



Review of NSW Pharmacy Act
Implementation of Wilkinson Report
NCP Review of Pharmacy

Submission
of
Australian Friendly Societies Pharmacies
Association Inc.
(AFSPA)

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Executive Summary

- 1. This submission is made by the Australian Friendly Society Pharmacies Association Inc. It is made on behalf of all Friendly Society Pharmacies. It strongly submits that the NSW Pharmacy Act should now be amended to remove the legislative restrictions that have applied to its members since 1945 which have severely restricted the ability of Friendly Society Pharmacies to open new pharmacies or relocate existing pharmacies.**
- 2. Friendly Society Pharmacies have been operating in NSW since 1847 when the first Friendly Society Dispensary was established.¹ Since that time they have continued to be an important and vital part of community based pharmacy throughout Australia. Their numbers and their membership have varied in different States in accordance with changing societal attitudes and legislative restrictions preventing them from competing in the open market.**

In NSW particularly, their presence in the community pharmacy industry has been severely affected by the restrictive legislation that has operated since 1945.

In accordance with the Competition Principles Agreement no good argument under the Public Benefit Test can be sustained to continue the legislative restrictions against their fair operation and they should now be repealed.

- 3. This submission strongly opposes the recommendation that Friendly Society Pharmacies should in the future be restricted to owning pharmacies only in those jurisdictions they operated in at the time. Instead it agrees with the COAG Working Group conclusion that such a provision would be anti-competitive and there was no public benefit to justify such a restriction.**
- 4. This submission strongly supports the recommendation of the National Review that the present restrictions on the number of pharmacies allowed to be owned should be repealed. Such restrictions are in fact artificial barriers to entry to an industry and as such are anti-competitive. The National Review found the restrictions are in practice easy to breach by a determined proprietor and extremely difficult to enforce by regulatory authorities.**
- 5. This Association's members believe that the standard of premises is a key factor in ensuring excellent general pharmacy practice standards and agree that those premises should continue to be subject to overview by regulatory authority. This submission does not support the recommendation for the repeal of such provisions.**

¹ Oldfellows Medical Institute & Dispensary, Sydney

1. Background to the Review of the NSW Pharmacy Act

This Review is being held as a direct consequence of commitments entered into by all governments in Australia when they signed the 1995 Competition Principles Agreement (CPA). The signing of this Agreement was the culmination of work commenced in 1991 when it was agreed to examine a national approach to competition policy.

The first step in this process was the establishment of the National Policy Review Committee chaired by Professor Fred Hilmer. Next, the recommendations of the Hilmer Report resulted in the enactment of the *Competition Policy Reform Act 1995* (CPRA). The main elements of this Act: enabled the provisions of Part IV of *The Trade Practices Act 1974* to be extended to all jurisdictions and to apply to all businesses and persons carrying on a business whether incorporated or not; established the Australian Competition and Consumer Commission (ACCC) by the merger of the Trade Practices Commission and the Prices Surveillance Authority; and created a new advisory body, the National Competition Council (NCC).

The CPRA is complemented by a number of inter-governmental Agreements including the Conduct Code Agreement (CCA) and the Competition Principles Agreement (CPA). This second Agreement sets out the principles governments will follow in relation to prices oversight, structural reform of public monopolies, review of anti-competitive legislation and regulations, access to services provided by essential facilities and the elimination of net competitive advantage enjoyed by government businesses when they compete with the private sector.

All the heads of Australian Governments at the Council of Australian Governments (COAG) meeting in April 1995 signed these Agreements. Collectively, these Agreements make up a package of reforms referred to as the National Competition Policy (NCP).

Under the provisions of the second Agreement, the CPA, it was agreed that a joint national review of State/Territory pharmacy legislation and certain provisions of Commonwealth legislation relating to the Pharmaceutical Benefits Scheme (PBS) and the *National Health Act 1953* would be conducted.

That review was conducted by Mr Warwick Wilkinson (the Wilkinson Report) and his recommendations were released in his Final Report in February 2000. Subsequently the Prime Minister wrote to all Premiers and Chief Ministers proposing that COAG provide a coordinated response to the recommendations of the National Review (the Wilkinson report) to promote a nationally consistent approach to pharmacy legislation.

