

# **Report of the Departmental Committee appointed to consider the drug tariff under the National Insurance Acts.**

## **Contributors**

Great Britain. Committee on Drug Tariff under the National Insurance Acts.  
Great Britain. National Health Insurance Joint Committee

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NATIONAL INSURANCE ACTS.

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REPORT

OF THE

DEPARTMENTAL COMMITTEE

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APPOINTED TO CONSIDER THE

DRUG TARIFF UNDER THE  
NATIONAL INSURANCE ACTS.

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VOL. I.

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REPORT.

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Presented to both Houses of Parliament by Command of His Majesty.

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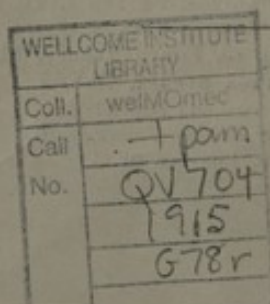
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## Copy of Minutes of Appointment.

I hereby appoint—

Sir HENRY J. GIBSON, K.C.B., Comptroller and Auditor-General,  
JOHN ADAMS, Esq., M.B., C.M., a member of the Council of the British Medical Association,  
ALFRED COX, Esq., M.B., Medical Secretary to the British Medical Association,  
JAMES P. GILMOUR, Esq., member of the Pharmaceutical Society of Great Britain,  
J. F. TOCHER, Esq., D.Sc., F.I.C., Aberdeen,  
R. V. VERNON, Esq., of the Treasury,  
S. P. VIVIAN, Esq., an Assistant Secretary in the National Health Insurance Commission (England),  
W. J. UGLOW WOOLCOCK, Esq., Secretary and Registrar to the Pharmaceutical Society of Great Britain,

to be a Committee to consider and report what margin of profit (apart from discounting) is yielded by the present Drug Tariff, what revision, if any, of prices is required to place that tariff on a commercial basis, and whether any extension or re-arrangement of the list of priced drugs and mixtures is desirable; to make such investigations as they may think necessary for this purpose either generally or in particular areas, and to submit a tariff in accordance with their recommendations;

And I appoint Sir Henry Gibson to be Chairman, and E. W. Adams, Esq., M.D., a Medical Officer in the National Health Insurance Commission (England), to be Secretary of the Committee.

CHARLES F. G. MASTERMAN,  
Chairman of the National Health  
Insurance Joint Committee.

1st February 1915.

I hereby appoint—

Sir ROWLAND BAILEY, C.B., M.V.O.,  
to be Chairman of the Committee appointed,

“ to consider and report what margin of profit (apart from discounting) is yielded by the present Drug Tariff, what revision, if any, of prices is required to place that tariff on a commercial basis, and whether any extension or re-arrangement of the list of priced drugs and mixtures is desirable; to make such investigations as they may think necessary for this purpose either generally or in particular areas, and to submit a tariff in accordance with their recommendations ”

in the room of Sir Henry Gibson, K.C.B., Comptroller and Auditor-General, resigned.  
(Signed) E. S. MONTAGU.

2nd March 1915.

*Note.*—The Committee at their first meeting appointed Mr. James Rae, of the National Health Insurance Commission (England), to act as Joint Secretary with Dr. Adams.

# LIST OF WITNESSES.

Name.	Description.	Nominated by
Deakin, J. W. - -	Pharmacist - - -	Pharmaceutical Society of Great Britain.
Denton, J. - -	Chief checker of prescriptions to the West Riding Insurance Committee.	
Fry, P. V. - -	Medical practitioner - -	British Medical Association.
Hogarth, C. W. - -	Medical practitioner - -	London Panel Committee.
Hill, J. Rutherford - -	Resident secretary in Scotland of Pharmaceutical Society of Great Britain, and secretary Scottish Standing Committee.	Pharmaceutical Society of Great Britain.
Harrison, E. F. - -	Analytical and consulting chemist	
Joseph, L. - -	Pharmacist - - -	Pharmaceutical Society of Great Britain.
Kirkpatrick, J. - -	Pharmacist - - -	Pharmaceutical Society of Great Britain.
Kitchin, G. - -	Pharmacist - - -	Pharmaceutical Standing Committee on Insurance for Scotland.
Lilley, E. L. - -	Medical practitioner - -	British Medical Association.
Nidd, J. H. - -	Pharmacist - - -	Pharmaceutical Society of Great Britain.
Orr, John - -	Medical practitioner - -	Scottish Committee of the British Medical Association.
Partridge, V. S. - -	Medical practitioner - -	Panel Medico-Political Union.
Roach, Frothingham - -	Medical practitioner - -	London Panel Committee.



## Departmental Committee appointed to consider the Drug Tariff under the National Insurance Acts.

TO CHARLES ROBERTS, Esq., M.P., Chairman of the National Health Insurance  
Joint Committee.

SIR,

1. IN accordance with the Minutes of our Appointment, which are printed on page 3, we have the honour to report that we have sat on 20 days and have examined 14 witnesses, a list of whom appears on page 4.

2. We have also conducted certain investigations which may be conveniently classed under three heads, viz.:

(a) Investigations of prescriptions actually dispensed in 1913 and 1914 under the Insurance Acts in order to obtain the following data:—

(i) Actual cost price to chemists of drugs, &c. supplied.

(ii) Tariff price.

(iii) Dispensing fee.

(iv) Medicament class.

(v) Frequency with which individual drugs were ordered and frequency with which various quantities of the same drug were ordered.

(b) Investigations of chemists' businesses in order to ascertain the profit earned prior to inception of medical benefit under the National Insurance Act, 1911, and subsequently thereto.

(c) A dispensing test with a view to determining the ratios in which the several medicament classes stand to one another, having regard to the relative claims of each class upon the dispenser's skill and time.

3. The investigations under head (a) were carried out by means of a staff employed by the Committee for the purpose. Those under head (b) were conducted by Messrs. W. B. Peat & Co., Chartered Accountants, in accordance with instructions issued by the Committee. Summaries of the results obtained from these investigations are given in this Report and its Appendices. Details of the dispensing test will be found in the Minutes of Evidence (Tenth Day).

4. We propose to deal in the following order with the matters referred to us:—

I.—The present financial and administrative arrangements (of which the Drug Tariff forms a part) for the supply of medicine under the Insurance Acts.

II.—Analysis of the principles and working of the Drug Tariff at present in force.

III.—The revision necessary to place the Drug Tariff on a commercial basis.

IV.—Summary of Conclusions.

### I.—THE PRESENT FINANCIAL AND ADMINISTRATIVE ARRANGEMENTS (OF WHICH THE DRUG TARIFF FORMS A PART) FOR THE SUPPLY OF MEDICINE, ETC., UNDER THE INSURANCE ACTS.

5. These arrangements are made for each County or County Borough area by the local Insurance Committee on uniform lines prescribed by the Medical Benefit Regulations. The actual supply is arranged for by means of contracts between the Committee and any qualified persons carrying on business in the area. Those contracts incorporate a list of prices payable by the Committee (subject to the provision referred to in paragraph 9), for the various specified drugs and appliances, and for the services of the chemist in dispensing them. This list constitutes the Drug Tariff. The drugs specified in the Tariff are those usually prescribed; any others not specified are required to be priced according to rules laid down in the Tariff.

6. The medicine for the individual patient is prescribed for him by the practitioner in attendance, upon an official form. This is handed to the patient, and it serves the combined purpose of an order upon any one of the contracting chemists to supply the patient with the medicine and a voucher to enable the chemist to claim payment from the Committee.



7. It will be seen that the practitioners in the area are thus solely responsible in their individual discretion for the amount and character of the medicine supplied to insured persons, and this circumstance accounts for the financial system upon which the drug supply is based, the system being so constructed as to afford practitioners an inducement to exercise their discretion in a reasonably, but not unduly, economical manner.

8. To defray the cost of medicine, &c., each Insurance Committee sets aside in each year out of its medical benefit funds for that year a sum calculated at the rate of 2s. per head of its insured population entitled to medical benefit. The cost of the medicines supplied is paid out of this fund. Any balance not exceeding 6d. per head of the insured population after payment of all drug charges for the year is distributed among the practitioners. But as practitioners have no motive of self-interest to reduce the cost of the drug supply below 1s. 6d. per head provision is thus secured for the maintenance of a fully adequate drug supply. Any balance remaining out of the sum of 1s. 6d. per head after payment of the total drug accounts for the year is carried forward to the drug funds for the ensuing year.

9. As, however, the amount available for defraying the cost of the drug supply in any year is limited to a total of 2s. per head, the medical benefit regulations (which are incorporated in the chemists' contracts) contain what has been described as a discounting provision under which, when the aggregate accounts of all chemists in the area exceed the total amount of the 2s. per head, all chemists' accounts are rateably reduced to bring them within this total fund available.

10. It will thus be seen that the prices specified in the Tariff are not absolute prices which the Insurance Committee binds itself in all circumstances to pay or which the chemist is entitled in all circumstances to receive, but are maximum prices subject to a variable rate of discount; and any question as to the fairness of the present arrangements will depend, not only upon the degree of practical risk involved in the liability to discount, but also upon the extent, if any, to which the Tariff prices may be abated without loss of reasonable profit to the chemist. As however we are required by our terms of reference to consider the present Drug Tariff apart from discounting, the origin or history of the discounting clause need not further concern us.

11. The regulations clearly assume that the only question involved is as to the distribution of a fixed annual sum between practitioners and chemists. Generally speaking, the amount of the drug bills for an area and the prices upon which those bills are based, concern practitioners and chemists alone, as the parties solely affected by the cost of the drug supply. No amount of economy or rigour in the matter of prices can enable the Insurance Committee to effect any saving in its disbursements, inasmuch as the whole of its annual income is distributed to either practitioners or chemists; nor, on the other hand, is the Insurance Committee financially concerned to resist any upward tendency of prices, inasmuch as its liability is limited and its payments cannot exceed its income.

12. The regulations contemplate therefore that the Tariff prices for the drug supply would be a matter of negotiation between the medical and pharmaceutical professions, either centrally, or locally, area by area, and assume that the two bodies might be relied upon, in view of their opposite financial interests and expert knowledge of the subject matter, to agree upon a Tariff which in principle and detail would be substantially reasonable and satisfactory to both parties. It will be remembered, however, that during the period which immediately preceded the inception of medical benefit the medical profession, owing to circumstances into which it is unnecessary to enter, were not prepared to take part in any such negotiations either centrally or locally; and the natural and not unreasonable consequence was that a Tariff framed by the Standing Committee on Insurance of the Pharmaceutical Society was propounded by the local bodies of pharmacists and adopted by Insurance Committees in all areas without any real investigation or scrutiny. Modifications in details have been subsequently made, mainly at the instance of local bodies, including those representing practitioners, but any such revision has of necessity left untouched the essential principles and framework of the original Tariff.

## II.—ANALYSIS OF THE PRINCIPLES AND WORKING OF THE TARIFF AT PRESENT IN FORCE.

13. We now proceed to an analysis of the principles upon which the Tariff is based. These are identical as regards the Tariffs in force in every part of Great



Britain, since neither the small local variations above referred to nor the more substantial divergences between the tariffs in Scotland and those in England and Wales have touched the principles upon which the original Tariff was founded.

14. The Tariff provides that there shall be charged a price for every ingredient in a prescription, and (with certain exceptions) a dispensing fee in respect of the prescription as a whole.

15. The charge for each ingredient comprises, however, a profit at a varying ratio upon the cost to the chemist of the actual quantity of the particular drug ingredient (*Q. 5, paragraphs 3-9*), and we understand that the actual ingredient price was intended to afford the chemist a margin for "trade profit" or establishment charges. We gather that the intention of the framers of the Tariff was that the chemist should look, in the main, to the dispensing fee for remuneration in respect of his personal services. (*Q. 276 et seq.*)

16. *Ingredient Prices.*—The calculation of the ingredient price is of importance when considering the adequacy, or otherwise, of the return it gives to the chemist for that portion of his expenses for which it is intended to recoup him. The effect of the method adopted is to give a percentage rate designedly higher in the case of smaller than of larger quantities (*Q. 41*). The precise price arrived at, however, by the addition of the fixed percentage rate appropriate to the particular quantity is, further, adjusted to the nearest halfpenny up in certain cases, and the nearest halfpenny up or down in others (*Q. 58*). The minimum price for any ingredient is a halfpenny, and every other price is calculated in multiples of halfpence.

17. This adjustment has a very material effect upon the actual percentages charged in the case of a very large number of ingredients as the quantities prescribed are frequently very small. In the great majority of cases it involves an increased charge which, though limited in absolute amount to something less than a halfpenny upon every ingredient, produces an increased percentage rate upon each ingredient varying within very wide limits—the lower the unadjusted price the greater being the increase in the percentage rate.

