



# GuildDigest

# 2024

A Survey of Independent  
Pharmacy Operations in Australia  
for the Financial Year 2022-23



The Pharmacy  
Guild of Australia

# Supported by:



Yarra Lane



Scaffidi Group



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# Foreword

**The Guild Digest 2024 provides a comprehensive snapshot of business conditions in the Australian community pharmacy sector for the 2022–23 financial year.**

For decades, community pharmacies have played an essential and expanding role in delivering primary health care on behalf of Government. While continuing to perform their core functions—dispensing PBS and non-PBS medicines, supplying pharmacy-only, pharmacist-only and over-the-counter products, and providing medication management, vaccination and preventative care—community pharmacies have also supported improved access to healthcare through participation in pilot programs aimed at broadening scope of practice.

This period saw important developments in scope of practice, with several state and territory trials demonstrating positive outcomes in the treatment of uncomplicated urinary tract infections, resupply of oral contraceptives, selected skin conditions, asthma and other conditions. These trials laid the groundwork for permanent practice changes that would follow.

Across all these developments, community pharmacies continued to uphold the principles of the National Medicines Policy, ensuring patients have timely and equitable access to medicines. They remain one of Australia’s most trusted and respected health professions.

The Guild Digest provides valuable management information to pharmacy owners and managers, while also offering insight into an integral component of the broader health system. The analyses in this edition are based on a sample of 538 community pharmacies.

The Guild acknowledges the strong support of pharmacy groups and accounting firms that contribute de-identified data on behalf of their clients. We extend our appreciation to the Capital Chemist Group, Holman Hodge, Peak Strategies, Pitcher Partners, Rose Partners, RSM, Yarra Lane, Attain, Scaffidi Group and Petrus Advisory. We also thank the National Secretariat staff for their dedication in preparing this edition.

**TRENT TWOMEY**  
PRESIDENT

**ANTHONY TASSONE**  
CHAIR, HEALTH  
ECONOMICS AND POLICY

# Executive summary

The 2024 Guild Digest is based on a sample of 538 community pharmacies, broadly representative of the community pharmacy population in Australia.

## Industry snapshot for 2022–23

The Australian community pharmacy industry is a \$24.4 billion sector, with approximately 5,935 community pharmacies operating as at June 2023.

The sector directly employs around 91,400 highly skilled staff, including pharmacists and pharmacy assistants, and supplies medicines, pharmacist-only medicines and over-the-counter products to communities across Australia.

On average, pharmacies generated around \$305,000 in net profit (before tax) in 2022–23.

Rural and remote pharmacies represented 23% of all community pharmacies, and there was one pharmacy for every 4,488 Australians.

Community pharmacies remained highly accessible, with an average of around 60 opening hours per week and 8.6 hours per day, supporting convenient access to medicines and pharmacy services.

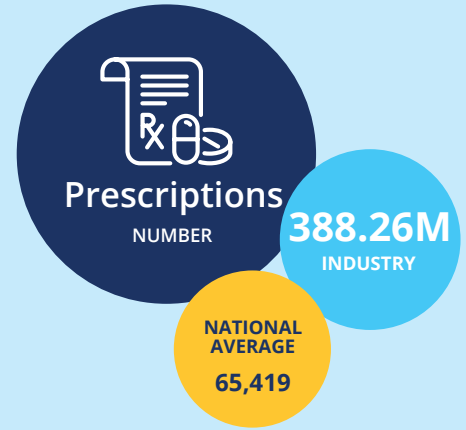
## Financial performance in 2022–23

During the year:

- Average pharmacy sales were \$4.04 million, 66% of which were generated from prescription sales, with the remainder from non-prescription sales and professional services and programs.
- Average gross profit as a percentage of pharmacy turnover decreased to 33%, down from 35.3% in 2021–22.
- Average revenue from other income as a percentage of turnover decreased from 2.1% in 2021–22 to 1.6% in 2022–23.
- Expenses (excluding cost of goods sold) declined in 2022–23.

Taken together, these results show that while gross margins and other income softened in 2022–23, pharmacies continued to operate as integral, accessible health businesses with stable sales levels and disciplined cost control.

# Industry snapshot



NATIONAL AVERAGE

INDUSTRY TOTAL

**\$4.10M**



**\$24.35B**

**\$1.35M**



**\$8.02B**

**\$0.98M**



**\$5.80B**

**\$305,000**



**\$1.81B**



## The year in **review**

The 2022–23 financial year saw shifts across key performance indicators for community pharmacies. Gross profit and other income decreased by 4% on average, reflecting changes in product mix and income streams. Total expenses (excluding the cost of goods sold) fell by 10.8%, decreasing from an average of \$1.1 million to \$0.98 million. Salaries and wages continued to account for the largest share of total expenses at 54.4%, while logistics remained the smallest component at 1.2%.

After allowing for proprietors' salary, the average net profit was \$304,620—an increase of 19.9% compared with 2021–22.

The 2022–23 year marked the third year of the Seventh Community Pharmacy Agreement (7CPA) between the Federal Government and the Pharmacy Guild of Australia, as stewards of the Pharmaceutical Benefits Scheme (PBS). PBS-subsidised prescriptions increased by 3.7% between 2021–22 and 2022–23, according to official data.

The Digest results show an estimated 3.3% increase in total prescription volume per pharmacy. Average weekly prescriptions remained above one thousand (1,258), a milestone first reached in 2008–09. The share of prescription sales as a proportion of total pharmacy sales remained stable at 66%.

### What does it mean for **my pharmacy?**

Profitability significantly improved: net profit up 19.9%.

Improved cost control with a 10.8% decrease in expenses.

Prescription sales remain the major source of sales at 66%.

Employment continues to be the major cost at 54.4% of expenses.



# Financial Performance in 2022-23

This section examines the 2022-23 financial performance survey results, after applying weightings to remove any distortion caused by the responding sample being skewed towards larger pharmacies.

## The key results of the 2022-23 financial year (based on the national averages) include:

- Average total pharmacy sales were \$4,038,214; and 66% of which were from prescriptions, while the remaining 34% was from non-prescription sales.
- Average gross profit as a percentage of pharmacy turnover was 33%, down from 35.3% in 2021-22.
- Average revenue from other income as percentage of turnover decreased from 2.1% in 2021-22 to 1.6% in 2022-23.
- Total expenses (excluding cost of goods sold) represented 23.8% of turnover, a decrease from 27.8% in 2021-22.
- Salaries and wages accounted for 13% of turnover, slightly up from 12% in 2021-22.
- Rent represented 3.6% of turnover, slightly down from 4.0% in 2021-22.
- Wages and rent combined made up 70% of total expenses (excluding cost of goods sold).
- Proprietors' notional salary represented 3.27% of turnover, slightly up from 3.16% in 2021-22.

# National results

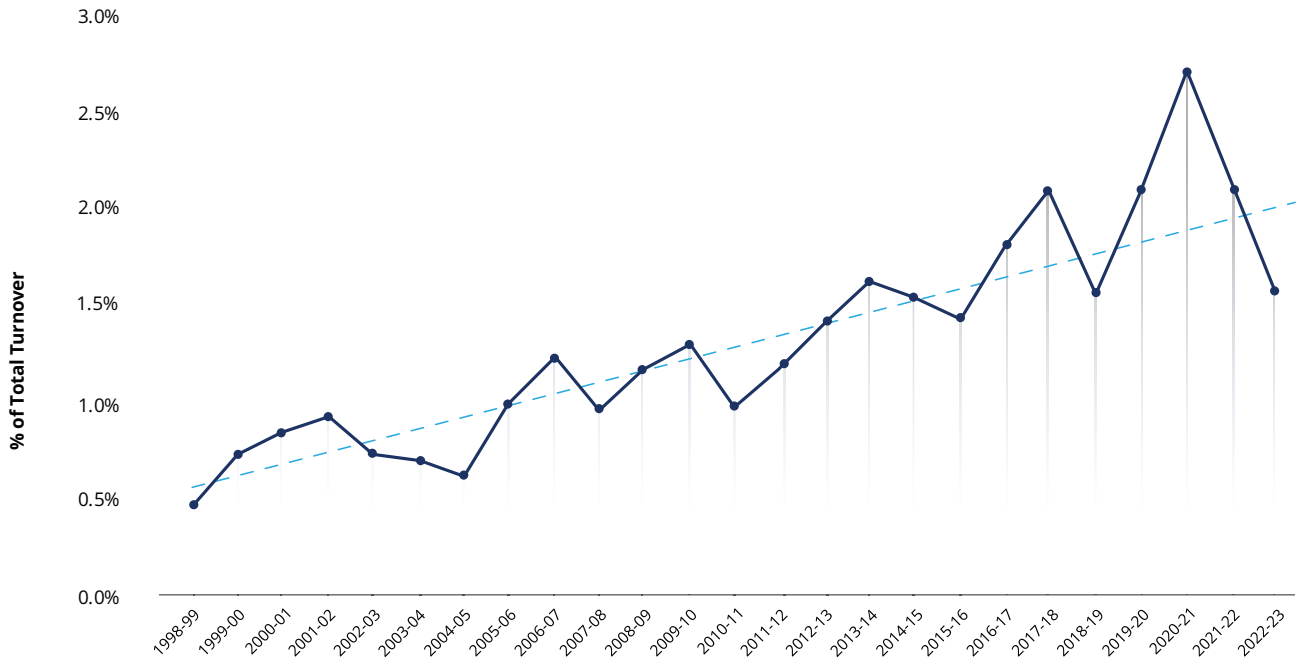
**Table 1 – Turnover and profit in Australia**

| MEASURES                            | 2021-22          | 2022-23          | DIFFERENCE % |
|-------------------------------------|------------------|------------------|--------------|
| TOTAL TURNOVER                      | 3,940,373        | 4,102,849        | 4.1%         |
| TOTAL GROSS PROFIT                  | 1,390,754        | 1,352,121        | -2.8%        |
| TOTAL GROSS PROFIT %                | 35.3%            | 33.0%            | -2.3%        |
| OTHER INCOME                        | 84,564           | 64,635           | -23.6%       |
| OTHER INCOME %                      | 2.1%             | 1.6%             | -0.6%        |
| GROSS PROFIT & OTHER INCOME         | 1,475,318        | 1,416,755        | -4.0%        |
| GROSS PROFIT & OTHER INCOME %       | 37.4%            | 34.5%            | -2.9%        |
| DISPENSARY SALES                    | 2,551,458        | 2,661,951        | 4.3%         |
| DISPENSARY SALES %                  | 64.8%            | 64.9%            | 0.1%         |
| RETAIL/OTC SALES                    | 1,208,406        | 1,263,378        | 4.5%         |
| RETAIL/OTC SALES %                  | 25.2%            | 30.8%            | 5.6%         |
| SERVICES AND PROGRAMS INCOME        | 95,946           | 112,884          | 17.7%        |
| SERVICES AND PROGRAMS INCOME %      | 2.4%             | 2.8%             | 0.3%         |
| TOTAL PHARMACY SALES                | 3,855,809        | 4,038,214        | 4.7%         |
| TOTAL PHARMACY SALES %              | 97.9%            | 98.4%            | 0.6%         |
| COST OF GOODS SOLD                  | 2,465,056        | 2,686,093        | 9.0%         |
| COST OF GOODS SOLD %                | 62.6%            | 65.5%            | 2.9%         |
| SALARIES AND WAGES                  | 478,976          | 532,463          | 11.2%        |
| SALARIES AND WAGES %                | 12.2%            | 13.0%            | 0.8%         |
| RENT                                | 189,532          | 148,106          | -21.9%       |
| RENT %                              | 4.8%             | 3.6%             | -1.2%        |
| DEPRECIATION                        | 45,157           | 25,787           | -42.9%       |
| DEPRECIATION %                      | 1.1%             | 0.6%             | -0.5%        |
| INTEREST PAID                       | 36,252           | 62,981           | 73.7%        |
| INTEREST PAID %                     | 0.9%             | 1.5%             | 0.6%         |
| LOGISTIC EXPENSES                   | n.a              | 11,749           | n.a          |
| LOGISTIC EXPENSES %                 | n.a              | 0.3%             | n.a          |
| TOTAL EXPENSES                      | 1,096,801        | 977,914          | -10.8%       |
| TOTAL EXPENSES %                    | 27.8%            | 23.8%            | -4.0%        |
| <b>TOTAL INCOME</b>                 | <b>378,517</b>   | <b>438,842</b>   | <b>15.9%</b> |
| <b>LESS PROPRIETORS SALARY</b>      | <b>124,421</b>   | <b>134,222</b>   | <b>7.9%</b>  |
| <b>NET PROFIT/LOSS (BEFORE TAX)</b> | <b>254,096</b>   | <b>304,620</b>   | <b>19.9%</b> |
| <b>EBITDA</b>                       | <b>335,506</b>   | <b>393,388</b>   | <b>17.3%</b> |
| <b>TOTAL ASSETS</b>                 | <b>2,250,207</b> | <b>2,635,327</b> | <b>17.1%</b> |
| <b>TOTAL LIABILITIES</b>            | <b>1,374,403</b> | <b>1,541,753</b> | <b>12.2%</b> |
| <b>NET ASSETS</b>                   | <b>875,804</b>   | <b>1,093,574</b> | <b>24.9%</b> |