COAG referred the recommendations of the Wilkinson Report to a Senior Officials Working Group for consideration and to advise whether a coordinated response could be made by COAG and to advise on appropriate responses from each jurisdiction.

The COAG Senior Officials Working Group Report was released on 2 August 2002. It recommended that COAG accept most of the Wilkinson recommendations and highlighted some significant parts of those recommendations that it recommended to COAG not to accept.

2. About National Competition Policy (NCP)

Broadly, this package of reforms is directed towards ensuring that every business or industry in the Australian economy that is currently sheltered from competition is opened to it *except for those businesses or industries for which it can be demonstrated that there is a net community benefit in restricting competition.*

This provision is referred to as the public benefit or interest test. This test requires that governments, when reviewing various NCP reform options, must objectively weigh up all the pros and cons of competition including, but not restricted to, its effects on matters such as employment, equity, social welfare, community service obligations and the interests of consumers generally or a class of consumers.

The rationale for competition reform is that, properly harnessed, competition can boost economic performance and enhance consumer welfare. But the reasons go beyond narrow economic efficiency considerations and touch on matters as, for example, business ethics, environmental sustainability and social equity.

It aims to promote economic goals such as a better allocation of resources between industries and greater flexibility to adapt to rapid changes such as external shocks. The reforms to Government businesses allow them to more transparently address their social obligations as well as providing the opportunity for more informed decisions on whether those obligations are best met by in-house providers or otherwise.

Competition policy also provides a greater element of public scrutiny *and makes it more difficult for governments to provide favours for "friendly" business groups or to strike deals behind closed doors.*²

The NCP processes do not seek to favour any kind of business over another, nor are they designed to improve the profitability or viability of specific industries themselves. Rather, they are intended to foster conditions in which the businesses that most benefit the community prevail or prosper.

Whilst many sectors of the economy are exposed on a daily basis to the true rigours of a competitive marketplace, some groups are not subject to the same disciplines. As a matter of equity it is right to question the incomes and conditions enjoyed by all special groups *to the extent that those incomes and conditions derive from unwarranted restrictions on competition.*³

There are of course many other issues that these reforms raise. Not least of these is the issue of market power and whether the changes introduced enhance the scope for systematic anti-competitive behaviour by large retailers. This and other issues are matters for reviews such as this one to examine and under the NCP Agreements the onus of proof is on those groups who want to retain legislative restrictions to prove that they should be retained.

² Graeme Samuel, President NCC, speech to Economics Society Qld 25 November 1998.

³ Graeme Samuel, President NCC, speech to Australian Retailers Association 30 May 1998

Once a legislative restriction is identified it must go unless it be robustly demonstrated that the benefits of the restrictions outweigh the costs and that the objective of the restrictions cannot be achieved in other ways.

It is against this background and within the context of the National Competition Policy that the NSW Pharmacy Act is now being reviewed.

For that purpose a Discussion Paper (DP) has been released which identifies a range of issues arising from the Reports referred to above and on which comment has been requested.

3. The Association

The Australian Friendly Societies Pharmacies Association Inc. (AFSPA) is a national body representing the interests of its members who are not-for-profit Friendly Society Pharmacies recognised by relevant legislation within the Commonwealth of Australia.

The objects of the Association include:

- Provide a not-for-profit Association of Friendly Societies Pharmacies which are recognised under relevant legislation;
- Promoting community pharmacy and the interests of affiliated Pharmacy Societies and their members;
- Monitor and closely consider all matters emanating from Federal legislation that has or may have an effect on the Association or its affiliated Societies or their members; and
- Make representations and submissions where deemed necessary or desirable to the appropriate persons, entities or authorities in respect of any matter affecting the interests of affiliated pharmacies or their members.

The Association presently has 32 Friendly Society members operating a total of 126 not-for-profit Friendly Society Pharmacies representing around 2% of the total approved pharmacies. They have family memberships of approximately 400,000 representing some 800,000 individuals and in 2000/01 dispensed over 7 million prescriptions.