18. The effect of the system may almost be said to show a different rate of charge upon every particular quantity of every particular drug. The aggregate yield to the chemist under this head is the absolute cost to him of the actual drugs plus a percentage determined by the relative preponderance (both as regards weight and frequency) of the higher and lower rates among the several ingredient prices.

19. *The Dispensing Fee.*—The dispensing fee is a charge per prescription which represents the remuneration of the chemist for his professional work. The amount varies with the nature of the prescription, being determined by a scale in the Tariff graded partly according to the class of medicament which is dispensed and, in some instances, by reference to other considerations (*see paragraph 34*).

20. It must at once be recognised that the Tariff was prepared at a time of great urgency to meet circumstances which could not be foreseen, and as to which no guidance was afforded by previous experience. Now, on a review of nearly three years' working, we are brought to the conclusion that the present Tariff has faults of construction which are responsible for serious inequity to individual chemists.

21. The Tariff is pervaded by a system of balances and compensations upon which its authors relied to ensure the fairness of its ultimate yield. Thus anomalies in relative over-pricing in the case of particular drugs are set off against other anomalies of a contrary tendency; anomalies in the dispensing fee scale are balanced against the effects of certain features of the ingredient pricing method (*Q. 73*).

22. This system of balances and compensations has proved in working to be unsatisfactory for various reasons. In the first place it has rendered the Tariff incapable of proper adaptation to meet the needs of changing circumstances. Assuming that the ultimate yield of the Tariff, when originally constructed, was fair, the fact remains that the yield, being the net resultant on balance of a large number of varying circumstances, could only continue to be fair so long as the circumstances were unchanged. The original balance, being based not upon any constant law but solely upon the circumstances of prescribing by practitioners at some particular time, would be destroyed as soon as those circumstances altered. This, we believe, has, in fact, happened; and we are satisfied that the habits of practitioners in prescribing have been modified and are likely still to be modified to such an extent as to render inaccurate any calculations based upon the nature of those habits at any given time.



23. Again, while we believe that a tariff so constructed must become obsolete on these grounds by the mere lapse of time, it is also especially difficult, or even impossible, to adapt such a tariff to keep pace with fluctuations in the market price of drugs. The minimum halfpenny and the halfpenny gradation system will in a very great number of cases render it impossible to modify the original price without effecting an excessive increase or reduction, with the inevitable result that any previously correct balance would, again, be bound to be disturbed.

24. Further, we think it important that any tariff which has to be constantly handled and applied by some 15,000 practitioners and 10,000 chemists should be constructed upon simple and self-evident principles. It is an instrument which determines not only the remuneration of chemists, but also, in part, that of doctors, and upon the equity and reasonableness of which it is essential that the members of both professions should be able to rely; and it is not to be expected that sufficient confidence could be reposed upon a document which requires for its justification a detailed knowledge of a series of empirical compromises.

25. But apart from these general objections the structure of the present Tariff is responsible for certain more positive defects which are prejudicing the smooth and equitable working of the drug supply arrangements.

26. As previously stated, the ingredient prices are intended to cover not only the cost to the chemist of the drugs dispensed by him but also that portion of his establishment charges which is applicable to his Insurance dispensing. This latter portion of the return is represented by the produce of a mean percentage rate upon the aggregate cost of the drugs; and the absolute value of that produce in money will depend (a) upon the percentage rate, and (b) upon the absolute money value of the drugs upon which the percentage is based. Thus the chemist's receipts under this head will depend not only upon whether the percentage is 50 or 60, but also upon whether the cost of the drugs on which the percentage is reckoned is 100*l.* or 1,000*l.*

27. It has been stated that the mean percentage rate upon drug cost works out at an approximately identical figure in the case of each chemist on his Insurance dispensing when taken in bulk. This, however, is not the case. From the prescription analysis carried out by our own staff we have satisfied ourselves that as between area and area the mean percentage rate upon the cost of the drugs varies between 53 and 74·3 (*see* Appendix I.); and that the range of variation is even greater as between chemist and chemist. Similarly, as regards the absolute money value of the dispensed drugs upon which the percentages are based, this again varies considerably as between area and area and even more considerably as between chemist and chemist. Our prescription analysis exhibits variations in the cost of drugs between 2·34*d.* per prescription and 4·04*d.* per prescription in different areas (*see* Appendix I.), and it will be obvious that the yield of a given percentage rate upon the latter figure will be almost double that upon the former. It is not the case, moreover, that there is any law by which these two factors, cost of drugs and percentage rate, vary inversely so as to produce an approximately uniform yield. While the minimum halfpenny undoubtedly affords some slight compensation by producing a higher percentage rate upon the cheaper drugs, this influence has no substantial effect, and we have found (as will be seen from the figures given in Appendix I.) not only instances of a low percentage rate associated with a low cost of drugs per prescription, and *vice versa*, but overwhelming evidence that the net money yield of the combined factors varies within quite as wide a range as either of the factors themselves.

28. It is clear, therefore, that the ingredient pricing system in the present Tariff yields in practice to different chemists by way of return for their establishment charges, &c., sums differing very widely in amount. Unless these discrepancies in remuneration can be shown to be governed by, and of necessity to coincide with, variations in the establishment expenses for which they are intended to recoup, the chemists, it will be admitted that the system which can produce such discrepancies calls for amendment. It remains, therefore, to examine whether these discrepancies have any relation to variations in the individual chemists' establishment expenses.

29. Now both the factors which are responsible in combination for the discrepant yield are governed solely by the conduct of practitioners in prescribing. The relative expensiveness of the drugs and preparations which the practitioner prescribes depends upon his own professional training and habits, his knowledge of pharmacy, and the degree to which the desirability of economy is appreciated by him or



impressed upon him by his Panel Committee. Indeed the action taken by Panel Committees has in many areas materially reduced the cost of the drugs ordered, and is accountable to a considerable extent for the marked differences as between area and area of the average cost of drugs per prescription. Again the percentage rates conveyed by the individual ingredient prices vary according to the drug and the quantity of the drug prescribed. This factor therefore also depends upon the detailed nature of the practitioner's prescribing under the Insurance Act; but so far from it having any causal relation to the cost of establishment charges, it is so entirely ungoverned by any law tending to constant results that the mean percentage rate produced by the present ingredient pricing system may quite fairly be described as accidental.

30. It is obvious that this system is responsible for grave injustice in the conveyance of remuneration as between chemist and chemist. Assuming two chemists both in a business of a similar character with an approximately equal rate of establishment expenses and both doing an equal amount of Insurance dispensing, our prescription analysis shows that one of the two may receive an allowance for the establishment charges apportionable to his Insurance dispensing of treble the amount which the other receives. This anomaly would be due, not to any causes controlled by either chemist, but to the habits in prescribing of the group of practitioners whose prescriptions they respectively dispense. Even between area and area we find allowances varying between 5*l.* 15*s.* 1*d.* per 1,000 prescriptions and 9*l.* 11*s.* per 1,000 prescriptions, the chemists as a whole in the one area receiving nearly double the allowance received by the chemists as a whole in the other. If, on the other hand, it is assumed that two chemists are carrying on business in somewhat different circumstances, one of them having a somewhat higher rate of establishment expenses than the other, it is not even reasonably probable under the present Tariff that the former will receive a higher rate of allowance for establishment charges. As the issue is in the hands of the practitioners whose prescriptions he is dispensing, it is just as likely that he will receive the lower rate of allowance and that his colleague will receive the higher rate. The unfairness of such an arrangement will at once be appreciated.

31. Even if, therefore, the total demand which the present Tariff makes upon Insurance funds as a whole were the lowest sum for which the whole drug supply could reasonably be provided, and in that sense the total payment for the supply were agreed to be commercial, it would nevertheless be obvious that no tariff could be adjudged to be on a commercial basis so long as it gives to some chemists much more than is fair and reasonable, and to others much less. The discrepancies in the distribution of remuneration resulting from the present ingredient pricing system are so great that it is by no means impossible that a particular chemist would be underpaid, even though excessive payments were made for the Insurance drug service as a whole; and we believe that much of the dissatisfaction with the present Tariff which has been expressed by members of the pharmaceutical profession may be traced to actual hardship suffered on account of those circumstances.

32. The main cause of the difficulty is the principle of charging the allowance for establishment expenses in the form of a percentage upon the cost of drugs. However amended or adjusted, the produce of any percentage must vary with the sum upon which it is based. But a chemist's establishment expenses do not depend upon the value of the drugs which he dispenses. The establishment expenses apportionable to a given 1,000 prescriptions are not less by half than the establishment expenses apportionable to another 1,000 prescriptions, involving doubly expensive drugs. But it is obviously fair that the allowance for establishment charges should be based upon the amount of Insurance business done by the chemist. The correct measure of this is the number of Insurance prescriptions which he dispenses; and we have arrived at the conclusion that the allowance for establishment charges which the chemist's remuneration must necessarily include should be conveyed to him in the form of a rate per prescription instead of a percentage upon the cost of drugs, thus obviating the inequity which is inseparable from the latter system.

33. We turn now to the dispensing fee scale. This has been subjected to some criticisms by the witnesses who have given evidence before us from the point of view of chemists no less than from that of doctors. (Q. 92, 2120 (§ 14).)

34. This scale, which is graded mainly, but not wholly, by reference to the different medicament classes, is rendered less scientific and accurate than it might have been by the part it plays in the system of balances and compensations prevalent



here as well as elsewhere in the Tariff. It is, of course, the case that there are differences in the degree of time and skill required in the dispensing of different kinds of medicaments; and it is right that such differences should be recognised by the amount of the fee assigned for dispensing any particular medicament. The present scale appears, however, to have departed from any strict principle of grading by reference to the time and skill involved in the particular dispensing operation, and to represent a series of flat rates compiled presumably after consideration of the relative frequency of the various kinds of operations to be performed by the chemist in the ordinary run of his Insurance dispensing.

35. The inevitable consequence of such an arrangement is that these flat rates are inadequate or excessive wherever the precise balances upon which the fees were fixed do not obtain. It is, in particular, urged by the representatives of Scottish pharmacists that the proportion of easy to difficult prescriptions which the scale assumes is not found in Scotland, where a higher proportion of the more difficult medicament classes, such as pills and powders, is habitually prescribed by the medical profession and that the Scottish pharmacists are, in fact, required to perform a greater amount of professional work than the present dispensing scale allows payment for. (*Qs. 87-107.*)

36. We attach considerable weight to these objections; and we are satisfied that, generally speaking and with some notable exceptions, the average preponderance of the more difficult medicament classes is, on the whole, greater in Scotland than in England and Wales (*See Appendix II.*) But the remedy suggested by the Scottish pharmacist witnesses, viz., that another series of higher flat rates should be fixed for Scotland alone, affords no real solution of the problem. It is in the first place extremely undesirable on general grounds that there should be any departure from the principle of a single universal tariff, uniform in all its essentials for all parts of Great Britain. The problem, though mainly a Scottish one, is not exclusively so; there are areas in England in which the prescribing approximates to the Scottish type and there are similarly, in Scotland, areas in which the prescribing resembles the English type. Moreover a system of balanced flat rates is not likely to be fair to the particular circumstances of every chemist's dispensing; and on this ground alone we should dissent from the retention of the system.

37. We therefore recommend a single scale of dispensing fees which will do justice to all parts of Great Britain and all chemists alike. We do not regard this as by any means an impossible task, but if success is to be secured, all vestiges of the system of balances and compensations must be eliminated, and the scale must be graded solely and strictly by reference to the relative degree of time and skill involved in the task of dispensing each medicament class. With such a scale in operation, graded throughout so as to afford a reasonable fee for every class of dispensing operation from the easiest to the most difficult, it must follow that proper payment will be made for all the dispensing performed, whatever its nature; and we feel satisfied that this is the right, and indeed the only, way in which anomalies, such as those brought to our notice by the representatives of Scottish pharmacists, can be properly rectified.

### III.—THE REVISION NECESSARY TO PLACE THE TARIFF ON A COMMERCIAL BASIS.

38. It will be seen from the foregoing that the structure of the present Tariff requires revision in respect of the matters indicated in order that it may be placed upon a commercial basis; and it may be convenient to recapitulate our previous recommendations as to the constitution of the Tariff before proceeding to amplify them in detail or to carry them to their logical conclusions:—

- (a) The principles upon which the Tariff is constructed should be simple and self-evident.
- (b) Each of the component parts of the price payable for any prescription should give to the chemist a return or remuneration for some specific group of his expenses or services. The principles adopted in any such classification should be strictly adhered to, all balancing or averaging being entirely abolished as between the component parts of the total price, and reduced to the narrowest possible range within each component part.
- (c) There should be a scale of dispensing fees per prescription graded solely by the degree of professional time and skill required in the dispensing of the several classes of medicaments. It will follow from this principle as well as from the recommendation contained in paragraph (b) above that



this part of the price should convey remuneration for those services alone which ought to be remunerated at the rate payable for professional services. When those services have been disposed of by means of this scale of dispensing fees proper, it follows that we have yet to provide for the charges in respect of establishment expenses, including personal services other than professional services, and the actual cost to the chemist of the drugs dispensed in the prescription.

