classify Pharmacies I don't believe the PHARIA two rating accurately reflects the remoteness of Broken Hill and the difficulties and challenges of operating a Pharmacy here such as attracting Pharmacists.

This most likely is an anomaly to the system but what it highlights is the need for the ability of a Pharmacy to apply for a review of their PHARIA rating.

Another anomaly affecting Broken Hill is the Broken Hill Allowance present in the Pharmacy Industry Award. This is "an hourly allowance of 4.28% of the standard rate (as defined in clause 3.1 of the Award)". This allowance as mentioned, is paid by the employer to an employee in addition to their award salary.

Whilst I believe that working in a remote area such as Broken Hill does mean that extra costs are incurred for such things as travel, food etc. This allowance singles out one particular town in Australia and is at the expense of the employer. Options of the business are to increase the price of goods (those on the PBS are unable to be increased but to increase other goods means that this further disadvantages the rest of the community which are also paying these extra costs), reduce staff in Pharmacies which service an area of Australia which has the lowest life expectancy in NSW or reduce profit which given the recent government reforms and already increased costs in obtaining pharmacists etc is also difficult option.

Though this is a different regulatory body which presides over the industry award to which this review is reporting, the PhARIA rating system would be a good way to reduce the impact of such inequities. "The PhARIA was designed specifically to aid in the equitable distribution of financial assistance to rural and remote pharmacies." By allowing pharmacies affected by anomalies in the system as

described above, to apply for special consideration in the PhARIA system, such inequalities could be reduced.

Kind Regards

Andrew Johnson