At **Appendix A** is a list of all existing Friendly Society Pharmacies and the number of pharmacies each operates.

4. Friendly Society Pharmacies

A History

Friendly Society Dispensaries were first established in Australia by Friendly Societies in the 1840's. Their establishment then was in direct response to two significant problems of the day:

- The high cost of medicines for their, mainly poor, members; and
- The fact that many chemists commonly adulterated their drugs⁴.

⁴ *Mutual Aid or Welfare State* Australia's Friendly Societies David Green & Lawrence Cromwell ISBN 086861 6567

The purpose of Friendly Societies in establishing their own Dispensaries was to ensure the supply to their members of quality medicines as prescribed and at an affordable price. They were able to do this because the Dispensaries were established and operated by the Friendly Societies on a true not-for-profit, co-operative principle.

Throughout their history in Australia from those very early days up to and including the present time the not-for-profit Pharmacies have had to struggle for their continued survival against the powerful vested interests of the commercial chemists. Such interests have over many decades been successful in restricting the growth of Friendly Society Pharmacies by promoting oppressive legislation which still today curtails Friendly Society Pharmacies from opening new pharmacies and significantly restricts their ability to relocate existing ones.

Notwithstanding these immense difficulties, Friendly Society Pharmacies continue to operate and where they do they have brought more affordable pharmaceuticals to their members and increased competition and professional service to the community⁵. They continually provide the best range and quality of pharmaceutical products at the most affordable prices. For the payment of an annual membership contribution to a Friendly Society Pharmacy a member obtains rebates/discounts on their pharmacy purchases. The pharmacy prices are competitive and available to members of the public.

Friendly Society Pharmacies are the longest, continuous operators of the practice of pharmacy in Australia. They have achieved this with no prosecutions for breaches of professional regulations and they hold a legitimate place in the future of pharmacy.

Their Role Today

It may be argued that the rise of the welfare state and the provision of Government services in industries where once only charitable and not-for-profit organisations operated means that there is now no longer a role for such entities. Such arguments might have had more validity some decades ago when the costs of such services provided by Government were more balanced against the community's needs for such services. That is certainly not so today.

The ability of Government to continue to meet the rising needs of the community in a range of social welfare areas and particularly in the health care industry is limited. The role of the not-for-profit sector is as important today as it ever was. This was emphasised by the Prime Minister in his Federation speech when he outlined the view that traditional state-centered welfare has failed to prevent social problems. The role of community organisations needed to be enhanced and that his Government was committed to promoting a re-engagement with the community and the work performed by the not-for-profit sector.⁶

The value to the community of the work performed by the not-for-profit sector has long been recognised by the taxation system as providing a measure of vertical equity that could not be compensated by government provided services at the same costs. Not-for-profit entities such as Friendly Society Pharmacies do not provide their services for a commercial intent; they provide their services as true co-operatives investing in services

⁵ Report to the Pharmacy Board Victoria: The Regulation of Pharmacists and Pharmacy Business August 1998

⁶ Federation Address "The Australian Way" delivered by Prime Minister, 28 January 1999

for the benefit of the community for the purpose of improving members' better health outcomes at the lowest possible cost.

Friendly Society Pharmacies are taxed as mutuals or co-operatives under the "principle of mutuality" in accordance with the provisions of Division 9 of the *Income Assessment Act 1936*. Simply, this provides that income derived from trading with its members is not taxed and furthermore, the expenses incurred in earning that member income is excluded as a taxable deduction. But when applied to Friendly Society Pharmacies all income received under the PBS is excluded from the mutuality principle and is fully taxable in the same manner as other pharmacies.

It has long been believed that this provision gives Friendly Society Pharmacies an unfair trading advantage. This is not a valid belief and in reality the total of the taxes paid by Friendly Society Pharmacies is likely to be as much or more than commercial pharmacies⁷.