- (d) We have already recommended that establishment expenses should be charged in the form of a rate per prescription; and we are of opinion that the amount of this rate should be fixed so as to afford a return for all establishment charges and personal services, excluding those remunerated by the scale of dispensing fees proper. There is now nothing left but the cost to the chemist of the actual drugs contained in the medicines dispensed by him, and the cost of the appliances which he supplies.
- (e) From the fact that our previous recommendations provide for every part of the chemist's remuneration or return other than the cost of the drugs and appliances supplied, it follows that he should receive no more than his actual outlay on this item. We are of opinion that the actual cost to the chemist of the particular quantity of every separate drug ordered by the practitioner as an ingredient in the prescription should be separately priced with as great a degree of precision as circumstances permit.

39. The Tariff printed as Appendix V. has been prepared in accordance with the foregoing principles.

40. In calculating the cost prices of the drugs and appliances in the Tariff, reference has been made to the price lists of various wholesale houses current at the date of the preparation of this Report. In the case of drugs listed by wholesale firms at different prices for different grades, we have selected in every case a good medium quality, although a lower grade would have satisfied the British Pharmacopœia standard. Where the grade selected is known by any accepted trade description, we have specified it by that description in the Tariff. But, as we have found this course impossible in certain cases, we think that it is necessary to adopt some other means of indicating the particular quality which the chemist is expected to supply, and accordingly recommend that the chemist's contract should include an obligation to supply in the case of every drug a grade of quality costing him approximately the price allowed for in the Tariff.

41. It will be appreciated that inexpensive drugs prescribed in comparatively small quantities, the cost price of which would be considerably less than a halfpenny or even a farthing, are so numerous and so frequently prescribed that the margin in price which would be afforded by even the latter sum as a universal minimum would amount to a considerable over-payment in the aggregate. We have felt it necessary, therefore, that the prices should be calculated to the nearest second decimal place of a penny at least.

42. The dispensing fees included in the Tariff comprise in each case an allowance of 8d. per prescription for establishment charges. In arriving at this figure we have given very careful consideration to the results obtained from the analysis of chemists' businesses by Messrs. W. B. Peat & Co., and we are convinced that this allowance is adequate and reasonable. The remaining portion of each dispensing fee has been determined with careful regard to the relative claims of each class of prescription upon a dispenser's time and skill. (*See Minutes of Evidence, Tenth Day.*)

43. Calculations have been made by Messrs. W. B. Peat, upon data supplied by us, as to the extent to which the chemists' remuneration would have been affected in the case of the English and Scottish businesses investigated had the Tariff which we recommend been in force since the inception of medical benefit. From the results, which are given in Appendix VII., it will be seen that, notwithstanding the reduction in prices involved in our proposals, they would have secured the chemists, upon a considerably increased turnover, a net rate of profit slightly higher than that obtained prior to the Insurance Act.

44. In putting forward the Tariff we deem it advisable to draw attention to certain questions which inevitably arise in connection therewith, viz.:—

- (a) The "discounting" clause.
- (b) Arrangements for the revision of the Tariff.
- (c) Arrangements for pricing prescriptions.



45. *The "discounting" clause.*—As the rates of remuneration in the Tariff which we recommend have been fixed on a commercial basis it follows that they will not admit of any discounting. The chemists must receive full and reasonably prompt payment of their accounts, and the present discounting clause must, therefore, be abolished.

46. *Arrangements for the Revision of the Tariff.*—The cost prices have, as already stated, been calculated after reference to various price-lists current at the date of the preparation of this Report. They will require revision immediately prior to the adoption of the Tariff. With regard to subsequent arrangements in this respect, whilst we do not think a general revision will in normal circumstances be necessary except at yearly intervals, we consider it desirable that provision should be made whereby the prices of individual drugs can be revised during the year in any exceptional cases in which revision is necessary either in the interests of the chemists or the Drug Fund. We further advise that during the war the present arrangement should be continued whereby the prices of drugs specially subject to war fluctuations should be revised at frequent and regular intervals. We are also of opinion that any revision of prices whether of a general nature or otherwise should be conducted by the central bodies representative of the various interests affected, and should be made uniformly applicable, so far as possible, to the whole of Great Britain.

47. *Arrangements for Pricing Prescriptions.*—It is obvious that any system of pricing which reckons in smaller gradations of money value than the present halfpenny gradations is bound to increase the labour of pricing and checking prescriptions. We have given much thought to this matter in view of the recommendation which we have felt compelled to make that the prices in the Tariff should be calculated, where necessary, to the second decimal place of a penny.

48. While the necessarily greater detail in the pricing calculations which this recommendation involves might present difficulty if the obligation to price prescriptions were placed, as at present, upon the chemist by whom the prescriptions were dispensed, we see no reason why the present procedure in this respect should not be modified. The pricing of prescriptions by the chemist has, we understand, in any event to be checked in the Insurance Committee's Offices before his account is accepted; and we are of opinion that this arrangement involves a duplication of work which might with advantage be avoided by the substitution of an arrangement for the simultaneous pricing and checking of the prescriptions by an expert staff on behalf of the Insurance Committee. We are informed moreover that a central bureau has already been established in Scotland, with the complete goodwill of pharmacists, for the pricing and checking of all prescriptions, thus relieving the individual chemist of the initial task of pricing his prescriptions, and we believe that the body of panel chemists in general would be willing to repose confidence in the performance by the Insurance Committee of the operations of pricing, subject, of course, to reasonable opportunities being afforded for challenge and scrutiny.

49. We suggest therefore that the duty of pricing as well as of checking should be undertaken by the Insurance Committee. This will enable the necessarily technical work of pricing to be performed by expert staff with the maximum of economy and will afford individual chemists a measure of relief from their present obligations.

50. The degree of precision in ingredient pricing which we think necessary can, of course, be obtained by various methods. As will be seen from the following paragraphs two alternative methods are put forward, either of which will, we believe, sufficiently secure our objects.

51. The first method, which may be called the "ready reckoner" method, involves the use of a ready reckoner or "square" table, showing the charge to be made for any particular quantity of a drug at any particular cost price per lb. This table, which is constructed for permanent use, is accompanied by a list in alphabetical order of all the drugs conveniently included in the Tariff with the proper price per lb. shown in the case of each. If the price per lb. of any particular drug is known or ascertained from the last mentioned list the ingredient price for the specified quantity of that drug as an item in the prescription can be obtained by reference to the ready reckoner.

52. The second alternative method is fully explained in Appendix VI. We believe that it will enable the pricing of prescriptions to be performed at somewhat greater speed than is possible by the first-mentioned method, especially if the pricing



operations are undertaken in the manner we recommend. As its results are not necessarily mathematically identical with the results of the first method (although in our opinion affording a sufficiently close approximation to bare cost price for all practical purposes), we presume that its use would require to be authorised by some specific provision in the Tariff which forms part of the chemist's agreement.

53. In recommending methods of ingredient pricing which are, if anything, more elaborate than the present method, we have not overlooked the possibility of the adoption of any simpler method in the interests of administrative convenience and economy.

54. We have carefully weighed every proposal which appeared to offer advantages in this respect. In particular, suggestions have been made that the charge for drugs should be based upon either a flat rate or series of flat rates per prescription, or a flat rate or series of flat rates per ingredient. Though such a system would, of course, enormously simplify the pricing calculations, we have reluctantly arrived at the conviction that it is at present, and will be for some considerable time at any rate, entirely unworkable. A reference to the figures of average drug cost per prescription in various areas given in Appendix I. will demonstrate the very considerable differences which exist in the drug cost as between area and area, differences which exhibit even wider variations as between chemist and chemist. Moreover, the habits of practitioners in prescribing have changed so much even during the period for which medical benefit has been in operation that it is inevitable that the cost of the drugs prescribed by them must also have fluctuated very considerably, and we see no likelihood of these fluctuations settling down to any general level which could be made the basis of practical proposals on our part.

55. We see no prospect, therefore, so long as the present state of flux remains, of any flat rate system being adopted as regards the price of drugs without an indefensible risk of serious injustice to chemists or serious overpayments by Insurance Committees. Even if flat rates were fixed for a given period by reference to the actual cost for the preceding period, and thus constantly revised in the light of experience, it would be necessary, throughout the period of operation of any particular rate or rates, to conduct a continuous and elaborate analysis, not only of the cost for each area, but also of the cost for each chemist, if the subsequent revision is to be properly performed. Thus the method would defeat its own ends and prove less administratively economical than the system we recommend.

#### IV.—SUMMARY OF CONCLUSIONS.

56. Our conclusions may be summarised as follows:—

I.—That the present Tariff requires revision to place it on a commercial basis.

II.—That the Tariff printed as Appendix V., providing for payment of—  
 (a) the cost price of the drugs, &c. supplied,  
 (b) a flat rate per prescription for establishment expenses, and  
 (c) a fee per prescription for any professional services, graded according to the nature of the prescription,  
 should be adopted for the whole of Great Britain.

III.—That the present discounting clause should be abolished.

IV.—(a) That a general revision of the prices in the Tariff should be undertaken annually, provision being made whereby prices of individual drugs can be revised during the year in exceptional cases.

(b) That during the war the present arrangement should be continued whereby the prices of certain drugs specially liable to war fluctuations are revised at frequent intervals.

(c) That any revision whether of a general nature or otherwise should be undertaken by the central bodies representative of the various interests involved.

(d) That any revision should be made uniformly applicable, so far as possible, to the whole of Great Britain.



V.—That the contracts of the chemists should include an obligation to supply a grade of drug costing them approximately the price allowed in the Tariff.

VI.—That the pricing of prescriptions should be undertaken by Insurance Committees.

57. In conclusion, we desire to place on record our appreciation of the services rendered by the Joint Secretaries. The work which has devolved upon them has been peculiarly onerous both in its volume and its nature. It has been performed with an assiduity and ability of which we cannot speak too highly.

We have the honour to be,

Sir,

Your obedient Servants,

ROWLAND BAILEY.

JOHN ADAMS.

ALFRED COX.

JAMES P. GILMOUR.\*

J. F. TOCHER.†

R. V. VERNON.

S. P. VIVIAN.

W. J. UGLOW WOOLCOCK.‡

E. W. ADAMS,

JAMES RAE,

*Joint Secretaries.*

14th September 1915.

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#### MEMORANDUM A. BY MR. GILMOUR.

As the representative of Scottish panel chemists on the Departmental Committee appointed to consider the Drug Tariff under the National Insurance Acts, I hereby declare that, in signing the above Report, I do not subscribe to paragraphs 36, 37, 42, and 43, the Summary of Conclusions II. (b) and (c), and the Dispensing Scale printed in Appendix V.

JAMES P. GILMOUR.

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#### MEMORANDUM B. BY DR. TOCHER.

I agree with the contents of the Report excepting paragraph (32) and paragraph (42).

With regard to paragraph (32) the allowance per prescription contemplated is based upon an *average* establishment charge, and there will thus be a difference between the actual allowance which should be given per prescription to each pharmacist based upon his own establishment charges and the recommended allowance based upon the average establishment charge. It is clear that there will be differences between the actual establishment charges of pharmacists and the average establishment charge. I affirm that if a general average establishment allowance is given to each pharmacist, the differences between the proper and the allotted allowance will be equivalent to, and will in reality represent, in most cases, (1) actual loss or gain on the price of drugs, if the dispensing fee is regarded as an irreducible minimum based on the Committee's tests and always paid; (2) actual reductions or increases in the dispensing fees if the cost price of drugs is regarded as paid in each case; and (3) actual loss or gain in both drugs and fees, if cost price of drugs and amount of fees are both regarded as fixed, as they should be, in all cases. I am quite

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\* Subject to Memorandum A.

† Subject to Memorandum B.

‡ Subject to Memorandum C.

ignorant as to the extent which these differences will cause loss or gain to the individual pharmacist.

With regard to paragraph (42), I regard 0·8 penny per prescription as quite a doubtful figure because the data the Committee were able to collect are, in my opinion, insufficient with respect to the number of pharmacists from which particulars have been collected and are lacking with respect to the kind of information required for the purpose in view. Because of the incomplete data I am unable to come to any conclusion as to what the allowance should be.