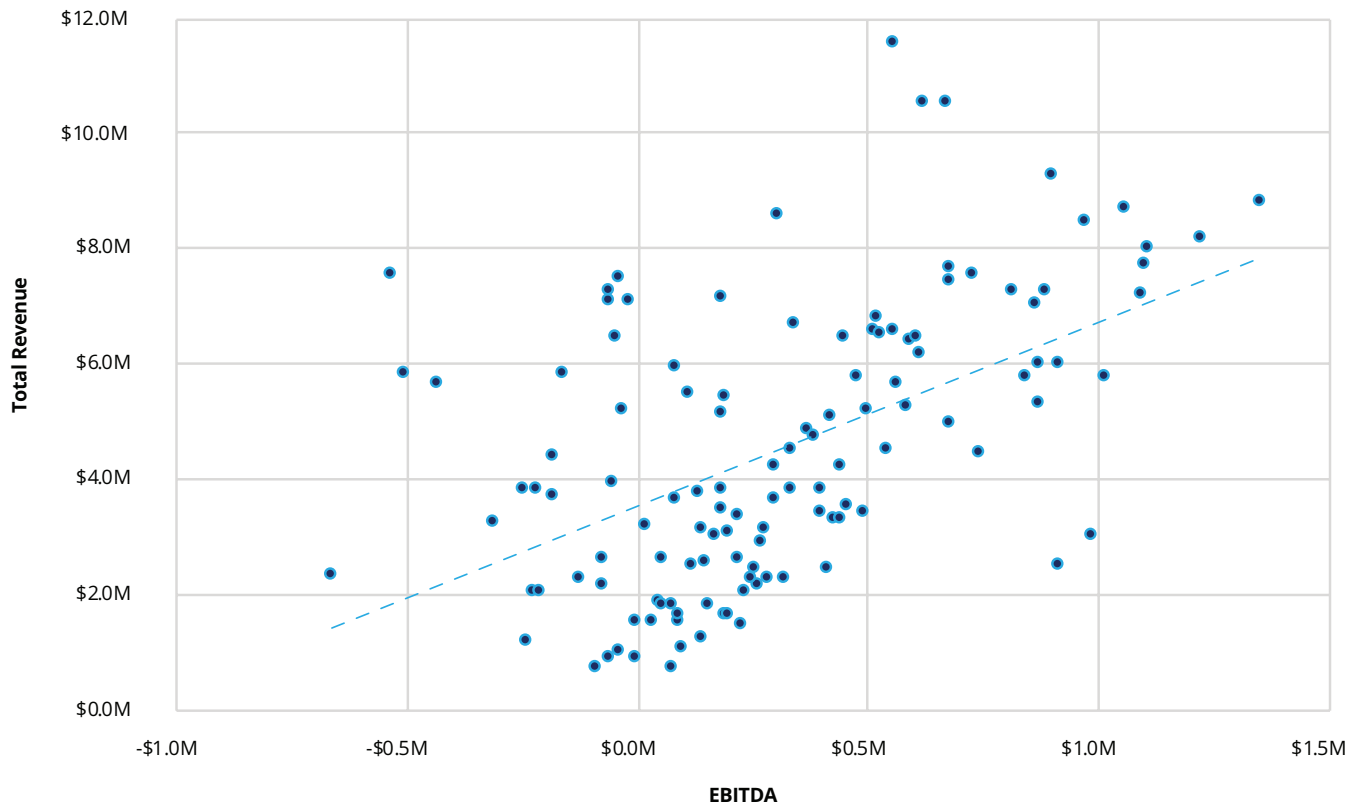
All percentages are expressed as a percentage of total turnover.

# National results

## Chart 1 – Other Income as % of Turnover



## Chart 2 – EBITDA vs Total Revenue



# Results by jurisdiction

**Table 2 – Turnover and profit by State/Territory**

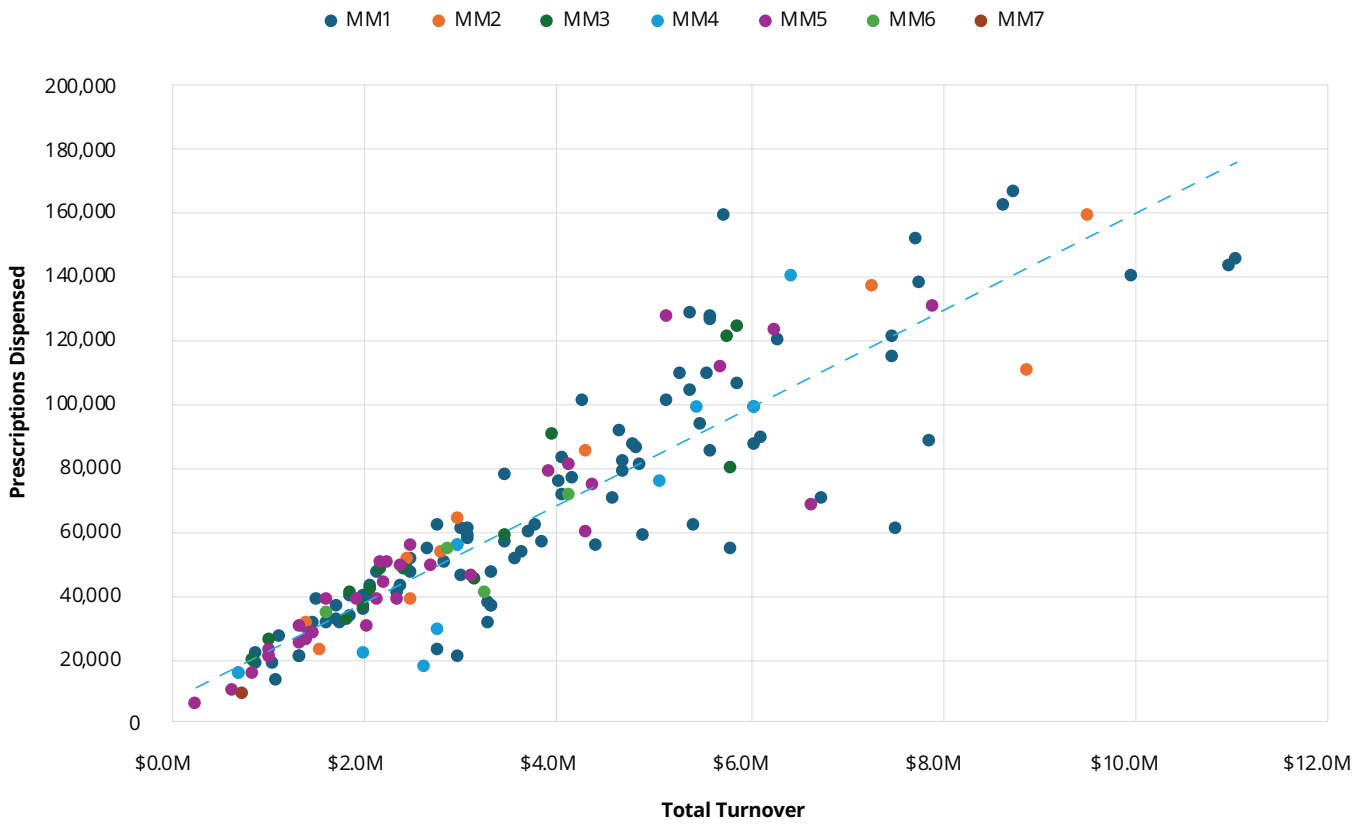
| MEASURES                    | NSW    | VIC    | QLD    | SA     | WA     | TAS    | ACT    |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|
| TOTAL TURNOVER              | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| TOTAL GROSS PROFIT          | 33.2%  | 31.1%  | 34.1%  | 31.1%  | 35.9%  | 34.6%  | 35.8%  |
| OTHER INCOME                | 1.3%   | 1.3%   | 2.7%   | 1.2%   | 2.0%   | 1.2%   | 0.3%   |
| GROSS PROFIT & OTHER INCOME | 34.5%  | 32.4%  | 36.8%  | 32.3%  | 37.9%  | 35.8%  | 36.1%  |
| DISPENSARY SALES            | 60.9%  | 68.1%  | 63.2%  | 65.4%  | 59.3%  | 73.6%  | 73.7%  |
| SERVICES & PROGRAMS INCOME  | 3.5%   | 1.5%   | 1.6%   | 2.4%   | 2.4%   | 4.5%   | 4.9%   |
| RETAIL AND OTC SALES        | 34.4%  | 29.1%  | 32.5%  | 31.0%  | 36.3%  | 20.6%  | 21.1%  |
| TOTAL PHARMACY SALES        | 98.7%  | 98.7%  | 97.3%  | 98.8%  | 98.0%  | 98.8%  | 99.7%  |
| SALARIES AND WAGES          | 12.8%  | 12.6%  | 13.8%  | 13.9%  | 12.2%  | 14.1%  | 12.8%  |
| RENT                        | 4.0%   | 3.4%   | 4.2%   | 3.2%   | 4.0%   | 2.5%   | 2.3%   |
| DEPRECIATION                | 0.8%   | 0.6%   | 0.5%   | 0.3%   | 0.6%   | 1.0%   | 1.0%   |
| INTEREST PAID               | 1.6%   | 1.9%   | 1.4%   | n.a    | 1.3%   | 1.3%   | 1.2%   |
| LOGISTIC EXPENSES           | 0.4%   | 0.5%   | 0.2%   | n.a    | 0.1%   | 0.3%   | 0.3%   |
| TOTAL EXPENSES              | 25.3%  | 21.3%  | 25.9%  | 23.3%  | 25.4%  | 21.5%  | 24.0%  |

**Table 3 – Prescriptions dispensed per pharmacy by State/Territory**

| STATE/TERRITORY  | LOWER QUARTILE | AVERAGE       | UPPER QUARTILE |
|------------------|----------------|---------------|----------------|
| NSW              | 34,297         | 64,971        | 83,063         |
| VIC              | 36,559         | 67,507        | 91,452         |
| QLD              | 43,736         | 67,151        | 82,823         |
| SA               | 37,258         | 67,586        | 89,116         |
| WA               | 35,642         | 56,224        | 70,544         |
| TAS              | 20,959         | 69,610        | 123,787        |
| ACT              | 38,799         | 59,033        | 73,516         |
| <b>Australia</b> | <b>38,066</b>  | <b>65,419</b> | <b>85,792</b>  |

# Results by location

**Chart 3 – Turnover vs prescriptions dispensed by Modified Monash Model (MMM) suburb and locality classification (1 = Urban, 7 = Very Remote)**



**Table 4 – Turnover and profit by location**

| MEASURES                      | MEDICAL CENTRE | SHOPPING CENTRE | SHOPPING STRIP |
|-------------------------------|----------------|-----------------|----------------|
| TOTAL TURNOVER                | 3,024,396      | 4,944,474       | 3,488,870      |
| TOTAL GROSS PROFIT            | 1,093,976      | 1,605,900       | 1,119,275      |
| TOTAL GROSS PROFIT %          | 36.2%          | 32.5%           | 32.1%          |
| OTHER INCOME                  | 46,988         | 67,829          | 53,365         |
| OTHER INCOME %                | 1.6%           | 1.4%            | 1.5%           |
| GROSS PROFIT & OTHER INCOME   | 1,140,964      | 1,673,729       | 1,172,640      |
| GROSS PROFIT & OTHER INCOME % | 37.7%          | 33.9%           | 33.6%          |
| DISPENSARY SALES              | 2,097,853      | 3,130,403       | 2,299,206      |
| DISPENSARY SALES %            | 69.4%          | 63.3%           | 65.9%          |
| RETAIL & OTC SALES            | 812,323        | 1,634,701       | 1,066,223      |
| RETAIL & OTC SALES %          | 26.9%          | 33.1%           | 30.6%          |
| SERVICES & PROGRAMS INCOME    | 67,231         | 111,541         | 70,076         |
| SERVICES & PROGRAMS INCOME %  | 2.2%           | 2.3%            | 2.0%           |
| TOTAL PHARMACY SALES          | 2,977,407      | 4,876,645       | 3,435,505      |
| TOTAL PHARMACY SALES %        | 98.4%          | 98.6%           | 98.5%          |
| COST OF GOODS SOLD            | 1,883,432      | 3,270,745       | 2,316,230      |
| COST OF GOODS SOLD %          | 62.3%          | 66.1%           | 66.4%          |
| SALARIES AND WAGES            | 352,654        | 632,017         | 454,717        |
| SALARIES AND WAGES %          | 11.7%          | 12.8%           | 13.0%          |
| RENT                          | 99,931         | 228,390         | 99,275         |
| RENT %                        | 3.3%           | 4.6%            | 2.8%           |
| DEPRECIATION                  | 21,534         | 24,971          | 24,447         |
| DEPRECIATION %                | 0.7%           | 0.5%            | 0.7%           |
| INTEREST PAID                 | 32,013         | 66,748          | 69,778         |
| INTEREST PAID %               | 1.1%           | 1.3%            | 2.0%           |
| TOTAL EXPENSES                | 672,265        | 1,226,479       | 735,994        |
| TOTAL EXPENSES %              | 22.2%          | 24.8%           | 21.1%          |
| TOTAL INCOME                  | 468,699        | 447,250         | 436,646        |
| PROPRIETORS SALARY            | 134,222        | 134,222         | 134,222        |
| NET PROFIT/LOSS               | 334,477        | 313,028         | 302,424        |
| EBITDA                        | 388,024        | 404,747         | 396,649        |
| TOTAL ASSETS                  | 2,091,505      | 3,210,463       | 2,563,721      |
| TOTAL LIABILITIES             | 1,140,117      | 1,854,692       | 1,488,525      |
| NET ASSETS                    | 951,388        | 1,355,771       | 1,075,196      |

All percentages expressed as a percentage of Total Pharmacy Turnover.