For-profit entities provide services for which the profit margins are within commercial benchmarks in order to provide a return on capital invested. In contrast the emphasis of not-for-profit entities is to return surpluses to fund services, reinvest in and replace assets and in improving services to their members and the public that would be unlikely to be undertaken by the for-profit entity.

The election of office holders and members of the Board and attendance at annual and general meetings vest ownership of these pharmacies in their members who participate in the policy development of their pharmacy by the normal manner of such Societies whilst the management of the pharmacy is in the control of the pharmacist superintendent. Ownership is transparent, accountable and not a tradable commodity.

Friendly Society Pharmacies as mutual co-operatives have been stringently controlled under State legislation for financial and other probity matters and as of 1 July 1999, as a result of Financial Sector Reform legislative changes, are fully corporatised under the Commonwealth Corporations legislation and under regulation of the Australian Securities and Investments Commission.

5. Issues For Comment

(a) Residential Requirement for Registration

Presently in Australia only one State jurisdiction, Western Australia, requires that a pharmacist be a resident of that State in order for them to be entitled to registration.

The Wilkinson Review recommended that that requirement be removed and advised that it would be highly desirable that no other jurisdiction introduce new residential requirements into their legislation.

This submission agrees strongly with that recommendation.

⁷ This issue is presently under Inquiry by the Australian Consumer and Competition Commission (ACCC) and it is not the purpose of this submission to detail these points here but further detail can be provided if required.

Residential requirements are anti-competitive and there is no demonstrated public benefit that would justify either their retention where they exist or their introduction in new legislative provisions.

The DP points out that some industry stakeholders consider a residential requirement is essential to properly support the ownership restrictions as recommended by the Wilkinson Review.

The Wilkinson Review recommended that the present ownership restrictions be retained only after having considered a whole range of complex factors and on balance concluded that pharmacist ownership adds value to pharmacy services and public confidence in those services in a number of ways. Personal supervision of a nature only able to be provided by a resident owner was not in fact a central justification for its conclusion.

Residency requirements are an artificial barrier to entry for prospective new entrants into an industry. For example in NSW there are many State/Territory border towns where a prospective new owner would be barred from ownership by such a requirement and yet their actual proximity to the business, for the purpose of personal supervision, could be closer than other owners.

(b) The Number of Pharmacies which may be owned by Authorised Proprietors

Presently in Australia all State Pharmacy Acts restrict the number of pharmacies allowed to be owned by a pharmacist owner. These restrictions vary from 3 in NSW and VIC to 4 in QLD and SA to 2 in TAS and WA.

There are no such restrictions in either of the Territories and no restrictions on the number of pharmacies able to be owned by a Friendly Society in VIC, NSW and QLD (however there are other location related restrictions for Friendly Societies in NSW and QLD) In SA a Friendly Society is able to own 31.

The Wilkinson Review examined the issue of numerical restrictions in detail and found no compelling evidence that the retention of such restrictions was necessary for the delivery of a highly professional health service and that there was no net public benefit in the existing restrictions.

The Review also reported that these restrictions are easily able to be circumvented by the use of various lawful means and thus the true size of a pharmacist's holdings can be masked. Additionally, it reported that as there are already in existence many examples of a large number of pharmacies owned by a single owner providing pharmacy services at the highest professional standards the retention of such restrictions could not be justified on professional grounds.

This issue was also considered in detail by the COAG Working Group and it also concluded that the restrictions are arbitrary, artificial and should be lifted.

This submission agrees with the recommendation that the restrictions on the number of pharmacies able to be owned by a proprietor should be removed.

In the DP it is stated that the Department remains concerned about the potential for the development of monopolies in regional areas and that the proposal is contrary to the personal supervision envisaged in retaining pharmacist ownership legislation.

Broadly speaking, a monopoly in an industry is where there is only one supplier of particular goods or services and that supplier is able to take advantage of the lack of competition in its market and charge prices that are higher than they would be if there was an alternative supplier that consumers could access.

On this basis NSW is concerned that if the restrictions on the number of pharmacies allowed to be owned were to be lifted then one owner could obtain a monopoly in an area and use this advantage to the detriment of the consumers in that area.