I am of opinion that the cost price in Appendix V. (Part II.) should have been shown in pence per 1,000 grains for solids, and in pence per 1,000 minims for liquids, i.e., one-seventh of the figure given in each case. Pharmacists would then see that the price in pence per 1,000 grains or minims will give also the price in '06 pence per drachm and the price in '001 pence per grain, which if properly applied is the object of the method in Appendix VI. The values '06 penny and '001 penny are new denominations of money value or new "coins" for a specific purpose. Considerable errors of two kinds will arise in pricing if the method as it is described in Appendix VI. is adhered to. If, however, there were two columns, one for '06 penny and one for '001 penny respectively and all prices entered in these denominations, no errors of either kind will result.

J. F. TOCHER.

" MEMORANDUM C. BY MR. WOOLCOCK.

In signing the above Report I desire to indicate my disagreement with the figure fixed for establishment charges.

W. J. UGLOW WOOLCOCK.

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## APPENDIX I.

SUMMARY of RESULTS obtained from EXAMINATION of PRESCRIPTIONS as to COST PRICE, &amp;c.

TABLE showing AVERAGE COST PRICE and TARIFF PRICE per PRESCRIPTION, AVERAGE PERCENTAGE PROFIT, AVERAGE DISPENSING FEE per PRESCRIPTION, and AVERAGE ESTABLISHMENT ALLOWANCE to CHEMIST per 1,000 PRESCRIPTIONS.

	Average Cost Price per Prescription.	Average Tariff Price per Prescription.		Average Percentage Profit (on Cost Price).		Average Dispensing Fee per Prescription.	Average Establishment Allowance to Chemists per 1,000 Prescriptions.
		Excluding Dispensing Fee.	Including Dispensing Fee.	Excluding Dispensing Fee.	Including Dispensing Fee.		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	<i>d.</i>	<i>d.</i>	<i>d.</i>			<i>d.</i>	£ s. d.
Eleven English Areas.	3.24	4.95	7.06	53.0	118.1	2.11	7 3 1
	3.43	5.56	7.45	62.1	117.1	1.89	8 17 8
	3.47	5.57	7.51	60.7	116.5	1.94	8 15 5
	2.55	4.39	6.29	71.7	146.0	1.90	7 12 8
	2.51	4.34	6.32	72.9	151.7	1.98	7 12 5
	3.25	5.34	7.39	64.4	127.7	2.05	8 14 2
	3.06	4.89	6.95	59.9	127.5	2.06	7 12 7
	2.34	3.92	5.75	67.6	145.7	1.83	6 11 11
	3.20	5.43	7.58	69.4	136.6	2.15	9 5 2
	3.89	6.10	7.80	56.9	100.6	1.70	8 4 7
	2.48	3.87	5.81	55.6	133.9	1.94	5 15 1
Total (English Areas) - - }	3.09	4.95	6.99	60.2	126.1	2.04	7 15 0
Six Scottish Areas.	3.50	5.66	7.87	61.7	125.0	2.21	8 19 10
	3.92	6.20	8.51	58.2	117.1	2.31	9 9 11
	3.52	5.76	7.78	63.6	120.9	2.02	9 6 6
	4.04	6.18	8.25	53.0	104.1	2.07	8 18 7
	2.74	4.73	6.63	72.6	141.9	1.90	8 5 9
	2.84	4.94	6.76	74.3	138.3	1.82	8 15 6
Total (Scottish Areas).	3.78	5.94	8.04	57.1	112.6	2.10	8 19 11
Two Welsh Areas.	3.84	6.13	7.88	59.6	105.1	1.75	9 11 0
	2.71	4.24	6.07	56.2	123.8	1.83	6 7 0
Total (Welsh Areas).	3.48	5.32	7.30	58.7	109.8	1.78	8 10 3
Grand Total (English, Scottish and Welsh Areas).	3.25	5.17	7.20	59.4	122.0	2.03	8 0 8

Note.—Column 8 is obtained by deducting the cost price of the ingredients from their tariff price and multiplying result by  $\frac{1,000}{\text{number of prescriptions}}$ .



## APPENDIX II.

SUMMARY of RESULTS obtained from EXAMINATION of PRESCRIPTIONS as to COST PRICE, &amp;c.

TABLE showing the PERCENTAGE of PRESCRIPTIONS comprised in the VARIOUS MEDICAMENT CLASSES.

	Mixtures.	Capsules and Tablets.	Pills.	Liniments.	Powders.	Appliances.	Lotions.	Emulsions.	Other Solids.	Other Liquids.	Ointments.	Plasters.	Proprieties.	Suppositories.
Eleven English Areas	78.96	1.82	1.44	2.82	1.06	3.91	1.66	0.87	0.85	2.97	3.39	0.12	0.03	0.07
	69.24	5.38	2.60	3.34	1.75	3.60	1.63	0.22	0.89	6.12	3.34	0.63	1.15	0.11
	67.20	3.31	2.51	2.67	2.67	4.66	2.55	1.38	1.45	5.68	3.82	0.59	1.48	0.03
	74.22	4.45	2.58	2.89	1.69	3.38	2.18	0.22	0.93	3.64	3.07	0.22	0.53	—
	67.28	3.91	7.95	3.44	1.39	4.17	1.99	0.27	1.26	3.97	3.77	0.40	0.20	—
	68.18	2.61	2.56	2.21	2.04	4.55	2.66	0.74	1.16	6.34	5.43	0.60	0.80	0.12
	69.54	2.13	3.14	3.66	2.62	3.63	2.66	0.19	1.17	6.31	3.49	0.50	0.92	0.04
	75.49	2.69	2.00	3.56	1.86	2.73	3.12	0.26	0.52	2.95	4.43	0.39	—	—
	73.39	1.88	2.75	3.56	0.56	1.20	0.98	0.08	1.74	5.30	4.17	0.08	4.23	0.08
	56.15	4.56	4.75	4.23	2.11	7.49	2.45	0.29	2.07	8.31	5.24	0.38	1.92	0.05
	73.76	1.29	4.34	2.36	2.30	3.74	1.87	0.23	0.49	5.30	2.70	0.35	1.24	0.03
Total (English Areas) -	70.56	2.39	2.95	3.35	2.24	3.77	2.41	0.38	1.14	5.69	3.66	0.44	0.97	0.05
Six Scottish Areas	49.04	2.20	5.01	4.25	8.50	5.08	2.25	2.02	2.00	10.27	7.13	0.22	1.87	0.16
	47.22	3.41	4.50	3.20	13.21	4.12	1.98	1.54	2.61	10.72	5.39	0.68	1.27	0.15
	47.92	2.86	2.77	5.63	9.88	5.54	3.23	0.46	2.22	10.44	7.02	1.20	0.74	0.09
	50.48	1.00	2.36	6.01	10.40	6.14	2.55	4.47	2.37	7.01	5.34	0.69	1.00	0.18
	58.66	2.18	3.85	8.45	7.95	4.44	1.67	0.17	2.51	4.60	3.85	0.25	1.42	—
	48.80	0.91	14.39	2.56	11.17	4.80	0.91	0.25	2.32	9.26	4.05	0.17	0.41	—
Total (Scottish Areas) -	49.98	1.68	3.80	5.25	10.34	5.50	2.32	3.05	2.33	8.24	5.61	0.58	1.17	0.15
Two Welsh Areas	57.07	5.37	3.58	4.35	2.12	11.12	1.81	0.96	1.41	5.83	3.64	1.72	1.00	0.02
	68.65	2.74	1.93	4.64	2.95	6.87	1.46	0.24	1.12	3.01	5.65	0.51	0.20	0.03
Total (Welsh Areas) -	60.82	4.52	3.04	4.45	2.39	9.75	1.70	0.72	1.31	4.92	4.29	1.33	0.74	0.02
Grand Total (English, Scottish and Welsh Areas) -	66.06	2.40	3.12	3.78	3.76	4.50	2.34	0.90	1.38	6.11	4.06	0.53	0.99	0.07



## APPENDIX III.

## SUMMARY of RESULTS of EXAMINATION of PRESCRIPTIONS as to COST PRICE, &amp;c.

TABLE showing PROFITS earned on commonly ordered DRUGS.

Names of the Thirty Drugs found to be the most frequently Ordered.	Number of Times Ordered.	Per Centage of Total Number of Times Drugs were Ordered.	Tariff Price of Total Quantity of Drug Ordered (in Pence).	Cost Price of Total Quantity of Drug Ordered (in Pence).	Per Centage Profit (on Cost) earned on Total Quantity of Drug Ordered (- indicates Loss).	Average Profit (in Pence) earned on Drug each Time it was Ordered* (- indicates Loss).
1. Aq. Dest. - - -	918	7.09	762.5	253.19	191.93	.549
2. Sod. Bicarb. - - -	560	4.35	274.5	24.49	1020.86	.446
3. Inf. Gent. Co. - - -	525	4.07	648.0	646.13	.29	.003
4. Tr. Nuc. Vom. - - -	414	3.21	444.5	197.42	125.15	.596
5. Aq. Chlorof. - - -	385	2.97	428.5	505.38	-15.21	-.199
6. Aq. Menth. Pip. - - -	354	2.75	327.5	632.43	-48.21	-.861
7. Sp. Ammon. Arom. - - -	352	2.73	715.5	357.66	100.05	1.016
8. Ammon. Carb. - - -	351	2.72	176.0	25.19	598.69	.429
9. Sod. Sal. - - -	344	2.67	382.5	191.15	100.10	.553
10. Sp. Chlorof. - - -	269	2.09	342.0	210.30	62.62	.489
11. Ex. Cas. Sag. Liq. - - -	261	2.02	286.0	201.11	42.21	.325
12. Glycerin. - - -	227	1.76	351.5	227.95	54.20	.544
13. Ext. Malti e. Ol. Morr. - - -	199	1.54	2900.0	2320.00	25.00	2.914
14. Ferri et Am. Cit. - - -	177	1.37	125.5	61.17	105.17	.363
15. Tr. Camph. Co. - - -	170	1.32	401.0	210.68	90.33	1.119
16. Mag. Sulph. - - -	169	1.31	96.5	11.53	736.95	.502
17. Liq. Arsenicalis. - - -	163	1.26	80.5	7.50	973.33	.447
18. Pot. Brom. - - -	152	1.18	148.5	100.86	47.23	.313
19. Vin. Ipecac. - - -	152	1.18	136.0	67.48	101.54	.450
20. Pot. Bicarb. - - -	145	1.13	75.0	22.92	227.22	.359
21. Pot. Iodid. - - -	139	1.08	413.5	288.13	43.51	.901
22. Quin. Sulph. - - -	127	.98	263.5	161.63	63.02	.802
23. Liq. Morph. Hyd. - - -	115	.89	216.5	125.61	72.35	.790
24. Liq. Strych. Hyd. - - -	114	.88	67.0	24.50	173.47	.372
25. Syr. Easton. - - -	114	.88	586.5	330.48	77.46	2.245
26. Tr. Card. Co. - - -	106	.82	191.5	114.86	66.72	.723
27. Inf. Senegae. - - -	86	.66	291.5	236.94	23.02	.634
28. Inf. Caryoph. - - -	86	.66	115.0	136.86	-15.97	-.254
29. Acid. Sulph. Dil. - - -	82	.64	39.5	3.61	994.18	.437
30. Syr. Aurant. - - -	79	.61	81.5	49.35	65.15	.406

\* i.e., average profit per prescription on each drug.

Note.—The results in the above table were obtained from an analysis of a comparatively small sample of prescriptions taken from each of seven areas. The total sample was not sufficiently large to warrant the assumption that similar results would necessarily have been obtained from a more comprehensive analysis under this head.



## APPENDIX IV.

SUMMARY of RESULTS obtained by Messrs. W. B. PEAT & Co., from EXAMINATION of CHEMISTS' BUSINESSES in GREAT BRITAIN.