Results for pharmacies in isolated locations and hospitals are unavailable due to low sample size.

Results for medical centres should be viewed with caution due to low sample size.

Results for programs income, other incomes, depreciation, rent and interest paid should be viewed with caution due to low sample size.



# Financial performance: A closer look

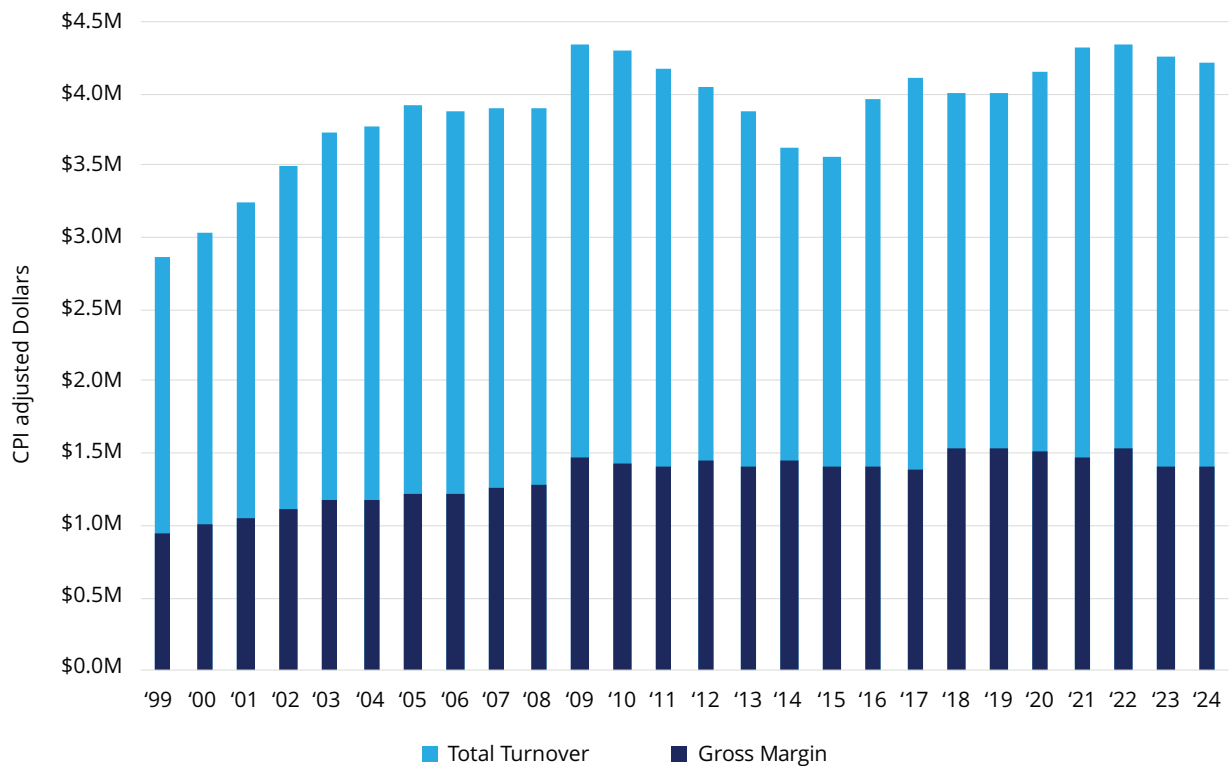
## Turnover

In 2022-23, total turnover per pharmacy in real terms decreased by approximately 1.8%, following an all-time high in the previous year. Dispensary sales continued to represent the largest component of

total pharmacy turnover at 64.9%, while retail and over-the-counter sales contributed a further 30.8%. The remaining 4.3% of turnover was generated from other income, including professional services.

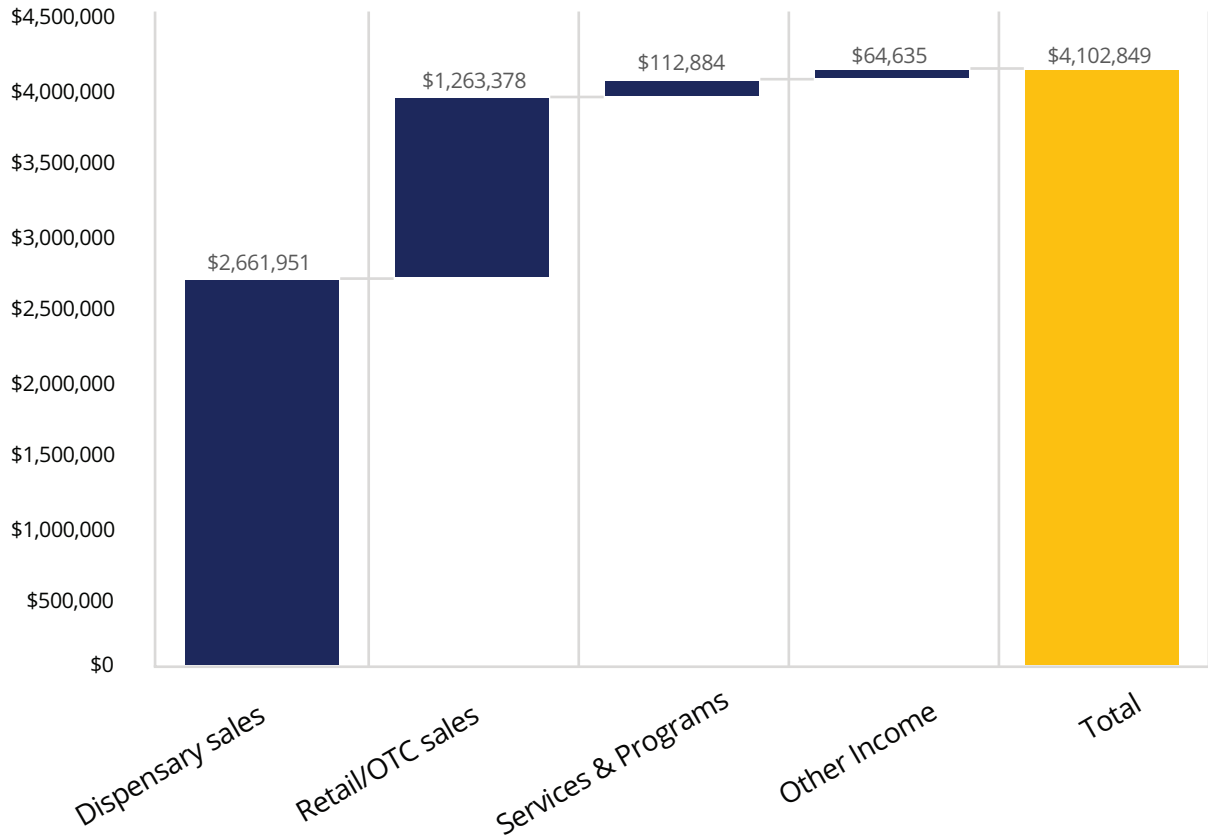
### Chart 4 – Total turnover in real terms, 1998-99 to 2022-23

Total pharmacy turnover has fluctuated over the past three decades. Chart 4 shows how turnover in real terms has trended over time, including the decrease recorded in 2022-23.



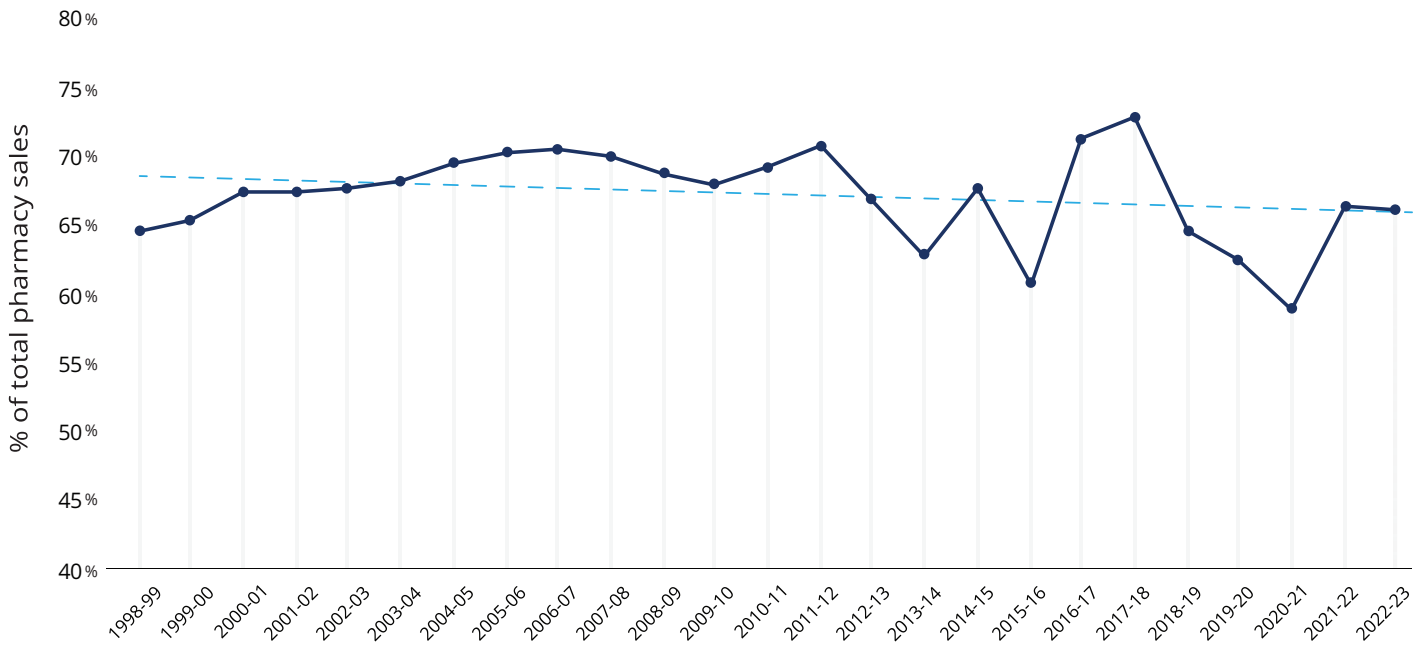
## Chart 5 - Pharmacy turnover by category, 2022-23

Chart 5 illustrates the sales composition for 2022-23 across dispensary, retail/OTC and other income categories. Pharmacy turnover continues to be driven primarily by dispensary sales.



## Chart 6 - Prescription sales as % of total pharmacy sales

Chart 6 shows the trend in prescription sales as a proportion of total pharmacy sales over time. The share of turnover derived from prescriptions has remained relatively stable over recent years.



