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## Government Pushes New Cap on Medicine Prices Amid Growing Cost Concerns

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Australians could soon see prescription medicine prices capped at \$25 under a new proposal being brought before Parliament. The measure marks the second attempt by the federal government in three years to curb prices under the Pharmaceutical Benefits Scheme (PBS), amid rising public concern about healthcare affordability.

The proposed legislation would lower the maximum co-payment for selected medicines from the current \$30 to \$25. This follows an earlier reduction from \$42.50, introduced during the Labor government's first year in office. While pitched as a cost-of-living relief measure, critics question whether the government is offering sustainable reform or simply short-term political appeasement. As inflation and interest rates place increasing pressure on Australian households, many are wary of symbolic policies that lack broader economic foresight.

Prime Minister Anthony Albanese has argued that no Australian should face a financial barrier to essential healthcare. “The size of your bank balance should not determine the quality of your health care,” he said while announcing the policy. However, the initiative has raised eyebrows among economists and industry leaders who are calling for a more comprehensive strategy to address structural issues within the PBS. While lower costs are welcomed by the public, the question remains whether the system can absorb the financial pressure this policy will place on government funding and long-term medicine availability.

It is clear that Australians need support in managing everyday expenses, but price caps alone do not equate to genuine reform. By continuing to focus on targeted announcements rather than pursuing broader efficiency improvements in healthcare delivery, the government risks prioritizing political optics over practical outcomes. A sustainable pharmaceutical system requires more than short-term relief. It demands transparency, competitive pricing, and strong partnerships with local pharmaceutical innovators. Capping prices may ease financial strain for now, but without a long-term vision, these moves could deepen Australia's dependency on subsidies and strain public health funding. The

real challenge lies not in price cuts, but in reform that balances affordability with innovation and economic responsibility.