The community pharmacy industry is already very highly regulated and prices able to be charged for scheduled medicines are highly controlled by first the PBS and second the provisions of Determinations made by the Pharmaceutical Benefits Remuneration Tribunal. There are also significant controls relating to advertising, location of pharmacies, total number of pharmacies allowed and of ownership.

Prices for essential medicines and pharmacy only products are already largely consistent throughout Australia irrespective of ownership rules and there is only limited opportunity for significant price differential between pharmacists in this area of a pharmacy business. Where there is real opportunity for price differential is in the retail or non pharmacy products traditionally sold in community pharmacies.

These aspects of the community pharmacy industry make it distinctly different from other industries and mean that the usual rules of the marketplace and competition within the market don't operate to the same extent as most other industries.

AFSPA submits that in those areas where Friendly Society Pharmacies have not been restricted their presence has kept pharmacy costs truly competitive. Further, the evidence of the Wilkinson Review demonstrated that the restriction on the number of pharmacies able to be owned has held in check the development of more innovative and cost effective community pharmacy practices.

Taking all these factors into account the concerns of the Department about the possible development of regional monopolies appear to be somewhat overstated and should be weighed against the likely benefits to the whole community identified by the Wilkinson Review and endorsed by the COAG Working Group if the restrictions were removed.

(c) Nature of the Exemption Granted to Authorised Proprietors other than Registered Pharmacists

The DP advises that Recommendation 5 of the Wilkinson Report addressed the issue of Friendly Society owned pharmacies and recommended that additional regulatory requirements that applied to them in each jurisdiction be lifted but that the community pharmacy industry be restricted in the future to only those Friendly Societies that operated in a particular jurisdiction at the time.

Comment is sought on that recommendation with particular reference to the provisions of the *NSW Pharmacy Act 1964* (the Act) as they impact on the operation of Friendly Societies.

Presently the Act permits a number of entities, both pharmacist and non-pharmacist, to own pharmacy as follows:

- Pharmacist owners
- Administrators of deceased estates and bankrupt or insolvent pharmacy businesses;
- Non-pharmacist companies and individuals who were permitted to own pharmacies before existing pharmacist only restrictions came into force; and
- Friendly Societies.

Each of these entities have various restrictions applying to them such as the number of pharmacies permitted to be owned, time limits for administrators, permitted sale of grandparented company owned pharmacies and location limits.

The restrictions that apply to Friendly Societies are contained at Section 27A of the Act and provide essentially that those Societies that occupied premises as at 31 July 1945 are restricted to those same premises or to premises within 1.6 kilometers of the previous premises.

For a Friendly Society to carry on the business of a pharmacist at other premises it must obtain the written approval of the Minister and that is not to be given unless the Minister is satisfied:

- that the net profits will be applied solely to the provision of benefits (not dividends or shares) to the members; and
- the operation of the pharmacy is justified in the interests of the members or of the public or both.

Such an approval may be given conditionally and can be varied or revoked at any time.

In considering any comment on proposed provisions for these entities in the new Pharmacy Act it is strongly recommended that the new legislation be drafted in a manner that recognises that there are in fact a number of permitted entities each with their own rules.

The new legislation should reflect this and should not refer to exemptions or exempted entities. Such an approach would provide clarity to each of the permitted entities and allow for the development of any rules necessary to reflect each entities' permitted ownership structure.

The role and position of the not-for-profit Friendly Society Pharmacies in the community pharmacy industry have now been the subject of intense study by first the National Review chaired by Mr Warwick Wilkinson, second by the COAG Working Group, third, the Ralph Review and currently the Australian Consumer and Competition Commission (ACCC) is conducting an inquiry into the relative financial and corporate differences between Friendly Society Pharmacies and pharmacist owned pharmacies and whether this adversely affects competition in the pharmacy industry.

Collectively, the conclusions and recommendations of each of these separate inquiries/reviews strongly endorse the continued operation of Friendly Society Pharmacies in the community pharmacy industry and the removal of the restrictions that have operated to prevent their development.