	1911-1912.	1913-1914.
	£ s. d.	£ s. d.
I.—Total Average Annual Receipts - - - - -	51,445 13 6	64,027 14 10
(a) Of Insurance Drug Business - - - - -	- - - - -	8,866 10 2
(b) Of Private Drug Business - - - - -	33,735 12 10	35,021 1 8
(c) Of other Business - - - - -	17,710 0 8	43,887 11 10
II.—Total Average Annual Outgoings - - - - -	41,014 14 0	49,983 1 5
(a) Total Average Annual Cost of all Material - - -	30,366 2 5	37,003 4 4
(b) " " Establishment Charges - - - - -	10,648 11 7	12,979 17 1
III.—(a) Average Annual Cost of Material used in Drug Business.	17,789 8 11	22,673 7 10
(b) Average Establishment Charges apportionable to Drug Business.	7,143 17 8	9,152 17 4
IV.—(a) Average Annual Cost of Material used in other Business.	12,576 13 6	14,329 16 6
(b) Average Annual Establishment Charges apportionable to other Business.	3,504 13 11	3,826 19 9
V.—Average Annual Profit on <i>Whole Business</i> :—		
(a) Gross :—		
(1) Amount - - - - -	21,079 11 1	27,024 10 6
(2) Percentage on Buying Price - - - - -	69·4 per cent.	73 per cent.
(3) " Selling Price - - - - -	41·0 per cent.	42·2 per cent.
(b) Net :—		
(1) Amount - - - - -	10,430 19 6	14,044 13 5
(2) Percentage on Buying Price - - - - -	34·3 per cent.	37·9 per cent.
(3) " Selling Price - - - - -	20·3 per cent.	21·9 per cent.
VI.—Average Annual Profit on <i>Drug Business</i> :—		
(a) Gross :—		
(1) Amount - - - - -	15,946 3 11	21,214 4 0
(2) Percentage on Buying Price - - - - -	89·6 per cent.	93·6 per cent.
(3) " Selling Price - - - - -	47·3 per cent.	48·3 per cent.
(b) Net :—		
(1) Amount - - - - -	8,802 6 3	12,061 6 8
(2) Percentage on Buying Price - - - - -	49·5 per cent.	53·2 per cent.
(3) " Selling Price - - - - -	26·1 per cent.	27·5 per cent.
VII.—Average Annual Profit on <i>Other Business</i> :—		
(a) Gross :—		
(1) Amount - - - - -	5,133 7 2	5,810 6 6
(2) Percentage on Buying Price - - - - -	40·8 per cent.	40·5 per cent.
(3) " Selling Price - - - - -	29·0 per cent.	28·8 per cent.
(b) Net :—		
(1) Amount - - - - -	1,628 13 3	1,983 6 9
(2) Percentage on Buying Price - - - - -	12·9 per cent.	13·8 per cent.
(3) " Selling Price - - - - -	9·2 per cent.	9·8 per cent.



## APPENDIX V.

## NATIONAL INSURANCE ACTS.

Tariff of Prices and Dispensing Fees for Drugs and prescribed Appliances supplied  
under the National Insurance Acts.

## PART I.

## EXPLANATORY NOTES.

(1) A charge is to be made for each ingredient in a prescription, together with a dispensing fee in respect of the prescription as a whole. The amount of each ingredient charge, which is to represent the cost to the chemist of the actual quantity dispensed of the particular ingredient, is determined by the ready reckoner (*see* Part IV.) used in conjunction with the Table of Drug Prices (*see* Part II.) The dispensing fee includes, not only remuneration in respect of professional services, where such services are rendered, but also an allowance, at a rate per prescription, in respect of all outgoings in the form of establishment expenses. The amount of the dispensing fee in the case of any particular prescription is determined by reference to the Scale of Dispensing Fees (*see* Part III.).

(2) In the Table of Drug Prices the drugs and preparations, &c., are arranged in alphabetical order. Of the two prices shown opposite each item, that in the right-hand column is the "pound" price in pence (*vide infra*), by reference to which the correct charge for any quantity of the drug can be found in the ready reckoner. The price in the left-hand column is the wholesale list price of the drug upon which the adjusted "pound" price is based. The wholesale list price is given for the convenience of chemists and doctors, and in order that the chemist may be aware, in the case of a drug commonly listed by wholesale firms at different prices for different grades of quality, which grade he is required to supply.

In the case of Waters, Decoctions and Infusions, where these are prepared from concentrated preparations, the price in the first column refers to the wholesale listed price of the concentrated substance, while the figure in the second column refers to the *ex-concentrata* solution.

(3) The Table of Drug Prices is to be used in conjunction with the ready reckoner. To find the charge for any particular quantity of a particular drug, it is first necessary to ascertain from the table the "price per pound" of that drug. On reference to that "price per pound" in the ready reckoner, the proper charge for any quantity of the drug will be found in the line opposite.

(4) In order that the ready reckoner may be made applicable without undue complication to the case of both solid and liquid drugs, the prices shown in the Table of Drug Prices have been adjusted, where necessary, so as to represent the price for a "pound" of 7,000 grains or minims. Thus the price specified in the table for any particular drug is always the proper price for a quantity having, in the case of both solids and liquids, an identical relation to the ounce of 480 grains or minims, the drachm of 60 grains or minims, the grain or minim, and all intermediate quantities. The line of charges shown opposite each "pound" price in the ready reckoner will therefore apply with equal accuracy to all drugs in the table at that price, whether solid or liquid.

(5) In thus adjusting the price in respect of liquid drugs, account has necessarily been taken of variations in specific gravity.

(6) In the case of drugs priced in wholesale lists at a higher rate per oz. than per lb., which are usually purchased by chemists by the ounce, the prices in the table have been based upon the oz. rate, though stated in the form of a price per lb.

(7) The intermediate quantities priced out in the ready reckoner are those which experience has shown to be most frequently ordered. The charge for any intermediate quantity not shown can be readily calculated from the figures given. The minimum price for any quantity is *.01d.*

(8) In the case of drugs and appliances not included in the Tariff list the same principles apply. The cost price is obtained from a wholesale price list agreed upon locally. In the case of drugs the price must be adjusted, where necessary, to conform to the requirements of the ready reckoner in the manner indicated above by reducing them to terms of pence per "pound" of 7,000 grains or minims. The following formula gives the necessary adjustment required with regard to liquid drugs or preparations:—

$$\frac{\text{Price in pence per lb. avoirdupois} \times \text{specific gravity} \times 7,000}{7,680}$$

= price in pence per "pound" of 7,000 minims.

The result thus obtained should be adjusted, if necessary, to the nearest halfpenny.



## PART II.

TABLE OF DRUG PRICES.

Drug or Preparation.	Listed Price.	Price in Pence per " Pound.†	Drug or Preparation.	Listed Price.	Price in Pence per " Pound.†
Acacie Gummi Pulv. -	3s. 3d. lb.	39	Aq. Fœniculi - - -	4d. lb.	3½
Acetanilidum - - -	7s. 2d. lb.	86	" " (e.c.) - - -	4s. lb.	1½
Acetum Cantharidini -	2s. 6d. lb.	28½	" " (1-40)		
" Ipecac. - - -	2s. 6d. lb.	27	" Menth. Pip. - - -	5d. lb.	4½
" Scillae - - -	5½d. lb.	5½	" " " (e.c.) - - -	4s. 3d. lb.	1½
Acid. Acetic - - -	6d. lb.	5½	" " " Exotic. (1-40)		
" " Glacial - - -	1s. 1d. lb.	12½	" " Vir. - - -	5d. lb.	4½
" Acetylsal. - - -	3s. oz.	576	" Pimentae - - -	5d. lb.	4½
" Benzoic (Synthetic) -	10½d. oz.	168	" " (e.c.) - - -	4s. 6d. lb.	1½
" Boric. (Crystals) - -	47s. cwt.	5	" " (1-40)		
" Boric. (Pulv.) - - -	52s. 6d. cwt.	5½	" Dest. - - -	6d. gal.	½
" Carbolie. (detached crystals). - - -	2s. 10d. lb.	34	Argent. Nit. - - -	1s. 11d. oz.	368
" Carbolie. Liq. - - -	2s. 4d. lb.	27½	" " Indur. - - -	2s. 1d. oz.	400
" Citric. Pulv. - - -	4s. 1d. lb.	49	" " Mitigat. - - -	1s. 10d. oz.	352
" Hydrobrom. Dil. - -	2s. 4d. lb.	27½	" " Proteinat. - - -	2s. 10d. oz.	544
" Hydrochlor. - - -	6½d. lb.	7	" " Nucleinas - - -	4s. 3d. oz.	816
" Hydrochl. Dil. - - -	4½d. lb.	4½	Atrop. Sulph. - - -	14s. 3d. drgm.	—
" Hydrocyan. Dil. - -	4d. oz.	58	Bals. Peruv. - - -	1s. 11d. oz.	385½
" Nit. Dil. - - -	5d. lb.	5	Barbitonum - - -	3s. 10d. oz.	736
" Nitrohydrochl. Dil. -	5d. lb.	5	Benzamine Lact. - - -	4s. 4d. drgm.	—
" Phosph. Dil. - - -	6d. lb.	6	Bism. Carb. - - -	13s. 3d. lb.	159
" Picric. - - -	6d. oz.	96	" Oxid. - - -	1s. 6d. oz.	288
" Salicylic. - - -	1s. 6d. oz.	288	" Salicyl. - - -	1s. 10d. oz.	352
" Sulph. Aromat. - - -	4s. 6d. lb.	45½	" Subgal. - - -	1s. 11d. oz.	368
" " Dil. - - -	5d. lb.	5	" Subnit. - - -	11s. 9d. lb.	141
" Sulphuros. - - -	3d. lb.	3	Borax Pur. - - -	33s. 6d. cwt.	3½
" Tannic - - -	6s. 8d. lb.	80	Butyl-Chloral. Hyd. -	3s. 4d. oz.	640
" Tartaric - - -	2s. 6d. lb.	30	Caffeina - - -	2s. oz.	384
Adeps Præp. - - -	1s. lb.	12	Caffein. Cit. - - -	1s. 7d. oz.	304
" Benz. - - -	1s. 2d. lb.	14	Calamina - - -	2s. lb.	24
" Lanae - - -	4s. 9d. lb.	57	Cale. Carb. Præcip. -	24s. 6d. cwt.	2½
" Lanae Hydrosus - -	4s. lb.	48	" Chlorid. - - -	11d. lb.	11
Æther B.P. 0-720 - -	2s. 2d. lb.	17	" Glycerophosph. - -	9d. oz.	144
Aloinum. - - -	5½d. oz.	88	" Hypophosph. - - -	4d. oz.	64
Alum. Purif. - - -	8d. lb.	8	" Lact. - - -	10s. 6d. lb.	126
Ammon. Benz. (artificial) -	10d. oz.	160	Calx Sulphurata - - -	3d. oz.	48
" Brom. - - -	9s. 6d. lb.	114	Camphora (flowers) -	2s. 11d. lb.	35
" Carb. - - -	1s. 4d. lb.	16	Capsule Amyl. Nitris m. 3	1s. doz.	—
" Chlor. - - -	1s. lb.	12	" " " 5	1s. 6d. doz.	—
" Ichthosulph. - - -	7½d. oz.	120	" Copalike m. 10 -	1s. 4d. 100	—
" Phosph. - - -	2s. 4d. lb.	28	" Creosoti m. 2 -	1s. 1d. 100	—
Amyl. Nitris - - -	8½d. oz.	108½	" Ol. Santal m. 10 -	6s. 100	—
Amylum (Maize) - - -	5d. lb.	5	" Pil. Ferri (Blaud)	10d. 100	—
Anihem. Flor. Belg. - -	1s. 9d. lb.	21	" 1 pill strength.		
Aq. Aurant. Flor. (trip.) -	10d. lb.	3½	" Pil. Ferri (Blaud)	1s. 100	—
" Rosae (trip.) - - -	10d. lb.	3½	" 2 pill strength.		
" Sambuci - - -	5d. lb.	4½	" Pil. Ferri (Blaud)	1s. 2d. 100	—
" Anethi - - -	5d. lb.	4½	" 3 pill strength.		
" " ex Concentrata -	3s. 10d. lb.	1½	" Pil. Ferri et Arsen.	1s. 1d. 100	—
" " (1-40)			" " " "	1s. 3d. 100	—
" Anisi - - -	4d. lb.	3½	" et Strych.		
" " ex Concentrata -	4s. 3d. lb.	1½	" Haemoglobin. gr. 3	1s. 2d. 100	—
" " (1-40)			" 5d. lb.		
" Camph. - - -	5d. lb.	4½	Carbo Ligni - - -	2s. 10d. lb.	46
" " ex Concentrata -	3s. 10d. lb.	1½	Chloroform B.P. - - -	4s. 3d. lb.	53½
" " (1-40)			" Camph. B.P.C.	2s. 4d. oz.	448
" Carui - - -	4d. lb.	3½	Chloral Formamid. - -	12s. 3d. lb.	147
" " ex Concentrata -	4s. 3d. lb.	1½	" Hydras. - - -	3s. 8d. drgm.	—
" " (1-40)			Cocain Hydrochlor. - -	5s. drgm.	—
" Chlorof. - - -	4d. lb.	3½	Codeina - - -	4s. 6d. drgm.	—
" " ex Concentrata -	4s. 8d. lb.	2	Codein. Phosph. - - -	4s. 9d. lb.	44½
" " (1-40)			Collod. Aceton. B.P.C. -	11s. 6d. lb.	104½
" Cinnam. - - -	5d. lb.	4½	" Belladon. B.P.C. -	2s. 8d. lb.	23
" " ex Concentrata -	5s. 9d. lb.	2	" Flexile Meth. - - -	7s. 6d. lb.	64
" " (1-40)			" Salicylic Co. B.P.C.	8s. 6d. lb.	72½
			" " B.P.C. - - -	20s. lb.	180½
			" Vesicans - - -		

† See Part I., Paragraph 4.