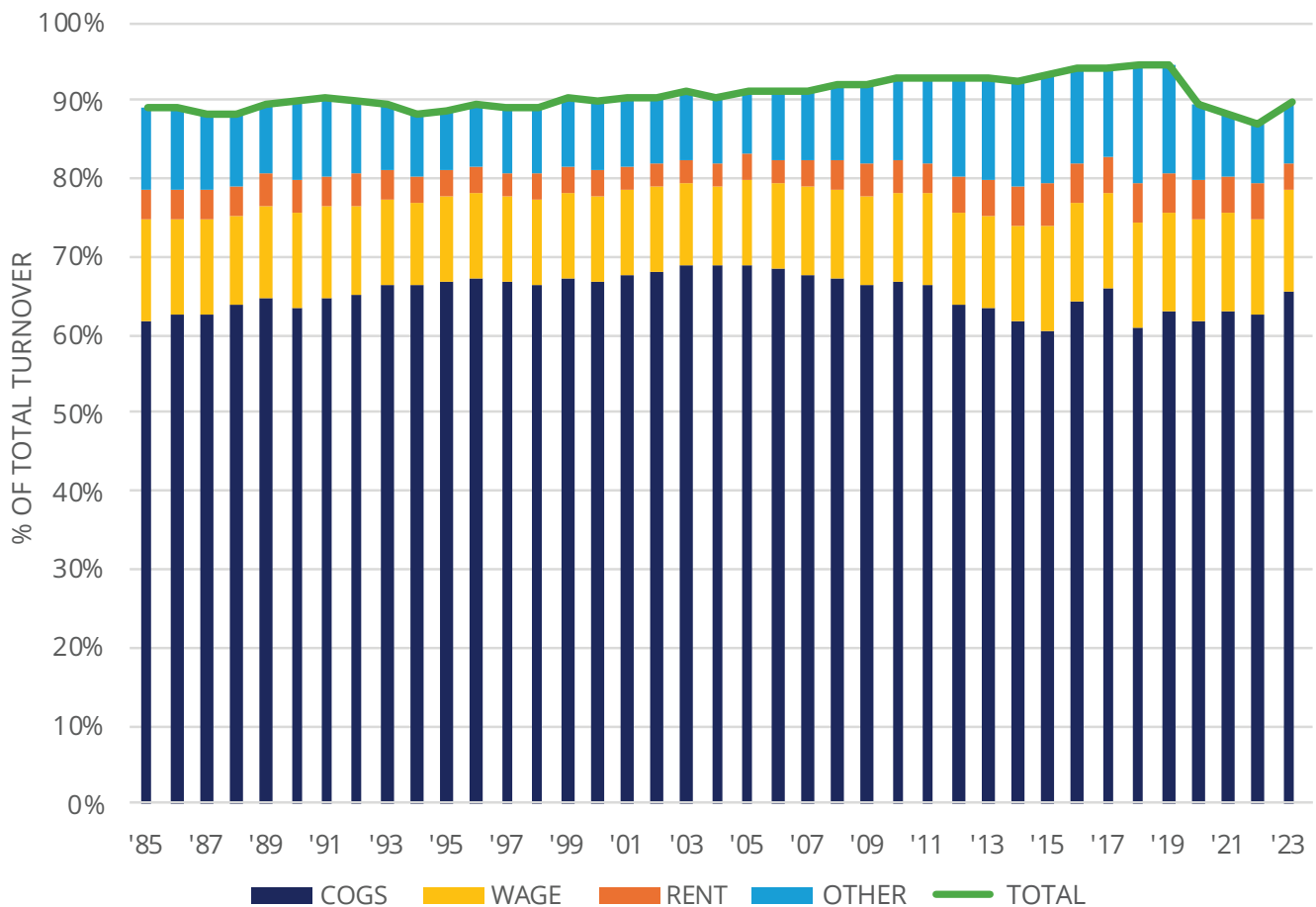
# Expenses

In 2022-23, the cost of goods sold remained the largest component of pharmacy expenses, representing 65.5% of total turnover, up from 62.6% in 2021-22. Salaries and wages continued to be the second-largest expense category, increasing slightly to 13% of total pharmacy turnover compared

with 12.2% in the previous year. Rent decreased significantly, falling from 4.8% of total pharmacy turnover in 2021-22 to 3.6% in 2022-23. Logistics expenses remained a small component, accounting for 0.3% of total turnover.

**Chart 7 - Expenses as % of total turnover**

Chart 7 shows the breakdown of key expense components as a proportion of total turnover. Expenses remained broadly stable across major categories in 2022-23.



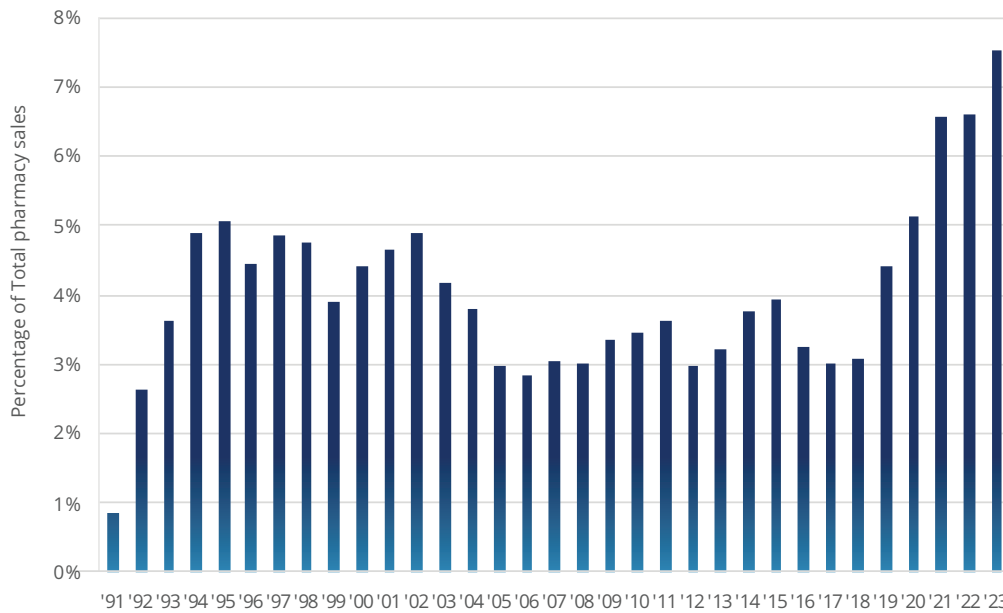
# Financial benchmarks

Profitability improved in 2022–23, with net profit (before tax) increasing to 7.54% of total pharmacy sales, up from 6.6% in 2021–22. Average remuneration per script also increased during the year. While indexation under the Seventh Community Pharmacy Agreement (7CPA) provided some uplift,

overall growth remained well below increases in Average Weekly Earnings (AWE) and the Consumer Price Index (CPI). This reflected both fixed indexation during the first two years of 7CPA and the higher inflation experienced across the economy during this period.

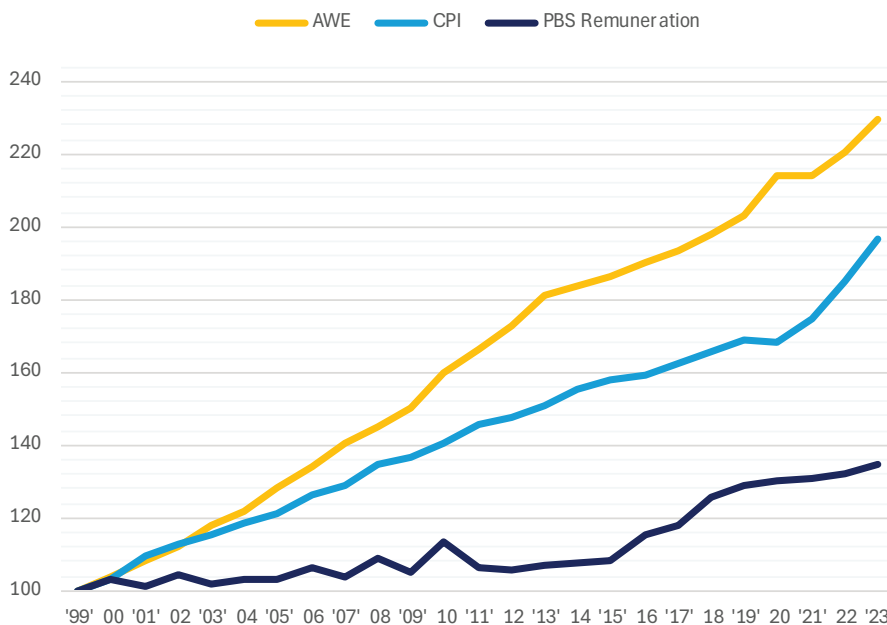
## Chart 8 – Net profit/loss (before tax) as a % of total turnover

Chart 8 presents net profit as a percentage of total turnover from 1990–91 to 2022–23. Net profit (before tax) increased in 2022–23, continuing the upward trajectory seen in recent years.



## Chart 9 – Index of average remuneration (base year 1998-99 = 100, year ending June)

Chart 9 illustrates remuneration trends over time. Average remuneration per script increased in 2022–23, supported by indexation arrangements under 7CPA.



# STAFFING AND OPERATING HOURS

Community pharmacies employed an average of 15.4 staff in 2022–23. Proprietors, managers and pharmacists made up 34% of the workforce, with the remaining 66% comprising other staff. On average, staff worked 25 hours per week. Pharmacies continued to maintain extensive opening hours, operating an average of 60 hours per week nationally. Pharmacies located in medical centres and shopping centres generally operated longer hours than those situated in shopping strip locations.

**Table 5 – Pharmacy staff numbers and average weekly hours worked**

Table 5 outlines average staffing levels and weekly hours worked across proprietors, managers, pharmacists and other staff.

| STAFF TYPE   | MEASURE                | LOWER QUARTILE | AVERAGE      | UPPER QUARTILE |
|--------------|------------------------|----------------|--------------|----------------|
| PROPRIETORS  | Number of staff        | 1.0            | 2.0          | 2.0            |
| PROPRIETORS  | Hours worked           | 19.5           | 26.0         | 31.7           |
| MANAGERS     | Number of staff        | 1.0            | 1.3          | 1.8            |
| MANAGERS     | Hours worked           | 38.0           | 39.7         | 44.1           |
| PHARMACISTS  | Number of staff        | 1.0            | 1.9          | 2.0            |
| PHARMACISTS  | Hours worked           | 26.0           | 31.9         | 33.0           |
| OTHER STAFF  | Number of staff        | 6.8            | 10.3         | 12.0           |
| OTHER STAFF  | Hours worked           | 15.1           | 21.3         | 25.7           |
| <b>TOTAL</b> | <b>Number of staff</b> | <b>9.8</b>     | <b>15.4</b>  | <b>17.8</b>    |
| <b>TOTAL</b> | <b>Hours worked</b>    | <b>19.0</b>    | <b>24.73</b> | <b>29.0</b>    |

*Includes Full-Time, Part-Time and Casual workers.*

*Due to rounding, some totals may not correspond with the sum of the figures in each column.*

*All results in this table should be viewed with caution due to low sample size.*

**Table 6 – Pharmacy opening hours by state/territory**

Table 6 compares opening hours for pharmacies located in medical centres, shopping centres and shopping strip environments.

| STATE/TERRITORY         | LOWER QUARTILE | AVERAGE     | UPPER QUARTILE |
|-------------------------|----------------|-------------|----------------|
| NSW                     | 48.0           | 59.6        | 64.5           |
| VIC                     | 49.0           | 57.5        | 64.5           |
| QLD                     | 52.5           | 62.3        | 66.0           |
| SA                      | 60.0           | 68.0        | 72.5           |
| WA                      | 60.0           | 68.7        | 74.0           |
| TAS                     | 47.0           | 51.0        | 54.3           |
| ACT                     | 51.3           | 56.0        | 57.8           |
| <b>NATIONAL AVERAGE</b> | <b>49.0</b>    | <b>60.1</b> | <b>67.0</b>    |

*Data for NT are unavailable.*

**Table 7 – Pharmacy opening hours by pharmacy location**

Table 7 compares opening hours for pharmacies located in medical centres, shopping centres and shopping strips.

| LOCATION                | LOWER QUARTILE | AVERAGE     | UPPER QUARTILE |
|-------------------------|----------------|-------------|----------------|
| MEDICAL CENTRE          | 58.8           | 66.0        | 70.3           |
| SHOPPING CENTRE         | 58.0           | 66.2        | 71.0           |
| SHOPPING STRIP          | 47.0           | 55.3        | 60.0           |
| <b>NATIONAL AVERAGE</b> | <b>49.0</b>    | <b>60.1</b> | <b>67.0</b>    |

*Results for pharmacies in isolated location and hospitals are unavailable due to low sample size.*

# Financial performance: Trends over the past decade hours

This section outlines key industry trends over the past decade, comparing how pharmacy performance has shifted across major financial indicators. These long-term results highlight the changing operating landscape and provide context for the current year's performance.