Against this background, there is no evidence to support any argument for either the retention of the present restrictions or that new restrictions be developed to prevent the entry of Friendly Societies into those jurisdictions where they currently do not operate. Such a restriction would be against the competition principles as no case was made to demonstrate that this would be in the public interest.

The development of such a restriction to apply only to Friendly Societies would be equivalent to a new residency qualification for a pharmacist and constitute a barrier to entry into the community pharmacy industry. If there is no public benefit demonstrated for such a restriction then it would be anti-competitive and contrary to the NCPs.

AFSPA strongly submits that this review accept the COAG Working Group's recommendations that Friendly Society Pharmacies continue to be permitted owners of pharmacy and that the new Pharmacy Act encompasses entry into its jurisdiction Friendly Society Pharmacies from other jurisdictions.

(d) Pecuniary Interest Provisions

Presently the Act at Section 25 prohibits generally persons other than pharmacists from carrying on the business of a pharmacist or otherwise have a direct or indirect pecuniary interest in the business of a pharmacist carried on in a pharmacy.

Section 26 of the Act prohibits a pharmacist generally whether as owner or otherwise and whether alone or as a partner from having a direct or indirect pecuniary interest in the business of a pharmacist carried on in more than 3 pharmacies (Section 27A provides that these provisions do not apply to a Friendly Society).

The purposes of these provisions are first to ensure the integrity of the "pharmacist only" general ownership provisions and second to ensure that the practice of pharmacy can occur without undue or improper influence from third parties and thirdly to ensure the restriction on the number of pharmacies permitted to be owned is not breached.

The DP supports Recommendation 6 of the Wilkinson Review which suggests a revision and amalgamation of the various provisions relating to pecuniary interests into a general statutory offence and suggests Part 8A of the NSW Medical Practice Act as the model for new legislation.

This submission is generally supportive of the recommendation. However, AFSPA is concerned that the proposal would only capture the prohibited undue influence behaviour; it would not capture the other current prohibited pecuniary interests especially that relating to the number of pharmacies in which a pecuniary interest is permitted.

Accordingly, it is submitted that if the number of pharmacies allowed to be owned by either a pharmacist or a Friendly Society is not to be restricted then implementation of the recommendation in full would be supported.

However, if as a result of this review it was decided that restrictions on the number of pharmacies able to be owned by a pharmacist was to be retained, then in those circumstances this submission would not support the proposed changes to the pecuniary interest rules.

(e) Registration of Pharmacy Premises

In NSW under the provisions of Section 27A of the Act, Friendly Societies are technically exempt from the present provisions relating to the registration of their pharmacy premises. However it is understood that in practice Friendly Societies do in fact register their premises with the Pharmacy Board and properly accept its jurisdiction.

This submission does not support the recommendation that pharmacy premises should no longer be registered with the Board and instead supports the retention of provisions requiring that pharmacy premises should continue to be subject to overview by the regulatory authority.

(f) Recommendations relating to the Registration of Pharmacists

This submission has no comments to contribute to the consideration of this issue.

(g) Other Matters

(i) Definition of Friendly Society

Presently Friendly Societies are referred to at Section 27A of the Act. This provides that Sections 24C, 25, and 26 do not apply to those Friendly Societies that carried on the business of a pharmacist at premises as at 31 July 1945.

It further provides that those sections also do not apply to a Friendly Society carrying on the business of a pharmacist in accordance with a written approval given by the Minister.

Section 53 of the *Financial Sector Reform (New South Wales) Act 1999 No 1* is as follows:

s53 Friendly Societies

Unless the contrary intention appears and subject to the regulations, a reference in an Act (other than this Act) or a statutory instrument to a friendly society has effect, on and after the transfer date, as reference to:

(a) body that, immediately before the transfer date was, was a society within the meaning of the Friendly Societies Code; or

(b) a body that is a friendly society for the purposes of the Life Insurance Act 1995 of the Commonwealth.

It is submitted that the new Pharmacy Act should contain provisions that confirm that reference to a friendly society includes all eligible friendly societies and does not exclude a “foreign society” within the meaning of the former Code.