Drug or Preparation.	Listed Price.	Price in Pence per Pound.	Drug or Preparation.	Listed Price.	Price in Pence per Pound.
Conf. Guaiaci Co. B.P.C. -	2s. 11d. lb.	35	Hexamina - - -	6d. oz.	96
" Piperis. - - -	1s. 5d. lb.	17	Homotrop. Hydrobrom. -	1s. 2d. grain.	-
" Sennae. - - -	1s. 2d. lb.	14	Hydrarg. Iod. Rubr. -	1s. 6d. oz.	288
" Sulphuris. - - -	1s. 4d. lb.	16	" Oxid. Flav. -	8d. oz.	128
Copaiba - - -	2s. 6d. lb.	27	" Perchlor. (Pulv.) -	6s. 8d. lb.	80
Creosot. Carb. - - -	1s. 1d. oz.	221	" Subchlor. - - -	7s. 4d. lb.	88
Creosotum. - - -	10s. lb.	118	" Ammon. (Pulv.) -	7s. 8d. lb.	92
Cret. Præp. - - -	2½d. lb.	2½	" c. Creta. - - -	2s. 10d. lb.	34
Dec. Aloes Co. - - -	1s. 4d. lb.	14½	" Oleat. - - -	5d. lb.	5
" Cinchon. Rub. (1-7) -	3s. 8d. lb.	5	Inf. Aurantii. (1-7) -	2s. 6d. lb.	4
" Haematox. (Conc.) (1-7) -	1s. 6d. lb.	2½	" Buchu (1-7) - - -	4s. 9d. lb.	7
" Sarsae Co. Conc. - - -	4s. 9d. lb.	7	" Calumb. (1-7) - - -	1s. 5d. lb.	2½
" Senegae (Conc.) (1-7) -	3s. 5d. lb.	5	" Caryoph. (1-7) - - -	1s. 9d. lb.	3
Diamorph. Hydrochl. -	4s. dram.	-	" Cascarill. (1-7) - -	1s. 9d. lb.	3
Digitalinum. - - -	5d. grain	-	" Cinch. Acid. (1-7) -	3s. 8d. lb.	5½
Digit. Fol. Ang. - - -	2s. 4d. lb.	28	" Digitalis. (1-7) - -	1s. 8d. lb.	3
Elixir Pini Co. B.P.C. -	4s. lb.	4	" Gent. Co. (1-7) - - -	1s. 5d. lb.	2½
Emp. Ammoniaci c. Hydrarg. -	1s. 4d. per yd.	-	" Krameriae. (1-7) -	1s. 10d. lb.	3
" Calefac. - - -	11d. per yd.	-	" Quassiae. (1-7) - -	1s. 1d. lb.	2
" Cantharidin. - - -	3s. per yd.	-	" Rhei. (1-7) - - -	2s. 2d. lb.	3½
" Hydrarg. - - -	1s. 4d. per yd.	-	" Ros. Acid. (1-7) - -	3s. 2d. lb.	5
" Picis. - - -	7d. per yd.	-	" Sennae. (1-7) - - -	2s. lb.	3½
" Plumbi. - - -	6d. per yd.	-	" Senegae. (1-7) - -	3s. 2d. lb.	5
" Resinae. - - -	5d. per yd.	-	" Serpentariae. (1-7) -	3s. 2d. lb.	5
" Saponis. - - -	6d. per yd.	-	" Valerian. (1-7) - -	1s. 9d. lb.	3
" Belladon. - - -	1s. 5d. per yd.	-	Iodoformum. - - -	1s. 10d. oz.	352
Emul. Olei Morrhuae. -	1s. 6d. lb.	16½	Iodum. - - -	1s. 9d. oz.	336
" B.P.C. - - -	-	-	Lin. Aconit. Meth. - -	2s. 6d. lb.	23½
" Ol. Morrh. c. Hypoph. B.P.C. -	1s. 6d. lb.	16½	" Ammon. - - -	1s. 8d. lb.	17
" Petrolei c. Hypoph. B.P.C. -	8s. 6d. gal.	9½	" Belladon. Meth. - -	5s. lb.	48½
Ext. Aloes Pulv. - - -	3s. 4d. lb.	40	" Calcis - - -	8d. lb.	7
" Bellad. Sicc. - - -	2s. 6d. oz.	480	" Camph. - - -	1s. 5d. lb.	14½
" " Liq. - - -	13s. 4d. lb.	132½	" " Am. Meth. - - -	1s. 4d. lb.	12½
" " Vir. - - -	8s. 6d. lb.	102	" Chlorof. - - -	3s. 4d. lb.	44
" Cannab. Ind. - - -	7s. 4d. oz.	1408	" Hydrarg. - - -	2s. 6d. lb.	30
" Case. Sagr. Sicc. - -	5½d. oz.	88	" Methyl. Sal. Co. -	12s. lb.	144½
" " Liq. - - -	2s. 2d. lb.	25	" B.P.C. - - -	-	-
" Cinchonae Liq. - - -	4s. 3d. lb.	52	" Opii. - - -	5s. 2d. lb.	52½
" Coloc. Co. - - -	9½d. oz.	152	" Pot. Iod. c. Sap. -	3s. 4d. lb.	40
" Ergotae - - -	2s. 10d. oz.	544	" Sap. Meth. - - -	11d. lb.	9
" Ergot. Liq. - - -	7s. 6d. lb.	83½	" Terebinthinae. - -	1s. 1d. lb.	11
" Filic. Liq. - - -	1s. 9d. oz.	306½	" Tereb. Acet. - - -	1s. 10d. lb.	18½
" Glycyrrh. Liq. - - -	2s. 5d. lb.	29½	Liq. Adrenal. Hydrochl. -	3s. 2d. oz.	557
" Hyoscyam. Liq. - - -	15s. lb.	166½	" Ammon. - - -	5d. lb.	4½
" Malti. - - -	7½d. lb.	-	" " Fort. - - -	6½d. lb.	5½
" Malti. c. Ol. Morrh. B.P.C. -	8½d. lb.	-	" " Acet. - - -	4d. lb.	4
" Nucis Vom. Sicc. - -	11d. oz.	176	" Am. Acet. Conc. (1-7) -	1s. 1d. lb.	13
" Opii Sicc. - - -	5s. 8d. oz.	1088	" Ammon. Cit. - - -	11d. lb.	10½
" Viburn. Liq. - - -	8s. lb.	82½	" Arsenicalis. - - -	7d. lb.	6½
Ferri Carb. Sacc. - - -	1s. lb.	12	" Arsenici Hydrochl. -	9d. lb.	8½
" et Ammon. Cit. - - -	4s. 9d. lb.	57	" Arsen. et Hydrarg. Iod. -	1s. 1d. lb.	12
" et Quin. Cit. - - -	1s. oz.	192	" Atrop. Sulph. - - -	1s. 7d. oz.	280
" Sulph. - - -	4d. lb.	4	" Bism. et Am. Cit. -	1s. 6d. lb.	17½
" " Exsic. - - -	9d. lb.	9	" Calcis. - - -	7d. gallon.	1½
" et Pot. Tart. - - -	3s. 6d. lb.	42	" " Sacch. - - -	8d. lb.	7½
Gent. Rad. - - -	7½d. lb.	7½	" " Sulphurate. - -	6d. lb.	6
Glycerinum. - - -	1s. 2½d. lb.	16½	" Cresol. Sap. - - -	8s. gallon.	9
Glycer. Acid. Boric. -	2s. 3d. lb.	33	" Epispasticus. - - -	18s. lb.	161
" Acid. Carbol. - - -	1s. 11d. lb.	25½	" Ferri Acet. - - -	7d. lb.	6½
" " Tannic. - - -	3s. lb.	42½	" " Perchlor. - - -	4d. lb.	4
Glycerin. Belladon. B.P.C. -	4s. 6d. lb.	63	" Ferr. Perchl. Fort. -	7d. lb.	9½
" Boracis. - - -	1s. 7d. lb.	22	" Gutta Percha B.P.C. -	5s. lb.	78
" Pepsin. - - -	4s. 3d. lb.	55	" Formaldehyd. - - -	11d. lb.	11
Glycer. Thymol. Co. B.P.C. -	1s. 1d. lb.	12½	" " Sap. - - -	2s. 6d. lb.	26
Guaiacol. Carbonas. - -	2s. 2d. oz.	416	" Hamamelidis. - - -	1s. 4d. lb.	14½
			" Hydrarg. Perchlor. -	7d. lb.	6½
			" Hydrogen Perox. B.P. (20 vols). - - -	7d. lb.	6½
			" " " (20 vols). - - -	1s. 1d. lb.	12
			" Mag. Bicarb. - - -	5½d. lb.	5

† See Part I, Paragraph 4.



