

6 Pharmacies

During the 1980s the pharmacy profession became increasingly concerned about an oversupply of pharmacies in urban areas. In 1990 the Pharmacy Guild entered into an agreement with the Commonwealth Government to encourage a target of 1,000 suburban pharmacies to exit the industry. This agreement included assistance in redundancies. There were 630 closures and 64 amalgamations, at a cost of \$42 million and \$4 million respectively, by July 1995. During this time, the Pharmacy Restructuring Authority received 365 applications for approval of new pharmacies and approved only 72 (28 under the unmet public needs criteria).

The number of approved pharmacies declined from 5,569 in 1989 to 4,958 in 1995 and stabilised around that level with 4,941 in 1996 and 4,951 in 1997. The greatest declines occurred in New South Wales, South Australia and the Australian Capital Territory. Pharmacies closed in the Australian Capital Territory were mainly small suburban pharmacies in suburbs without district shopping centres or medical centres.

Table 32: Approved pharmacies: States and Territories, 1989–97

State/Territory	1989	1990	1991	1992	1993	1994	1995	1996	1997	% change 1989–97
New South Wales	2,023	2,005	1,995	1,816	1,773	1,753	1,739	1,729	1,726	-14.7
Victoria	1,344	1,369	1,378	1,276	1,247	1,231	1,218	1,202	1,194	-11.2
Queensland	1,025	1,046	1,039	957	938	934	930	936	952	-7.1
Western Australia	475	487	481	462	461	456	456	461	467	-1.7
South Australia	446	444	445	404	395	390	385	387	385	-13.7
Tasmania	158	154	151	146	144	144	143	143	143	-9.5
Australian Capital Territory	74	76	76	62	60	59	61	57	57	-23.0
Northern Territory	24	25	27	27	25	26	26	26	27	12.5
Australia	5,569	5,606	5,592	5,150	5,043	4,993	4,958	4,941	4,951	-11.1

Source: Department of Health and Family Services.