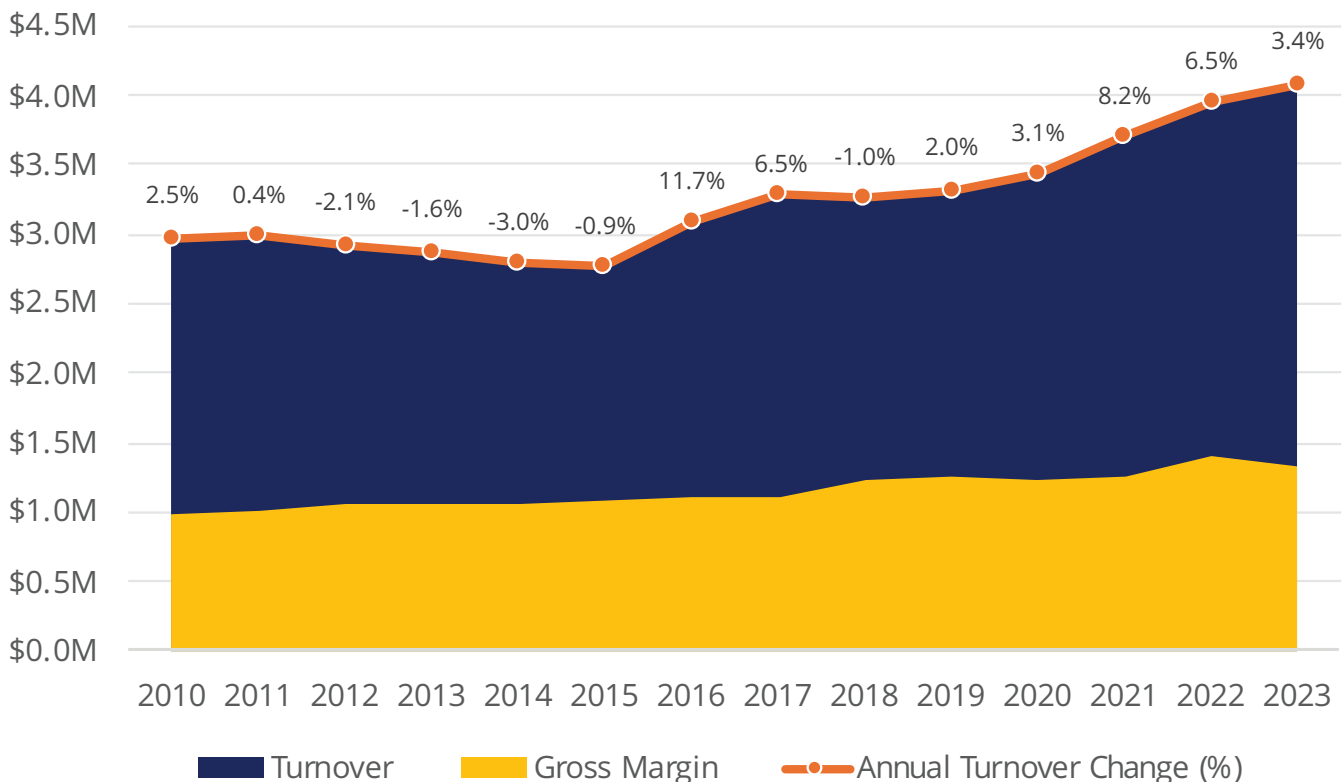
Over the past 10 years, community pharmacies have experienced increasing regulatory and competitive pressures, both within the sector and from external health and retail providers. The pharmacy landscape has continued to evolve, with growth in large banner group pharmacies and a more competitive operating environment overall.

Industry turnover has grown at a compound annual growth rate (CAGR) of 3.54% over the past decade, with notable growth beginning in 2016 following a period of decline from 2011 to 2015. Historically, turnover grew at a CAGR of 2.5% between 2013 and 2018, significantly lower than the 4.6% growth recorded between 2018 and 2023.

Pharmacies continued to operate on relatively small margins. Average net profit was \$304,620 in 2022-23, and over the past decade, net profit has increased at a CAGR of 10.1%. Total expenses (excluding the cost of goods sold) fell sharply in 2022-23 to \$977,914, following an all-time high the previous year.

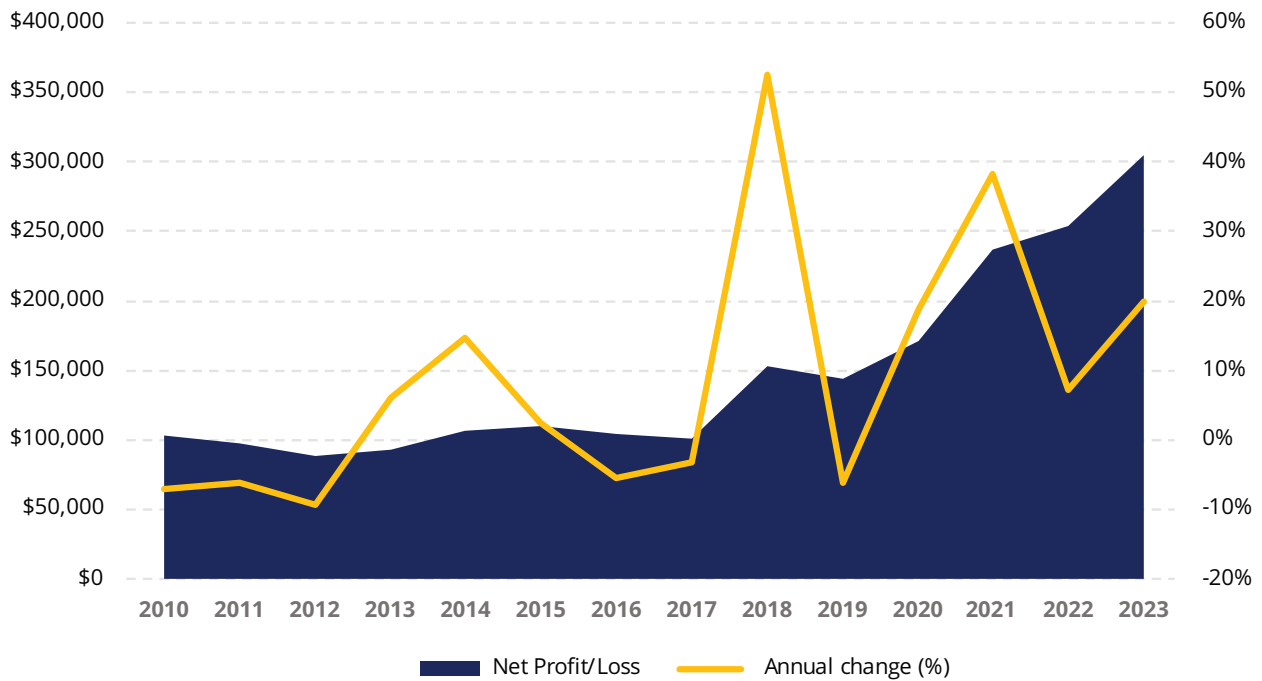
## Chart 10 - Historical trends in total turnover and gross profit

Chart 10 shows long-term trends in total turnover and gross profit, including the fluctuations observed over the past decade.



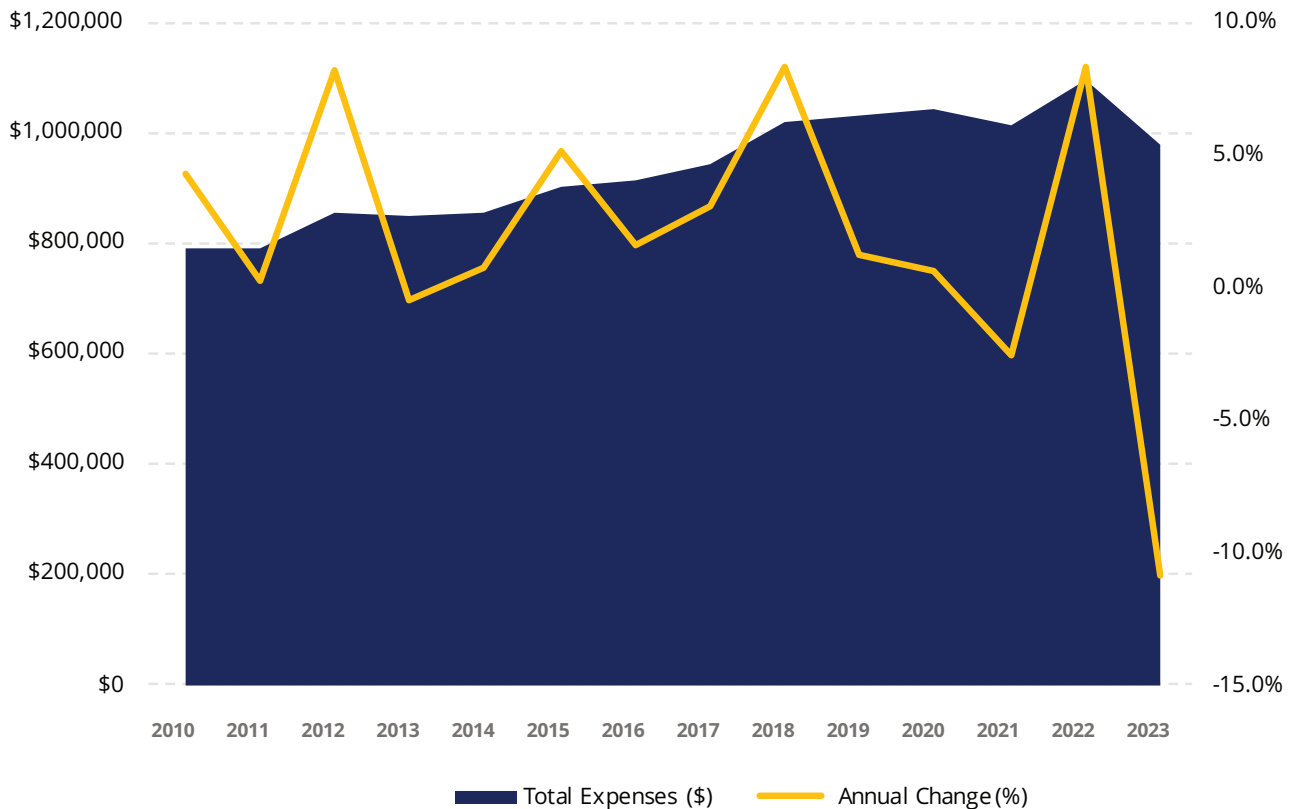
### Chart 11 – Historical trend in net profit/loss

Chart 11 illustrates changes in net profit over the past 10 years, reflecting both operating pressures and improvements in profitability.



### Chart 12 — Historical trend in expenses (excluding cost of goods sold)

Chart 12 shows the movement in total expenses over the past decade, including the significant decrease recorded in 2022–23 following a peak in the previous year



**Table 8 – Structure of pharmacists' PBS remuneration**

| FROM             | TO                | PROFESSIONAL FEE (\$) | RP ITEMS (\$) | MARKUP ON WHOLESALE PRICE (%) | PROFESSIONAL FEE (\$) | EP ITEMS (\$) |
|------------------|-------------------|-----------------------|---------------|-------------------------------|-----------------------|---------------|
| 1 January 1972   | 30 April 1972     | 0.39                  |               | 33 1/3                        | 0.64                  |               |
| 1 May 1972       | 30 September 1972 | 0.42                  |               | 33 1/3                        | 0.64                  |               |
| 1 October 1972   | 30 November 1972  | 0.44                  |               | 33 1/3                        | 0.64                  |               |
| 1 December 1972  | 31 December 1972  | 0.45                  |               | 33 1/3                        | 0.64                  |               |
| 1 January 1973   | 30 June 1973      | 0.50                  |               | 33 1/3                        | 0.72                  |               |
| 1 July 1973      | 31 December 1973  | 0.61                  |               | 33 1/3                        | 0.83                  |               |
| 1 January 1974   | 30 June 1974      | 0.68                  |               | 33 1/3                        | 0.90                  |               |
| 1 July 1974      | 30 June 1975      | 0.84                  |               | 33 1/3                        | 1.06                  |               |
| 1 July 1975      | 30 June 1976      | 0.90                  |               | 33 1/3                        | 1.12                  |               |
| 1 July 1976      | 31 December 1976  | 1.02                  |               | 33 1/3                        | 1.24                  |               |
| 1 January 1977   | 30 June 1977      | 1.07                  |               | 33 1/3                        | 1.29                  |               |
| 1 July 1977      | 31 July 1978      | 1.21                  |               | 33 1/3                        | 1.43                  |               |
| 1 August 1978    | 30 April 1980     | 1.35                  |               | 25                            | 1.95                  |               |
| 1 May 1980       | 30 June 1980      | 1.31                  | *             | 25                            | 1.91                  | *             |
| 1 July 1980      | 30 November 1980  | 1.31                  | 1.39          | 25                            | 1.91                  | 1.99          |
| 1 December 1980  | 31 December 1980  | 1.26                  | 1.34          | 25                            | 1.89                  | 1.97          |
| 1 January 1981   | 30 June 1981      | 1.26                  | 1.44          | 25                            | 1.89                  | 2.07          |
| 1 July 1981      | 31 December 1981  | 1.51                  |               | 25                            | 2.14                  |               |
| 1 January 1982   | 30 June 1982      | 1.66                  |               | 25                            | 2.29                  |               |
| 1 July 1982      | 31 December 1983  | 1.73                  |               | 25                            | 2.54                  |               |
| 1 January 1984   | 30 June 1984      | 1.98                  |               | 25                            | 2.89                  |               |
| 1 July 1984      | 30 June 1985      | 2.13                  |               | 25                            | 3.09                  |               |
| 1 July 1985      | 31 December 1985  | 2.30                  |               | 25                            | 3.33                  |               |
| 1 January 1986   | 30 June 1986      | 2.35                  |               | 25                            | 3.40                  |               |
| 1 July 1986      | 31 August 1986    | 2.40                  |               | 25                            | 3.47                  |               |
| 1 September 1986 | 31 May 1987       | 2.46                  |               | 25                            | 3.56                  |               |
| 1 June 1987      | 30 June 1988      | 2.50                  |               | 25                            | 3.62                  |               |
| 1 July 1988      | 31 July 1988      | 2.59                  |               | 25                            | 3.76                  |               |
| 1 August 1988    | 31 January 1989   | 2.64                  |               | 25                            | 3.83                  |               |
| 1 February 1989  | 31 December 1989  | 2.59                  |               | 25                            | 3.76                  |               |
| 1 January 1990   | 30 June 1990      | 2.54                  |               | 25                            | 3.68                  |               |
| 1 July 1990      | 31 December 1990  | 2.57                  |               | 25                            | 3.72                  |               |
| 1 January 1991   | 31 July 1992      | 3.43                  |               | 10 **                         | 4.96                  |               |
| 1 August 1992    | 31 December 1992  | 3.57                  |               | 10 **                         | 5.16                  |               |
| 1 January 1993   | 30 June 1993      | 3.69                  |               | 10 **                         | 5.34                  |               |
| 1 July 1993      | 31 December 1993  | 3.75                  |               | 10 **                         | 5.43                  |               |
| 1 January 1994   | 30 June 1994      | 3.83                  |               | 10 **                         | 5.55                  |               |
| 1 July 1994      | 31 December 1994  | 3.98                  |               | 10 **                         | 5.77                  |               |