Such a provision is consistent with the COAG Working Group’s recommendation that new legislation should not restrict Friendly Societies from jurisdictions that they did not operate in at the time of the amendment.

(ii) Demutualisation

The issue of possible demutualisation by a Friendly Society was considered comprehensively by the National Review and its conclusions were supported by the COAG Working Group. The feature that distinguishes a Friendly Society from for-profit corporate bodies is that they are organisations that are primarily concerned with providing a benefit to their members.

This submission agrees that if this characteristic is lost through demutualisation then the new body should no longer be a permitted pharmacist owner able to own pharmacies unrestricted. Instead they should be considered to be a grandparented corporation subject to the rules that apply to that group.

The test for determining whether such a demutualisation as occurred should be the ASIC Policy Statement PS147 that sets out the criteria ASIC uses to determine if an organisation as a mutual structure.

6. Conclusion

NSW will be the first jurisdiction to undertake the implementation of the recommendations from the National Review and the COAG Working Group of Pharmacy Legislation as required by each State/Territory legislature in accordance with the National Competition Principles.

As the largest state the outcome of the review of the NSW Pharmacy Act will set a benchmark for other jurisdictions.

For the future of Friendly Society Pharmacies it is most important that NSW sets the standard and ensures that the new legislation confirms the legitimacy of Friendly Society Pharmacies as permitted owners of pharmacy, able to compete fairly without restriction in the community pharmacy industry.

**FRIENDLY SOCIETY PHARMACIES
SUMMARY BY NUMBER AND STATE
(as at July 2002)**

	Pharmacies
New South Wales	
Auburn & Lidcombe United Friendly Society Pharmacy Board Ltd	1
Combined Dispensaries Friendly Society Ltd (Sydney)	6
Friendly Societies Pharmacy Limited (Grafton)	1
Lismore & District Pharmacy Ltd	1
Friendly Society Medical Association Limited (National Pharmacies)	1
Western Australia	
Victoria Park & Districts United Friendly Societies' Council Limited	1
Tasmania	
Hobart Friendly Society Dispensary Ltd	2
Launceston Friendly Society Pharmacy Limited	1
Queensland	
Friendly Care Chemists Friendly Society (Australia) Ltd (Brisbane)	6
Ayr Friendly Society Pharmacy Ltd	1
Bundaberg Associated Friendly Society Medical Institute Limited	1
The Dalby and District Friendly Society Dispensary Ltd	1
The United Friendly Society Association of Gympie & District Ltd.	1
The Ipswich & West Moreton United Friendly Society Dispensary Ltd	2
Mackay Assoc. Friendly Societies Pharmacy Limited	2
Maryborough/Hervey Bay Friendly Society Chemists Ltd	2
CQ Friendly Society Ltd (Rockhampton)	3
The Toowoomba Friendly Society Dispensary Ltd	1
The Townsville Associated Friendly Society Pharmacy Ltd	2
The Warwick Friendly Society Association Limited	1
South Australia	
Friendly Society Medical Association Limited (National Pharmacies)	31
The Mount Gambier UFS Dispensary Limited	1
Victoria	
Australian Unity Dispensaries Friendly Society Limited (Melbourne)	14
UFS Dispensaries Ltd (Ballarat)	7
Bendigo United Friendly Societies Dispensaries Limited	2
Box Hill Pharmacist Advice Friendly Society Ltd	1
Friendly Pharmacy (Vic) Ltd (Coburg/Brunswick)	4
Cheltenham Friendly Society Dispensary Ltd	2
Community Pharmacy Friendly Society Ltd (Elsternwick)	5
Eaglehawk United Friendly Societies Dispensary Ltd	1
Community Care Chemist Friendly Society Ltd (Geelong)	3
Friendly Society Medical Association Limited (National Pharmacies)	11
North West Dispensaries Friendly Society Ltd (Fairfield/Sunshine)	3
Wonthaggi Miners Friendly Societies Dispensary Ltd	1
Yallourn Friendly Society Limited	4
TOTAL	127