Drug or Preparation.	Listed Price.	Price in Pence per "Pound."	Drug or Preparation.	Listed Price.	Price in Pence per "Pound."
Liq. Morph. Acet. - -	5s. lb.	53 <sup>1</sup> / <sub>2</sub>	Phenazon. - - -	3s. 4d. oz.	640
" " Hydrochl. - -	5s. lb.	53	Phenolphthalein. - -	2s. oz.	384
" Opii Sed. B.P.C. - -	9s. 9d. lb.	106	Physostig. Sulph. - -	8d. grain	-
" Pancreatis. - - -	3s. 10d. lb.	44 <sup>1</sup> / <sub>2</sub>	Pil. Aloes - - -	5d. gross	-
" Pepticus B.P.C. - -	4s. lb.	44	" Aloes et Asafet. - -	8d. gross	-
" Picis Carbonis. - -	5s. 6d. lb.	51	" " Ferri - - -	4 <sup>1</sup> / <sub>2</sub> d. gross	-
" " Meth. - - -	1s. 5d. lb.	13	" " Myrrh. - - -	4 <sup>1</sup> / <sub>2</sub> d. gross	-
" Plumbi Subacet. Fort.	4d. lb.	4	" Colocyn. Co. - - -	7 <sup>1</sup> / <sub>2</sub> d. gross	-
" Potassae. - - -	5d. lb.	5	" Digitalis Co. B.P.C. -	1s. gross	-
" Sodae Chlorinat. - -	4d. lb.	4	" Colocyn. et Hyosecy. -	1s. gross	-
" Strych. Hydrochl. - -	2s. 1d. lb.	22 <sup>1</sup> / <sub>2</sub>	" Hydrarg. - - -	7 <sup>1</sup> / <sub>2</sub> d. gross	-
" Trinitrini. - - -	7d. oz.	86	" Hydrarg. Subchlor. Co.	9d. gross	-
" Zinci. Chlor. - - -	1s. lb.	16 <sup>1</sup> / <sub>2</sub>	" " c. Creta et	1s. gross	-
Lithii. Carb. - - -	7 <sup>1</sup> / <sub>2</sub> d. oz.	120	" Opii B.P.C. - - -	-	-
" Cit. - - -	7d. oz.	112	" Ipecac. c. Scill. - -	8d. gross	-
Lith. Cit. Effervesc. - -	2s. 10d. lb.	34	" Phosphori - - -	1s. 6d. gross	-
Lot. Hydrarg. Flav. - -	5d. lb.	4 <sup>1</sup> / <sub>2</sub>	" Podoph. Co. B.P.C. - -	8d. gross	-
" " Nigr. - - -	7d. lb.	6	" Plumbi c. Opio - - -	1s. 4d. gross	-
Magnesia Levis. - - -	1s. 3d. lb.	15	" Quin. Sulph. (gr. i) - -	10d. gross	-
" " Pond. - - -	2s. 6d. lb.	30	" " " (gr. ii) - - -	1s. 5 <sup>1</sup> / <sub>2</sub> d. gross	-
Mag. Carb. Lev. - - -	7 <sup>1</sup> / <sub>2</sub> d. lb.	7 <sup>1</sup> / <sub>2</sub>	" Rhei. Co. - - -	4 <sup>1</sup> / <sub>2</sub> d. gross	-
" " Pond. - - -	10d. lb.	10	" Saponis Co. (gr. iv) - -	1s. gross	-
" Sulph. (medium cry-	45s. cwt.	5	" Scam. Co. (B.P. '98) - -	2s. gross	-
" " Effervesc. - - -	1s. 6d. lb.	18	" Scillae Co. - - -	8d. gross	-
Mel. Boracis. - - -	1s. 3d. lb.	15	" Ferri. - - -	3d. gross	-
Menthol. - - -	1s. 1d. oz.	208	Plumbi. Acet. - - -	1s. lb.	12
Methylsulphonat. - - -	2s. 2d. oz.	416	Podoph. Res. - - -	1s. 7d. oz.	304
Methyl. Salicylas. - - -	11d. oz.	190 <sup>1</sup> / <sub>2</sub>	Potassa Sulphurata - -	1s. 6d. lb.	18
Mist. Ammoniaci. (1-7) -	6s. lb.	9	Potass. Acet. "dry gran-	2s. 1d. lb.	25
" " Creosoti. (1-7) - -	1s. 5d. lb.	2 <sup>1</sup> / <sub>2</sub>	Pot. Bicarb. - - -	1s. 1d. lb.	13
" " Creta. - - -	8d. lb.	7 <sup>1</sup> / <sub>2</sub>	" Brom. - - -	9s. 6d. lb.	114
" " Ferri Co. - - -	11d. lb.	10	" Carb. - - -	1s. 6d. lb.	18
" " Guaiaci. - - -	9d. lb.	8 <sup>1</sup> / <sub>2</sub>	" Chloras. - - -	1s. 11d. lb.	23
" " Ol. Ricini. - - -	1s. 1d. lb.	12	" Cit. - - -	5s. 3d. lb.	63
" " Sennae Co. - - -	11d. lb.	11	" Iod. - - -	15s. 9d. lb.	189
Morph. Acet. - - -	2s. 11d. dr.	-	" Nit. - - -	1s. 2d. lb.	14
" " Hydrochl. - - -	17s. 6d. oz.	-	" Permang. - - -	3s. 2d. lb.	38
Mucilag. Acaciae. - - -	1s. 1d. lb.	13 <sup>1</sup> / <sub>2</sub>	" Sulph. - - -	11d. lb.	11
" " Tragac. - - -	1s. lb.	11	" Tart. - - -	3s. 10d. lb.	46
Naphthol. - - -	1s. oz.	192	" " Acid. - - -	2s. 3d. lb.	27
Ol. Amygdalae. - - -	3s. 6d. lb.	35	Pulv. Amygd. Co. - - -	3s. 9d. lb.	45
" " Abietis. - - -	4s. 3d. lb.	42 <sup>1</sup> / <sub>2</sub>	" Catech. Co. - - -	2s. 10d. lb.	34
" " Anisi. - - -	5 <sup>1</sup> / <sub>2</sub> d. oz.	79	" Cinnamomi Co. - - -	4s. 9d. lb.	57
" " Cadini. - - -	1s. 2d. lb.	13	" Cretae Aromat. - - -	1s. 5d. lb.	17
" " Cajuput. - - -	5s. 6d. lb.	55 <sup>1</sup> / <sub>2</sub>	" " c. Opio. - - -	3s. lb.	36
" " Caryoph. - - -	6s. 10d. lb.	79	" Glycyrrh. Co. - - -	1s. 4d.	16
" " Croton. - - -	7d. oz.	97	" Ipecac. Co. - - -	8s. 6d. lb.	102
" " Cubebae. - - -	1s. 7d. oz.	255	" Jalap. Co. - - -	3s. 2d. lb.	38
" " Eucalypt. - - -	2s. 5d. lb.	24 <sup>1</sup> / <sub>2</sub>	" Kino Co. - - -	5s. 6d. lb.	66
" " Lini. - - -	3s. 7d. gallon	4	" Lobeliae Co. B.P.C. - -	2s. 8d. lb.	32
" " Ment. Pip. (re-distilled)	15s. 6d. lb.	154	" Opii Co. - - -	6s. lb.	72
Oleum Morrhuie (1915) -	15s. 6d. gallon	17	" Rhei Co. - - -	2s. lb.	24
" " Olivae (Sublime) - -	9s. 6d. gallon	10 <sup>1</sup> / <sub>2</sub>	" Scammon. Co. - - -	7s. lb.	84
Ol. Ricini. E. I. No. 1	9d. lb.	8	" Sodae Tart. Eff. - - -	7s. 6d. doz.	-
(bleached). - - -	-	-	" Tragac. Co. - - -	2s. 10d. lb.	34
Ol. Santal - - -	2s. 10d. oz.	30 <sup>1</sup> / <sub>2</sub>	Quin. Hydrochl. - - -	2s. 5d. oz.	464
Ol. Tereb. Rectif. - - -	10d. lb.	8	" " Acid. - - -	2s. 9d. oz.	528
Opium Pulv. - - -	2s. 11d. oz.	560	" Sulph. - - -	1s. 10d. oz.	352
Oxymel. Scillae - - -	8d. lb.	9 <sup>1</sup> / <sub>2</sub>	Resorcinum - - -	1s. 10d. oz.	352
Papav. Capsulae Contus. -	6d. lb.	6	Rhei. Rhizoma Pulv. E.I. -	4s. 6d. lb.	54
Paraff. Dur. - - -	5 <sup>1</sup> / <sub>2</sub> d. lb.	5 <sup>1</sup> / <sub>2</sub>	Sacc. Lact. - - -	1s. 1d. lb.	13
" " Mol. - - -	11d. lb. (alb.)	11	" " Alb. Pulv. Subtil. - -	7d. lb.	7
" " " - - -	5d. lb. (flav.)	5	Salicin. - - -	1s. 7d. oz.	304
" " Liq. - - -	1s. 6d. lb.	14 <sup>1</sup> / <sub>2</sub>	Salol - - -	1s. 7d. oz.	304
Paraldehyde - - -	1s. oz.	175	Santonin. - - -	14s. 3d. oz.	2736
Pasta Zinci Co. B.P.C. - -	1s. 3d. lb.	15	Sapo Mollis - - -	11d. lb.	11
" " et Gelatin - - -	1s. 7d. lb.	19	Scammon. Res. - - -	6s. lb.	72
" B.P.C. - - -	-	-	Sennae Folia - - -	1s. 8d. lb.	20
Pepsin. - - -	1s. 9d. oz.	336	" " Fructus. Picked - -	1s. 5d.	17
Phenacetin. - - -	1s. 11d. oz.	368	Sod. et Pot. Tart. - - -	1s. 3d. lb.	15

† See Part I., Paragraph 4.



Drug or Preparation.	Listed Price.	Price in Pence per "Pound."	Drug or Preparation.	Listed Price.	Price in Pence per "Pound."
Sodii Arsenas Anhydrosus	5s. 3d. lb.	63	Syr. Zingib. - - -	10d. lb.	12
Sod. Benz. - - -	11d. oz.	176	Tab. Acetanilid. (gr. iii) -	6½d. per 100	—
" Bicarb. (Opt.) - -	25s. cwt.	3	" Acetan. Co. B.P.C. -	7d. per 100	—
" Brom. - - -	9s. lb.	108	" Acid. Acetylsal. (gr. v)	34s. per 1,000	—
" Carb. - - -	4d. lb.	4	" Acid. Diethylbarb. (gr. v).	4s. 2½d. per 100	—
" Exsicc. - - -	8d. lb.	8	" Calomel (Tab. Hydr. Subchl. B.P.C.)	2s. 6d. per 1,000	—
" Chlor. - - -	10½d. lb.	10½	" " " (gr. ½)	3s. per 1,000	—
" Citro-Tart. (Eff.)	2s. 4d. lb.	28	" " " (gr. ii)	7d. per 100	—
" Glycerophosph. (100%)	1s. 11d. oz.	368	" " " (gr. iii)	8½d. per 100	—
" " (50%)	6½d. oz.	104	" " " (gr. v)	1s. per 100	—
" Hypophosph. - -	4d. oz.	64	" Easton. (1 dr.) -	8s. per 1,000	—
" Iod. - - -	1s. 5d. oz.	272	" " (½ dr.) -	5s. per 1,000	—
" Nitris - - -	2s. 4d. lb.	28	" Ext. Caser. Sagr. (gr. ii)	4½d. per 100	—
" Phosph. - - -	10d. lb.	10	" " " (gr. v)	9d. per 100	—
" " Acid. - - -	2s. lb.	24	" Hydr. ē Cretā B.P.C. (gr. ½)	4½d. per 100	—
" " Eff. - - -	2s. 3d. lb.	27	" " " (gr. i)	1s. 9d. per 1,000	—
" Salicylas. (Cryst.)	21s. lb.	252	" " " (gr. ii)	5½d. per 100	—
" Sulphas - - -	5d. lb.	5	" Formaldehydi B.P.C.	4s. 6d. per 1,000	—
" Sulphis - - -	4½d. lb.	4½	" Guaiacol. Carb. (gr. v)	2s. 4d. per 100	—
" Sulphocarb. - -	2s. 6d. lb.	30	" Phenacetin. (gr. v)	1s. 11d. per 100	—
Sp. Aetheris - - -	4s. 3d. lb.	37½	" Phenac. Co. B.P.C. -	17s. 6d. per 1,000	—
" Aether. Co. - -	8s. 6d. lb.	75½	" Phenac. Co. B.P.C. (gr. v).	3s. 8½d. per 100	—
" Aether. Nitrosi. -	4s. 4d. lb.	40	" Phenolphthalein (gr. i)	10d. per 100	—
" Ammon. Aromat. -	3s. 6d. lb.	34	" " " (gr. ii)	1s. 2½d. per 100	—
" Chlorof. - - -	5s. lb.	47½	" Pot. Chlor. - - -	2s. 4d. per 1,000	—
" Juniperis - - -	7s. 4d. lb.	67	" Thyroid Gland. (gr. ii)	7½d. per 100	—
" Rectificatus - -	5s. pint	44	" " " (gr. v)	1s. 3d. per 100	—
" Vini. Meth. - -	4s. 9d. gallon	5	" Trinitrini - - -	7d. per 100	—
Stramon. Fol. - -	1s. 1d. lb.	13	" Santonin (gr. i) -	4s. 8½d. per 100	—
Strontii Bromidum -	9s. 6d. lb.	114	" Santonin Co. B.P.C.	4s. 8½d. per 100	—
Strych. Hydrochlor. -	3s. 2d. oz.	608	" Sodii Bicarb. Co. B.P.C. ("Soda Mint")	8d. per 1,000	—
Succ. Scoparii - -	2s. 4d. lb.	25½	" Sulphonal B.P.C. (gr. v).	2s. 2½d. per 100	—
" Tarax. - - -	2s. 8d. lb.	29	" Nasal Alkaline—		
Sulphonal - - -	1s. 11d. oz.	368	" Sod. Bic. (gr. v) -	8d. per 100	—
Sulphur Præcip. - -	7½d. lb.	7½	" Acid. Carbol. (gr. ½)		
" Sublim. - - -	3½d. lb.	3½	" Boracis (gr. v) -		
Suppos. Acid. Tannic	7d. doz.	—	" Naso-Pharyngeal Co.—	1s. 9d. per 100	—
" Belladon. (gr. ¼-2)	7d. doz.	—	" Sod. Chlor. Borax.		
" Iodoformi. (gr. 3-5)	8d. doz.	—	" Ac. Bor. Sod. Benz.		
" Morphinae - -	(gr. ¼). 7d. doz.	—	" Menthol. Thymol.		
	(gr. ½). 8d. doz.	—	" Ol. Gaulther.		
	(gr. 1). 10d. doz.	—			
" Plumbi Co. - -	7d. doz.	—	Terebenum - - -	2s. 2d. lb.	20½
" Glycerini Infants :	6d. doz.	—	Theobrom. et Sod. Salic. -	3s. 2d. oz.	608
" " (15 m.)			Thymol. - - -	2s. 10d. oz.	544
" " Child's : (30 m.)	6d. doz.	—	Thyroid. Sicc. - - -	4s. 3d. oz.	816
" " Adult's : (60 m.)	7d. doz.	—	Tr. Aconiti - - -	4s. 9d. lb.	47
Syrupus - - -	6d. lb.	7½	" Asafet. - - -	4s. 6d. lb.	45
Syr. Aurantii. - -	1s. lb.	14	" Aurantii - - -	5s. lb.	48
" Calc. Lactophosph. -	1s. 9d. lb.	24½	" Belladon. - - -	4s. 6d. lb.	44
" Cascaræ Aromat. -	1s. 9d. lb.	24½	" Benzoini Co. - -	4s. 8d. lb.	45½
" Chloral. - - -	2s. 10d. lb.	40½	" Camph. Co. - - -	3s. 2d. lb.	32
" Codeinae. Phosph. -	2s. 10d. lb.	41	" Cannab. Ind. - -	10s. lb.	92½
" Ferri. Iod. - - -	1s. 8d. lb.	24½	" Chlorof. et Morph. Co.	7s. 4d. lb.	81½
" " Phosph. - - -	1s. lb.	14	" Chlorof. et Morph. Co. '85.	3s. 4d. lb.	45
" " " Co. - - -	7½d. lb.	9	" Cantharidini. - -	5s. 6d. lb.	50½
B.P.C.			" Capsici. - - -	3s. 8d. lb.	37
Syr. Ferri. Phosph. c. Quin. et Strych.	1s. 6d. lb.	21	" Cardam Co. - - -	3s. lb.	32½
Syr. Glycerophosph. Co. B.P.C.	2s. 1d. lb.	29½	" Catechu - - -	2s. 10d. lb.	30
Syr. Hypophosph. Co. B.P.C.	1s. 5d. lb.	20	" Cinchon. Co. - -	4s. 3d. lb.	42
Syr. Limonis. - - -	1s. 1d. lb.	15½			
" Pruni Virg. - - -	11d. lb.	13			
" Rhei. - - -	1s. 3d. lb.	18			
" Scilla - - -	7½d. lb.	9			
" Senne - - -	1s. 4d. lb.	19			
" Tolut. - - -	9½d. lb.	11			

† See Part I., Paragraph 4.