**Table 8 – Pharmaceutical Benefits Scheme**

| FROM            | TO                | PROFESSIONAL FEE (\$) | RP ITEMS (\$) | MARKUP ON WHOLESALE PRICE (%) | PROFESSIONAL FEE (\$) | EP ITEMS (\$) |
|-----------------|-------------------|-----------------------|---------------|-------------------------------|-----------------------|---------------|
| 1 January 1995  | 30 June 1995      | 4.06                  |               | 10 **                         | 5.89                  |               |
| 1 July 1995     | 30 June 1996      | 4.27                  |               | 10 **                         | 6.10                  |               |
| 1 July 1996     | 30 June 1997      | 4.29                  |               | 10 **                         | 6.13                  |               |
| 1 July 1997     | 30 June 1998      | 4.34                  |               | 10 **                         | 6.20                  |               |
| 1 July 1998     | 30 June 1999      | 4.34                  |               | 10 **                         | 6.20                  |               |
| 1 July 1999     | 30 June 2000      | 4.39                  |               | 10 **                         | 6.27                  |               |
| 1 July 2000     | 30 January 2001   | 4.40                  |               | 10 ***                        | 6.28                  |               |
| 1 February 2001 | 30 June 2001      | 4.50                  |               | 10 ***                        | 6.38                  |               |
| 1 July 2001     | 30 September 2001 | 4.53                  |               | 10 ***                        | 6.44                  |               |
| 1 October 2001  | 30 January 2002   | 4.68                  |               | 10 ***                        | 6.59                  |               |
| 1 February 2002 | 30 June 2002      | 4.58                  |               | 10 ***                        | 6.49                  |               |
| 1 July 2002     | 30 June 2003      | 4.62                  |               | 10 ***                        | 6.56                  |               |
| 1 July 2003     | 30 June 2004      | 4.66                  |               | 10 ***                        | 6.63                  |               |
| 1 July 2004     | 30 June 2005      | 4.70                  |               | 10 ***                        | 6.70                  |               |
| 1 July 2005     | 30 November 2005  | 4.75                  |               | 10 ***                        | 6.78                  |               |
| 1 December 2005 | 30 June 2006      | 4.94                  |               | 10 ***                        | 6.97                  |               |
| 1 July 2006     | 30 June 2007      | 5.15                  |               | 10 ~                          | 7.19                  |               |
| 1 July 2007     | 31 July 2007      | 5.32                  |               | 10 ~                          | 7.36                  |               |
| 1 August 2007   | 30 June 2008      | 5.44                  |               | 10 ~                          | 7.48                  |               |
| 1 July 2008     | 31 July 2008      | 5.81                  |               | 10 ~                          | 7.85                  |               |
| 1 August 2008   | 30 June 2009      | 5.99                  |               | ~~                            | 8.03                  |               |
| 1 July 2009     | 30 June 2012      | 6.42                  |               | ~~                            | 8.46                  |               |
| 1 July 2012     | 30 June 2013      | 6.52                  |               | ~~                            | 8.56                  |               |
| 1 July 2013     | 30 June 2014      | 6.63                  |               | ~~                            | 8.67                  |               |
| 1 July 2014     | 30 June 2015      | 6.76                  |               | ~~                            | 8.80                  |               |
| 1 July 2015     | 30 June 2016      | 6.93                  |               | ~~~                           | 8.97                  |               |
| 1 July 2016     | 30 June 2017      | 7.02                  |               | ~~~                           | 9.06                  |               |
| 1 July 2017     | 30 June 2018      | 7.15                  |               | ~~~                           | 9.19                  |               |
| 1 July 2018     | 30 June 2019      | 7.29                  |               | ~~~                           | 9.33                  |               |
| 1 July 2019     | 30 June 2020      | 7.39                  |               | ~~~                           | 9.43                  |               |
| 1 July 2020     | 30 June 2021      | 7.74                  |               |                               | 9.78                  |               |
| 1 July 2021     | 30 June 2022      | 7.78                  |               |                               | 9.82                  |               |
| 1 July 2022     | 30 June 2023      | 7.82                  |               |                               | 9.86                  |               |
| 1 July 2023     | 30 June 2024      | 8.37                  |               |                               | 10.41                 |               |

\* Revised Fees as determined by the Pharmaceutical Benefits Remuneration Tribunal.

\*\* 10% Mark-up applies to items with approved price to pharmacists of less than \$180.00.  
 \$18.00 Mark-up applies to items with approved price to pharmacists of between \$180.00 and \$360.00.  
 5% Mark-up applies to items with approved price to pharmacists of more than \$360.00.

\*\*\* 10% Mark-up applies to items with approved price to pharmacists of less than \$180.00.  
 \$18.00 Mark-up applies to items with approved price to pharmacists of between \$180.00 and \$450.00.  
 4% Mark-up applies to items with approved price to pharmacists of more than \$450.00.

~ As above, except for items with approved price to pharmacists of more than \$1000, to which a \$40 markup applies.

~~ 15% Mark-up applied to items with approved price to pharmacists of less than \$30.00.  
 \$4.50 Mark-up applies to items with approved price to pharmacists of between \$30.00 and \$45.00.  
 10% Mark-up applies to items with approved price to pharmacists of between \$45.00 and \$180.00.  
 \$18 Mark-up applies to items with approved price to pharmacists of between \$180.00 and \$450.00.  
 4% Mark-up applies to items with approved price to pharmacists of between \$450.00 and \$1750.00.  
 \$70 Mark-up applies to items with approved price to pharmacists of more than \$1750.00

~~~ From 1 July 2015, the pharmacy mark-up component of remuneration was replaced by an Administration, Handling & Infrastructure fee.  
 Approved price to Pharmacist (wholesaler PBS list price) up to \$180.00: \$3.54 per prescription  
 Approved price to Pharmacist between \$180.00 and \$2,277.21: \$3.49 plus 3.5% of the amount by which the price exceeds \$180.00  
 Approved price to pharmacist is \$2,277.21 or above: \$70.00.

**Table 9 – Changes in the level of patient contribution**

| Date of Change | Amount general | Percentage of average cost of general above-co-payment prescription | Percentage of general prescriptions that are government-subsidised | Amount concessional | Percentage of average cost of concessional |
|----------------|----------------|---------------------------------------------------------------------|--------------------------------------------------------------------|---------------------|--------------------------------------------|
| March 1960     | \$0.50         | 22                                                                  |                                                                    |                     |                                            |
| November 1971  | \$1.00         | 40                                                                  |                                                                    |                     |                                            |
| September 1975 | \$1.50         | 51                                                                  |                                                                    |                     |                                            |
| March 1976     | \$2.00         | 59                                                                  |                                                                    |                     |                                            |
| July 1978      | \$2.50         | 60                                                                  |                                                                    |                     |                                            |
| September 1979 | \$2.75         | 60                                                                  |                                                                    |                     |                                            |
| December 1981  | \$3.20         | 62                                                                  |                                                                    |                     |                                            |
| January 1983   | \$4.00         | 69                                                                  |                                                                    | \$2.00              | 34                                         |
| July 1985      | \$5.00         | 73                                                                  |                                                                    | \$2.00              | 32                                         |
| July 1986      | \$5.00         | 64                                                                  |                                                                    | \$2.00              | 29                                         |
| November 1986  | MAX \$10.00    | 54                                                                  |                                                                    | \$2.50              | 27                                         |
| July 1988      | MAX \$11.00    | 51                                                                  |                                                                    | \$2.50              | 27                                         |
| July 1989      | MAX \$11.00    | 53                                                                  |                                                                    | \$2.50              | 25                                         |
| July 1990      | MAX \$11.00    | 49                                                                  |                                                                    | \$2.50              | 23                                         |
| November 1990  | MAX \$15.00    | 55                                                                  |                                                                    | \$2.50              | 21                                         |
| August 1991    | MAX \$15.70    | 57                                                                  |                                                                    | \$2.50              | 21                                         |
| October 1991   | MAX \$15.70    | 57                                                                  |                                                                    | \$2.60              | 22                                         |
| August 1992    | MAX \$15.90    | 45                                                                  |                                                                    | \$2.60              | 20                                         |
| August 1993    | MAX \$16.00    | 47                                                                  |                                                                    | \$2.60              | 18                                         |
| August 1994    | MAX \$16.20    | 45                                                                  |                                                                    | \$2.60              | 16                                         |
| August 1995    | MAX \$16.80    | 45                                                                  |                                                                    | \$2.60              | 15                                         |
| August 1996    | MAX \$17.40    | 43                                                                  |                                                                    | \$2.70              | 14                                         |
| January 1997   | MAX \$20.00    | 44                                                                  |                                                                    | \$3.20              | 16                                         |
| January 1999   | MAX \$20.30    | 40                                                                  |                                                                    | \$3.20              | 14                                         |
| January 2000   | MAX \$20.60    | 40                                                                  |                                                                    | \$3.30              | 14                                         |
| January 2001   | MAX \$21.90    | 42                                                                  |                                                                    | \$3.50              | 14                                         |
| January 2002   | MAX \$22.40    | 42                                                                  |                                                                    | \$3.60              | 14                                         |
| January 2003   | MAX \$23.10    | 40                                                                  |                                                                    | \$3.70              | 13                                         |
| January 2004   | MAX \$23.70    | 39                                                                  |                                                                    | \$3.80              | 12                                         |
| January 2005   | MAX \$28.60    | 48                                                                  |                                                                    | \$4.60              | 14                                         |
| January 2006   | MAX \$29.50    | 46                                                                  |                                                                    | \$4.70              | 14                                         |
| January 2007   | MAX \$30.70    | 45                                                                  |                                                                    | \$4.90              | 14                                         |
| January 2008   | MAX \$31.30    | 46                                                                  |                                                                    | \$5.00              | 14                                         |
| January 2009   | MAX \$32.90    | 34                                                                  |                                                                    | \$5.30              | 13                                         |
| January 2010   | MAX \$33.30    | 37                                                                  |                                                                    | \$5.40              | 14                                         |
| January 2011   | MAX \$34.20    | 35                                                                  |                                                                    | \$5.60              | 15                                         |
| January 2012   | MAX \$35.40    | 35                                                                  |                                                                    | \$5.80              | 14                                         |
| January 2013   | MAX \$36.10    | 35                                                                  | 28                                                                 | \$5.90              | 15                                         |
| January 2014   | MAX \$36.90    | 35                                                                  | 23                                                                 | \$6.00              | 16                                         |
| January 2015   | MAX \$37.70    | 31                                                                  | 19                                                                 | \$6.10              | 17                                         |
| January 2016   | MAX \$38.30    | 21                                                                  | 17                                                                 | \$6.20              | 19                                         |
| January 2017   | MAX \$38.80    | 24                                                                  | 15                                                                 | \$6.30              | 16                                         |
| January 2018   | MAX \$39.50    | 25                                                                  | 16                                                                 | \$6.40              | 16                                         |
| January 2019   | MAX \$40.30    | 25                                                                  | 16                                                                 | \$6.50              | 17                                         |
| January 2020   | MAX \$41.30    | 24                                                                  | 16                                                                 | \$6.60              | 17                                         |
| January 2021   | MAX \$42.50    | 24                                                                  | 16                                                                 | \$6.80              | 17                                         |
| January 2022   | MAX \$42.50    | 22                                                                  | 17                                                                 | \$6.80              | 16                                         |
| January 2023   | MAX \$30.00    | 11                                                                  | 19                                                                 | \$7.30              | 13                                         |

**Table 10 – PBS remuneration per prescription**

| YEAR    | AVERAGE PRICE PER PRESCRIPTION (\$) |    | MARK-UP* (\$) |    | AVERAGE PROFESSIONAL FEE (\$) | AVERAGE OTHER FEES*** (\$) | TOTAL REMUNERATION (\$) | REMUNERATION AS % OF AVERAGE PRICE | ANNUAL VOLUME OF PRESCRIPTIONS (000) |
|---------|-------------------------------------|----|---------------|----|-------------------------------|----------------------------|-------------------------|------------------------------------|--------------------------------------|
| 1987/88 | 10.37                               | ⊕⊕ | 1.57          |    | 2.53                          |                            | 4.10                    | 39.54                              | 100,901                              |
| 1988/89 | 11.51                               | ⊕⊕ | 1.78          |    | 2.64                          |                            | 4.42                    | 38.40                              | 100,586                              |
| 1989/90 | 12.54                               | ⊕⊕ | 1.99          |    | 2.57                          |                            | 4.56                    | 36.40                              | 104,979                              |
| 1990/91 | 13.82                               | ⊕⊕ | 1.84          |    | 2.84                          |                            | 4.68                    | 33.86                              | 96,300                               |
| 1991/92 | 15.46                               | ⊕⊕ | 1.10          | ** | 3.43                          |                            | 4.53                    | 29.30                              | 94,121                               |
| 1992/93 | 16.78                               | ⊕⊕ | 1.20          |    | 3.60                          |                            | 4.79                    | 28.55                              | 105,953                              |
| 1993/94 | 18.18                               | ⊕⊕ | 1.31          |    | 3.85                          |                            | 5.16                    | 28.38                              | 115,041                              |
| 1994/95 | 19.71                               | ⊕⊕ | 1.43          |    | 4.06                          |                            | 5.49                    | 27.85                              | 118,046                              |
| 1995/96 | 21.49                               | ⊕⊕ | 1.57          |    | 4.27                          |                            | 5.84                    | 27.18                              | 124,205                              |
| 1996/97 | 23.19                               | ⊕⊕ | 1.72          |    | 4.29                          |                            | 6.01                    | 25.92                              | 123,434                              |
| 1997/98 | 24.88                               | ⊕⊕ | 1.87          |    | 4.34                          |                            | 6.21                    | 24.96                              | 124,483                              |
| 1998/99 | 26.38                               | ⊕⊕ | 1.95          |    | 4.34                          |                            | 6.29                    | 23.84                              | 128,348                              |
| 1999/00 | 27.82                               | ⊕⊕ | 2.07          |    | 4.39                          |                            | 6.46                    | 23.23                              | 137,585                              |
| 2000/01 | 30.86                               | ⊕⊕ | 2.34          |    | 4.44                          |                            | 6.78                    | 21.96                              | 147,571                              |
| 2001/02 | 32.32                               | ⊕⊕ | 2.46          |    | 4.53                          |                            | 6.99                    | 21.62                              | 154,530                              |
| 2002/03 | 34.28                               | ⊕⊕ | 2.62          |    | 4.62                          |                            | 7.24                    | 21.13                              | 158,548                              |
| 2003/04 | 35.84                               | ⊕⊕ | 2.68          |    | 4.66                          |                            | 7.34                    | 20.48                              | 165,435                              |
| 2004/05 | 37.30                               | ⊕⊕ | 2.79          |    | 4.70                          |                            | 7.49                    | 20.08                              | 169,877                              |
| 2005/06 | 38.75                               | ⊕⊕ | 2.88          |    | 4.86                          |                            | 7.74                    | 19.97                              | 167,927                              |
| 2006/07 | 39.35                               | ⊕⊕ | 2.86          |    | 5.22                          |                            | 8.08                    | 20.53                              | 168,536                              |
| 2007/08 | 41.54                               | ⊕⊕ | 2.95          |    | 5.50                          |                            | 8.45                    | 20.34                              | 171,296                              |
| 2008/09 | 43.37                               | ⊕⊕ | 3.42          | ** | 5.97                          | 0.85                       | 10.30                   | 23.75                              | 181,836                              |
| 2009/10 | 45.47                               | ⊕⊕ | 3.57          |    | 6.42                          | 1.04                       | 11.10                   | 24.41                              | 183,911                              |
| 2010/11 | 46.18                               | ⊕⊕ | 3.57          |    | 6.42                          | 0.68                       | 10.74                   | 23.25                              | 188,144                              |
| 2011/12 | 45.59                               | ⊕⊕ | 3.47          |    | 6.42                          | 0.71                       | 10.68                   | 23.42                              | 194,898                              |
| 2012/13 | 42.90                               | ⊕⊕ | 3.22          |    | 6.52                          | 0.85                       | 10.67                   | 24.88                              | 211,407                              |
| 2013/14 | 41.68                               | ⊕⊕ | 3.07          |    | 6.63                          | 0.95                       | 10.74                   | 25.77                              | 214,526                              |
| 2014/15 | 40.05                               | ⊕⊕ | 2.75          |    | 6.76                          | 1.03                       | 10.64                   | 26.56                              | 215,406                              |
| 2015/16 | 37.75                               | ⊕⊕ | 3.82          |    | 6.93                          | 0.51                       | 11.37                   | 30.13                              | 214,384                              |
| 2016/17 | 40.68                               |    | 3.91          |    | 7.02                          | 0.59                       | 11.64                   | 28.62                              | 209,283                              |
| 2017/18 | 48.45                               |    | 4.47          |    | 7.15                          | 0.62                       | 12.36                   | 25.52                              | 210,388                              |
| 2018/19 | 47.22                               |    | 4.57          |    | 7.29                          | 0.72                       | 12.69                   | 26.88                              | 210,776                              |
| 2019/20 | 48.78                               |    | 4.42          |    | 7.39                          | 0.74                       | 12.67                   | 25.98                              | 208,051                              |
| 2020/21 | 49.91                               |    | 5.15          |    | 7.74                          | 0.00                       | 13.12                   | 26.29                              | 217,956                              |
| 2021/22 | 53.45                               |    | 5.24          |    | 7.78                          | 0.00                       | 13.21                   | 24.72                              | 218,972                              |
| 2022/23 | 80.94                               |    | 5.48          |    | 7.82                          | 0.00                       | 13.30                   | 16.43                              | 230,249                              |

\* Excludes wholesalers' surcharges, discounts and rebates.

\*\* Percentage mark-up changed.

\*\*\* PBS Online incentive (August 2008 to June 2010) and Premium-free Dispensing Incentive (August 2008 onwards).

⊕ Adjusted for retrospective payments.

⊕⊕ Not adjusted for General category items under the maximum patient contribution.

Excludes Doctor's Bag items.

# Population to pharmacy ratios

**Table 11 – Population to pharmacy ratios in Australia**

| YEAR (30 JUNE) | POPULATION * | NUMBER OF PHARMACIES | POPULATION/PHARMACY RATIO |
|----------------|--------------|----------------------|---------------------------|
| 1970           | 12,663,469   | 5,876                | 2,155                     |
| 1975           | 13,893,000   | 5,566                | 2,496                     |
| 1980           | 14,695,400   | 5,417                | 2,713                     |
| 1985           | 15,788,300   | 5,484                | 2,879                     |
| 1986           | 16,018,400   | 5,549                | 2,887                     |
| 1987           | 16,263,300   | 5,559                | 2,926                     |
| 1988           | 16,532,200   | 5,609                | 2,947                     |
| 1989           | 16,814,400   | 5,612                | 2,996                     |
| 1990           | 17,065,100   | 5,625                | 3,034                     |
| 1991           | 17,284,000   | 5,351                | 3,230                     |
| 1992           | 17,489,100   | 5,091                | 3,435                     |
| 1993           | 17,656,400   | 5,018                | 3,519                     |
| 1994           | 17,847,400   | 4,980                | 3,584                     |
| 1995           | 18,063,300   | 4,949                | 3,650                     |
| 1996           | 18,310,714   | 4,953                | 3,697                     |
| 1997           | 18,532,247   | 4,954                | 3,741                     |
| 1998           | 18,730,359   | 4,952                | 3,782                     |
| 1999           | 18,871,800   | 4,942                | 3,819                     |
| 2000           | 19,080,200   | 4,925                | 3,874                     |
| 2001           | 19,334,200   | 4,925                | 3,926                     |
| 2002           | 19,657,400   | 4,926                | 3,991                     |
| 2003           | 19,757,900   | 4,907                | 4,026                     |
| 2004           | 20,009,000   | 4,910                | 4,075                     |
| 2005           | 20,281,400   | 4,921                | 4,121                     |
| 2006           | 20,551,500   | 4,951                | 4,151                     |
| 2007           | 20,948,900   | 4,992                | 4,196                     |
| 2008           | 21,282,600   | 5,005                | 4,252                     |
| 2009           | 21,779,100   | 5,046                | 4,316                     |
| 2010           | 22,271,900   | 5,088                | 4,377                     |
| 2011           | 22,475,100   | 5,167                | 4,350                     |
| 2012           | 22,485,340   | 5,240                | 4,291                     |
| 2013           | 23,032,700   | 5,350                | 4,305                     |
| 2014           | 23,319,400   | 5,456                | 4,274                     |
| 2015           | 23,714,300   | 5,511                | 4,303                     |
| 2016           | 24,123,900   | 5,587                | 4,318                     |
| 2017           | 24,594,400   | 5,665                | 4,341                     |
| 2018           | 24,992,400   | 5,723                | 4,367                     |
| 2019           | 25,364,300   | 5,762                | 4,402                     |
| 2020           | 25,687,041   | 5,822                | 4,412                     |
| 2021           | 25,688,079   | 5,875                | 4,372                     |
| 2022           | 26,013,061   | 5,901                | 4,408                     |
| 2023           | 26,638,544   | 5,935                | 4,488                     |

**Table 12 – Population to pharmacy ratios by States and Territories**

| State or Territory | 30 JUNE 2022      |                      |                       | 30 JUNE 2023      |                      |                       | % Change in Population to Pharmacy Ratios |
|--------------------|-------------------|----------------------|-----------------------|-------------------|----------------------|-----------------------|-------------------------------------------|
|                    | Population ('000) | Number of Pharmacies | Population/Pharmacies | Population ('000) | Number of Pharmacies | Population/Pharmacies |                                           |
| NSW                | 8,154             | 1,916                | 4,256                 | 8,339             | 1,916                | 4,352                 | 2.3%                                      |
| VIC                | 6,614             | 1,407                | 4,701                 | 6,813             | 1,415                | 4,814                 | 2.4%                                      |
| QLD                | 5,322             | 1,191                | 4,469                 | 5,459             | 1,203                | 4,538                 | 1.6%                                      |
| SA                 | 1,821             | 463                  | 3,932                 | 1,852             | 469                  | 3,948                 | 0.4%                                      |
| WA                 | 2,785             | 647                  | 4,305                 | 2,879             | 652                  | 4,415                 | 2.6%                                      |
| TAS                | 572               | 155                  | 3,687                 | 573               | 158                  | 3,625                 | -1.7%                                     |
| NT                 | 251               | 42                   | 5,967                 | 253               | 42                   | 6,012                 | 0.8%                                      |
| ACT                | 457               | 80                   | 5,709                 | 467               | 80                   | 5,835                 | 2.2%                                      |
| <b>AUS*</b>        | <b>25,979</b>     | <b>5,901</b>         | <b>4,402</b>          | <b>26,639</b>     | <b>5,935</b>         | <b>4,488</b>          | <b>2.0%</b>                               |

National population value includes Other Territories and will not equal the sum of state populations.  
Sources: PBS Expenditure and Prescriptions Report and Australian Bureau of Statistics

**Table 13 – Number of PBS approved community pharmacies by States and Territories, 2013 - 2023**

| State or Territory | 2013         | 2014         | 2015         | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| NSW                | 1,794        | 1,820        | 1,831        | 1,853        | 1,864        | 1,878        | 1,886        | 1,895        | 1,912        | 1,916        | 1,916        |
| VIC                | 1,247        | 1,282        | 1,299        | 1,317        | 1,346        | 1,360        | 1,369        | 1,389        | 1,403        | 1,407        | 1,415        |
| QLD                | 1,070        | 1,088        | 1,100        | 1,118        | 1,130        | 1,138        | 1,151        | 1,167        | 1,187        | 1,191        | 1,203        |
| SA                 | 432          | 439          | 439          | 448          | 454          | 454          | 459          | 460          | 459          | 463          | 469          |
| WA                 | 556          | 574          | 584          | 591          | 611          | 623          | 626          | 636          | 639          | 647          | 652          |
| TAS                | 146          | 148          | 149          | 150          | 149          | 153          | 153          | 155          | 155          | 155          | 158          |
| NT                 | 33           | 33           | 34           | 35           | 36           | 39           | 40           | 40           | 40           | 42           | 42           |
| ACT                | 72           | 72           | 74           | 75           | 75           | 78           | 78           | 80           | 80           | 80           | 80           |
| <b>AUS</b>         | <b>5,350</b> | <b>5,456</b> | <b>5,510</b> | <b>5,587</b> | <b>5,665</b> | <b>5,723</b> | <b>5,762</b> | <b>5,822</b> | <b>5,875</b> | <b>5,901</b> | <b>5,935</b> |

**Table 14 – Pricing and earning indices**

| YEAR    | CONSUMER PRICE INDEX (A) |          |                 |          | AVERAGE WEEKLY EARNINGS (B) |          |
|---------|--------------------------|----------|-----------------|----------|-----------------------------|----------|
|         | ALL GROUPS               |          | PHARMACEUTICALS |          | \$ AMOUNT                   | % CHANGE |
|         | INDEX                    | % CHANGE | INDEX           | % CHANGE |                             |          |
| JUNE 88 | 49.30                    | 7.17     | 56.00           | 9.38     | -                           |          |
| JUNE 89 | 53.00                    | 7.51     | 59.10           | 5.54     | -                           |          |
| JUNE 90 | 57.10                    | 7.74     | 62.30           | 5.41     | -                           |          |
| JUNE 91 | 59.00                    | 3.33     | 66.00           | 5.94     | -                           |          |
| JUNE 92 | 59.70                    | 1.19     | 67.70           | 2.58     | -                           |          |
| JUNE 93 | 60.80                    | 1.84     | 69.40           | 2.51     | -                           |          |
| JUNE 94 | 61.90                    | 1.81     | 70.80           | 2.02     | -                           |          |
| JUNE 95 | 64.70                    | 4.52     | 72.80           | 2.82     | 548.90                      |          |
| JUNE 96 | 66.70                    | 3.09     | 75.20           | 3.30     | 565.50                      | 3.02     |
| JUNE 97 | 66.90                    | 0.30     | 78.80           | 4.79     | 578.10                      | 2.23     |
| JUNE 98 | 67.40                    | 0.75     | 79.40           | 0.76     | 596.00                      | 3.10     |
| JUNE 99 | 68.10                    | 1.10     | 78.90           | -0.63    | 610.40                      | 2.42     |
| JUNE 00 | 70.20                    | 3.08     | 79.60           | 0.89     | 633.80                      | 3.83     |
| JUNE 01 | 74.50                    | 6.13     | 82.90           | 4.15     | 660.30                      | 4.18     |
| JUNE 02 | 76.60                    | 2.82     | 83.80           | 1.09     | 683.80                      | 3.56     |
| JUNE 03 | 78.60                    | 2.61     | 86.30           | 2.98     | 721.40                      | 5.50     |
| JUNE 04 | 80.60                    | 2.54     | 88.40           | 2.43     | 741.40                      | 2.77     |
| JUNE 05 | 82.60                    | 2.48     | 92.90           | 5.09     | 784.20                      | 5.77     |
| JUNE 06 | 85.90                    | 4.00     | 95.90           | 3.23     | 819.70                      | 4.53     |
| JUNE 07 | 87.70                    | 2.10     | 97.20           | 1.36     | 858.50                      | 4.73     |
| JUNE 08 | 91.60                    | 4.45     | 98.60           | 1.44     | 885.00                      | 3.09     |
| JUNE 09 | 92.90                    | 1.42     | 101.40          | 2.84     | 918.60                      | 3.80     |
| JUNE 10 | 95.80                    | 3.12     | 102.60          | 1.18     | 977.10                      | 6.37     |
| JUNE 11 | 99.20                    | 3.55     | 103.20          | 0.58     | 1015.20                     | 3.90     |
| JUNE 12 | 100.40                   | 1.21     | 103.80          | 0.58     | 1053.20                     | 3.74     |
| JUNE 13 | 102.80                   | 2.39     | 103.20          | -0.58    | 1105.00                     | 4.92     |
| JUNE 14 | 105.90                   | 3.02     | 104.60          | 1.36     | 1123.00                     | 1.63     |
| JUNE 15 | 107.50                   | 1.51     | 103.10          | -1.43    | 1136.90                     | 1.24     |
| JUNE 16 | 108.60                   | 1.02     | 104.40          | 1.26     | 1160.90                     | 2.11     |
| JUNE 17 | 110.70                   | 1.93     | 104.50          | 0.10     | 1179.00                     | 1.56     |
| JUNE 18 | 113.00                   | 2.08     | 106.20          | 1.63     | 1207.40                     | 2.41     |
| JUNE 19 | 114.80                   | 1.59     | 107.90          | 1.60     | 1237.90                     | 2.53     |
| JUNE 20 | 114.40                   | -0.35    | 110.30          | 2.22     | 1304.70                     | 5.40     |
| JUNE 21 | 118.80                   | 3.80     | 109.30          | -0.91    | 1305.80                     | 0.08     |
| JUNE 22 | 126.10                   | 6.14     | 110.70          | 1.28     | 1344.70                     | 2.98     |
| JUNE 23 | 133.70                   | 6.03     | 112.40          | 1.54     | 1399.10                     | 4.05     |

(A) Weighted average of eight capital cities. (2011/12 = 100.0).  
 (B) Males and Females.



# Survey methodology

## Sample size and representativeness

After excluding responses with incomplete information, the final number of responses analysed for the main sample was 538. The current analyses are based on weightings derived from the distribution of Australian pharmacies according to their annual prescription volumes.

As in previous years, results for smaller States should be interpreted with caution due to the lower number of responses. Over the past decade, survey participation has increasingly skewed towards larger pharmacies, and the 2022–23 sample continues this trend. The weighting methodology used to calculate national and State averages adjusts for this bias to ensure the results are representative of the broader pharmacy sector.

Percentages—such as salaries expressed as a percentage of turnover—are often more meaningful for benchmarking than raw dollar figures, particularly when comparing pharmacies of different sizes.

## Using the Digest

The Digest is based on a voluntary survey requiring detailed financial information, and response rates varied by State. The usefulness of a survey depends on its intended purpose; this Digest is primarily designed as a management tool, and its results are highly valuable for this purpose. Because the characteristics of responding

pharmacies can change from year to year—often due to shifts in the structure of the pharmacy sector—comparability over time may be affected. Care should therefore be taken when comparing this year’s results with those of previous editions. It is also important to note that differences from the averages presented in the tables do not necessarily indicate a problem. Every pharmacy operates in a unique environment. For example, relatively high rent may reflect an unfavourable lease or a deliberate choice to secure a premium location. Conversely, average rent levels may mask higher-than-ideal costs for a poor trading position.

## Profile of survey respondents

Survey respondents for 2022–23 varied by remoteness, location type and pharmacy size. The tables below summarise this profile.

**Table 15 – Number of respondents by Modified Monash Model (MMM) and State**

| STATE        | MMM        |           |           |           |           |          |          | NOT REPORTED | TOTAL      |
|--------------|------------|-----------|-----------|-----------|-----------|----------|----------|--------------|------------|
|              | 1          | 2         | 3         | 4         | 5         | 6        | 7        |              |            |
| NSW          | 43         | 4         | 10        | 9         | 26        | 0        | 0        | 61           | 153        |
| VIC          | 94         | 13        | 4         | 9         | 29        | 2        | 0        | 4            | 155        |
| QLD          | 15         | 9         | 2         | 1         | 4         | 2        | 1        | 47           | 81         |
| SA           | 4          | 0         | 0         | 0         | 0         | 0        | 0        | 55           | 59         |
| WA           | 39         | 2         | 2         | 0         | 4         | 2        | 0        | 4            | 53         |
| TAS          | 0          | 4         | 1         | 0         | 4         | 0        | 0        | 1            | 11         |
| ACT          | 24         | 0         | 0         | 0         | 2         | 0        | 0        | 0            | 26         |
| <b>Total</b> | <b>219</b> | <b>32</b> | <b>20</b> | <b>19</b> | <b>69</b> | <b>6</b> | <b>1</b> | <b>172</b>   | <b>538</b> |

**Table 16 – Location characteristics of sample**

| Location        | NSW        | VIC        | QLD       | SA        | WA        | TAS       | ACT       | Total      |
|-----------------|------------|------------|-----------|-----------|-----------|-----------|-----------|------------|
| MEDICAL CENTRE  | 5          | 8          | 6         | 7         | 17        | 1         | 0         | 44         |
| SHOPPING CENTRE | 37         | 33         | 24        | 24        | 22        | 1         | 0         | 141        |
| SHOPPING STRIP  | 37         | 111        | 11        | 2         | 10        | 8         | 3         | 182        |
| OTHERS          | 74         | 3          | 40        | 26        | 4         | 1         | 23        | 171        |
| <b>TOTAL</b>    | <b>153</b> | <b>155</b> | <b>81</b> | <b>59</b> | <b>53</b> | <b>11</b> | <b>26</b> | <b>538</b> |

**Table 17 - Pharmacy size (m<sup>2</sup>) by State/Territory**

| STATE / TERRITORY       | 2022-23      |
|-------------------------|--------------|
| NSW                     | 210.2        |
| VIC                     | 255.8        |
| QLD                     | 224.7        |
| SA                      | 224.3        |
| WA                      | 262.6        |
| TAS                     | 182.4        |
| ACT                     | 162.7        |
| <b>NATIONAL AVERAGE</b> | <b>237.7</b> |

*NT is excluded as no survey responses were received.*



# Definitions

**Total Pharmacy Sales:** Relate to the sale of all products (both prescription and retail) for which goods were purchased at wholesale for the purpose of re-sale at a profit. It excludes services income, government payments, such as rural allowances, commissions, agency fees, dividends and disposal of assets.

**Cost of Goods Sold:** Refers to purchases of goods for re-sale at a profit.

**Gross Profit:** Sales less cost of goods.

**Gross (Profit) Margin:** Gross profit divided by sales.

**Other Income:** Income from items which do not involve cost of goods sold. They may, for example, be related to Community Pharmacy Agreement programs or professional services. Dividend and rent income, and other such income not connected with the pharmacy's operation, are also included.

**Gross Margin plus Other Income:** The arithmetic total of the gross margin and other income representing the total gross margin from trading.

**Total Turnover:** The arithmetic total of sales and other income; all expenses are expressed as a percentage of total revenue not sales, since a portion of all expenses is also incurred in earning other income.

and locums but exclude proprietors' earnings (since the latter are represented by proprietors' notional salary).

**Expenses:** Costs incurred by the ordinary activity of business.

**Total Income:** Arrived at by subtracting total expenses and cost of goods sold from total revenue; it refers to the trading profit of the pharmacy, which may involve several partners.

**Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA):** Reflects net income before interest, taxes, depreciation and amortisation expenses are deducted.

**Proprietors' Notional Salary:** A notional estimate of a reasonable professional salary for hours worked in the pharmacy. It is adjusted for over-award payments, but includes only work performed within the pharmacy. This is consistent with the rationale that a proprietor should expect remuneration at least equivalent to the salary which he/she would otherwise receive for a similar effort as a manager. Accordingly, the calculation of proprietors' notional salary not only reflects normal working hours but also other factors, such as leave loading, superannuation, provision for annual leave, provision for long-service leave and sick leave (collectively termed on-costs), and overtime worked.

**Salaries and Wages:** Include wages paid to all staff

For the purposes of the Digest, no allowance has been made for 'proprietary lead' which is essentially the incentive to invest in a business, rather than in an interest-bearing investment account.

The corresponding percentage is expressed as per cent of total revenue.

**Full-Time-Equivalent:** A notional rate which should be interpreted in the particular circumstances of individual pharmacies. It is derived simply by dividing the total hours worked by 38 (the normal award hours), irrespective of the number of hours worked by each partner.

**Net Profit/Loss:** Calculated by subtracting proprietors' notional salary from total income.

Please note that taxation is not considered in the Guild's survey or the published results. All figures are before tax. The corresponding percentage is expressed as a per cent of total revenue.

**Prescriptions:** Refers to all prescription sales, including the income derived from dispensing private prescriptions, prescriptions valued less than the maximum patient contribution, all PBS and RPBS prescriptions, and all patient contributions. It excludes OTC items.

**Retail Sales:** Includes all retail sales, but excludes other income.

**OTC Sales:** Includes all OTC sales, but excludes other income.

**All Other Sales:** Includes all Other Sales, but excludes other income.

**Stock Turn:** The cost of goods sold in a given year, divided by the mathematical average of the opening and closing stock in the same year. It is a measure of the frequency with which stocks are turned over in the financial year.

**Funds Retained in Business:** These are necessary to refinance inflation-affected inventories, to replace fixtures and other capital equipment, and to manage cash flow. This figure is calculated as the difference between total income and the reported drawings by proprietors. Where drawings have not been reported by respondents, they have been excluded from the calculated average.

All financial values are exclusive of GST.





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