Drug or Preparation.	Listed Price.	Price in Pence per " Pound.††	Drug or Preparation.	Listed Price.	Price in Pence per " Pound.††
Tr. Digitalis - - -	3s. 10d. lb.	38	Ung. Hydrarg. - - -	2s. 8d. lb.	32
„ Ferri Perchlor. - -	1s. 8d. lb.	20½	„ „ Ammon. - - -	2s. 2d. lb.	26
„ Gelsemii - - -	4s. lb.	40	„ „ „ Dil. - - -	1s. 8d. lb.	20
„ Gent. Co. - - -	2s. 7d. lb.	27½	„ „ Co. - - -	2s. 10d. lb.	34
„ Guaiaci. Ammon. - -	4s. 9d. lb.	46½	„ „ Iod. Rubr. - -	3s. lb.	36
„ Hamamel. - - -	2s. 10d. lb.	29½	„ „ Nit. - - -	2s. 8d. lb.	32
„ Hyoseyami - - -	4s. 9d. lb.	46½	„ „ Nit. Dil. - -	2s. lb.	24
„ Iodi Fort. - - -	7s. 2d. lb.	78½	„ „ Oleat. - - -	2s. 10d. lb.	34
„ „ Mit. - - -	5s. 4d. lb.	51½	„ „ Oxid. Flav. - -	1s. 8d. lb.	20
„ Lavand. Co. - - -	5s. 6d. lb.	50½	„ „ „ Rubr. - - -	2s. lb.	24
„ Lobel. Aeth. - - -	6s. 6d. lb.	58	„ Iodoformi. - - -	3s. 10d. lb.	46
„ Nucis Vom. - - -	4s. 3d. lb.	42	„ Paraffin. Alb. - -	1s. 2d. lb.	14
„ Opii - - -	5s. 6d. lb.	57½	„ „ Flav. - - -	10d. lb.	10
„ „ Ammon. - - -	5s. lb.	50½	„ Picis Liq. - - -	1s. 2d. lb.	14
„ Quin. Ammon. - - -	3s. 6d. lb.	35½	„ Plumbi Iod. - - -	3s. 4d. lb.	40
„ Rhei Co. - - -	3s. lb.	32½	„ Pot. Iod. - - -	4s. lb.	48
„ Scillæ - - -	3s. 6d. lb.	37	„ Resinæ - - -	1s. 6d. lb.	18
„ Strophanth. - - -	5s. 3d. lb.	51	„ Staphisagriæ - -	2s. 2d. lb.	26
„ Valerian. Ammon. - -	4s. 2d. lb.	42½	„ Sulphuris - - -	1s. 4d. lb.	16
„ Zingib. - - -	5s. lb.	46½	„ Zinci - - -	1s. 3d. lb.	15
Tragacanth. Pulv. - -	12s. lb.	144	Vinum Antimoniale - -	1s. 9d. lb.	19½
Troch. Acid. Tannic. -	3s. lb.	36	„ Colchici - - -	2s. 2d. lb.	23½
„ Pot. Chlor. (gr. 3) -	2s. lb.	24	„ Ipecac. - - -	2s. 10d. lb.	31
Ung. Acid. Boric. (flav.) -	9d. lb.	9	Zinci Chlor. (in one - oz. stoppered bottles).	8d. oz.	128
„ „ B.P. - - -	1s. lb.	12	„ Oleostearas. - - -	2s. 4d. lb.	28
„ „ Carbol. - - -	1s. 2d. lb.	14	„ Oxid. - - -	1s. 1d. lb.	13
„ „ Salicyl. - - -	1s. 6d. lb.	18	„ Sulph. - - -	11d. lb.	11
„ Bellad. - - -	13s. 3d. lb.	159	„ Sulphocarb. - - -	2s. 8d. lb.	32
„ Chrysarobin. - - -	2s. 4d. lb.	28	„ Valerian. - - -	1s. 4d. oz.	256
„ Gallæ c. Opio - - -	4s. 9d. lb.	57	Zingiber Jam. Pulv. - -	2s. lb.	24
„ Glyc. Plumbi Subacet	1s. 6d. lb.	18			

† See Part I., Paragraph 4.

## CONTAINERS.

* Medicine bottles up to 8 ozs.	-	-	-	-	-	1d.
„ „ over 8 ozs. up to 12 ozs.	-	-	-	-	-	2d.
„ „ over 12 ozs. up to 16 ozs.	-	-	-	-	-	2½d.
„ „ over 16 ozs. up to 20 ozs.	-	-	-	-	-	3d.
„ „ over 20 ozs.	-	-	-	-	-	3½d.
† Poison bottles, up to and including 4 ozs.	-	-	-	-	-	79d.
† „ „ over 4 ozs. and up to and including 6 ozs.	-	-	-	-	-	98d.
† „ „ over 6 ozs. and up to and including 8 ozs.	-	-	-	-	-	1 21d.
† „ „ over 8 ozs. and up to and including 20 ozs.	-	-	-	-	-	2 54d.
† „ „ over 20 ozs.	-	-	-	-	-	3 75d.

\* These prices are to be a deposit by the Insured Persons, to be refunded when the container is returned.

† Poison bottles can only be charged to the Insurance Committee when used for substances to which Section 5 of the Poisons and Pharmacy Act, 1908, or the Regulations made under Section 1 of the Pharmacy Act, 1868, relate.



## APPLIANCES.

BANDAGES (Weight to be calculated without paper):

Grey, open weave. Count per 1-in. glass, not fewer than warp 42, weft 27.

Size.	Weight per doz. not less than				Price
1 in. by 3 yds.	-	-	-	860 grains	35d. each.
2 in. „ 4 yds.	-	-	-	2,260 „	74d. „
2½ in. „ 4 yds.	-	-	-	2,800 „	92d. „
3 in. „ 4 yds.	-	-	-	3,400 „	106d. „
4 in. „ 4 yds.	-	-	-	4,500 „	135d. „
White, open weave—					
1 in. by 3 yds.	-	-	-	900 „	42d. „
2 in. „ 4 yds.	-	-	-	2,400 „	85d. „
2½ in. „ 4 yds.	-	-	-	3,000 „	104d. „
3 in. „ 4 yds.	-	-	-	3,600 „	121d. „
Crêpe. Rolls to measure 6 yds. when fully extended—					
2 in.	-	-	-	-	675d. „
2½ in.	-	-	-	-	750d. „
3½ in.	-	-	-	-	975d. „
Muslin. In 6-yd. rolls. Butter-cloth material—					
2½ in.	-	-	-	-	140d. „
3 in.	-	-	-	-	158d. „
4 in.	-	-	-	-	196d. „
Calico, bleached. 3 yds. long—					
2 in.	-	-	-	5¾ ozs.	129d. „
3 in.	-	-	-	8¾ ozs.	179d. „
Calico, unbleached. 3 yds. long—					
2½ in.	-	-	-	6½ ozs.	123d. „
4 in.	-	-	-	10¼ ozs.	180d. „
Domette. 6 yds. long—					
2½ in.	-	-	-	15 ozs.	475d. „
3 in.	-	-	-	18 ozs.	550d. „
Flannel. 6 yds. long—					
2½ in.	-	-	-	25 ozs.	775d. „
3 in.	-	-	-	30 ozs.	900d. „
India Rubber (all rubber)—					
2½ in. by 5 ft.	-	-	-	-	1s. 7d. „
2½ in. „ 7½ ft.	-	-	-	-	2s. 6d. „
India Rubber (elastic web)—					
2½ in.	-	-	-	-	450d. per yard.
3 in.	-	-	-	-	525d. „
Plaster of Paris. Each in hermetically sealed tins. Spread on muslin—					
2 in. by 6 yds.	-	-	-	-	4d. each.
3 in. „ 6 yds.	-	-	-	-	55d. each.
GAUZES: 6-yard packages. 36-in. width. Weight not less than 2 ozs. Count per					
1-in. glass. Warp 19, weft 15—					
Unmedicated - - - - - 675d. per roll.					
Boric	}	-	-	-	750d. „
Carbolic					
Cyanide					
Sal-alembroth					
Sublimate	}	-	-	-	1s. 0½d. „
Iodoform					
Picric Acid					
Same standards must apply to medicated gauzes, plus percentage of medicament.					
LINTS: Unmedicated. Not less than 3,700 sq. inches to 1 lb. In packets.					
1 oz.	-	-	-	-	142d. per pkt.
2 oz.	-	-	-	-	267d. „
4 oz.	-	-	-	-	5d. „
8 oz.	-	-	-	-	9d. „
1 lb.	-	-	-	-	1s. 6d. „
Boric. Not less than 45 % and not more than 50 % pure boric acid. In					
packets. 2½-3 yards by 17-18 in. in 1 lb.—					
1 oz.	-	-	-	-	104d. per pkt.
2 oz.	-	-	-	-	192d. „
4 oz.	-	-	-	-	358d. „
8 oz.	-	-	-	-	7d. „
1 lb.	-	-	-	-	1s. 1½d. „
Sal-alembroth - - - - - 2s. 1d. per lb.; 208d. per oz.					



WOOLS : Cotton (Interleaved), in packets—		
1 oz. -	-	1d. per pkt.
2 oz. -	-	1.58d. "
4 oz. -	-	2.92d. "
8 oz. -	-	5.50d. "
1 lb. -	-	10d. "
Boric -	-	1s. 6d. per lb. ; 1.92d. per oz.
Sal-alembroth -	-	1s. 8d. per lb. ; 2d. per oz.
WOOD WOOL -	-	6½d. per lb. ; 2d. per ¼ lb. ; .75d. per oz.
OILED CAMBRIC, best quality, 33-in. width -	-	1s. 3d. per yard.
OILED SILK, yellow, best quality, 32-in. width -	-	2.75d. per 24 sq. in. ; 1s. 10d. per yard.
OILED PAPER, 20 by 30-in. wide -	-	.67d. per sheet.
GUTTA PERCHA TISSUE, 36-in. width -	-	1.22d. per sq. ft. ; 11d. per sq. yd.
ADHESIVE PLASTER (spread on Holland) -	-	2.19d. per square foot.
TOW -	-	4.5d. per lb.
ICE BAGS :		
Rubber, Helmet shape -	-	5s. 3d. each.
Check, circular shape, 8-in. diameter -	-	1s. 2d. "
SPLINTS, arm, plain -	-	4d. "
CATHETERS :		
Best Brown Gum-elastic, single web -	-	5d. "
Soft rubber (1-12) -	-	6d. "
" (over 12) -	-	10d. "

## PART III.

## SCALE OF DISPENSING FEES.

	Pence.
Mixtures, liniments, lotions, gargles, mouth-washes, drops and other liquid preparations, not specified in the scale, requiring compounding or preparation :—	
(i) Extemporaneously prepared -	2.8
(ii) Prepared or stocked in bulk -	2.3
Ointments, pastes, and confections (extemporaneously prepared) -	3.6
Emulsions (extemporaneously prepared) -	4.0
Powders, 6 (extemporaneously prepared) -	3.2
" 12 " " -	4.4
" each extra dozen or part of a dozen (extemporaneously prepared) -	1.2
" mixed bulk (extemporaneously prepared) -	3.2
Cachets, 6 (extemporaneously prepared) -	4.4
" 12 " " -	5.6
" each extra half dozen or part of half dozen (extemporaneously prepared) -	1.2
Pills, 24 (extemporaneously prepared) -	5.6
" each extra two dozen or part of two dozen (extemporaneously prepared) -	1.2
Plasters (extemporaneously prepared) -	6.8
Blisters " " -	4.0
Suppositories, bougies, capsules, ampoules, pastilles, lozenges, 6 (extemporaneously prepared) -	6.8
" " " " " 12 " " -	8.0
" " " " " each extra dozen or part of dozen (extemporaneously prepared) -	1.2
Granules (extemporaneously prepared) -	10.4
Tablets, 12 (extemporaneously prepared) -	8.8
" each extra dozen or part of a dozen (extemporaneously prepared) -	0.8
Appliances -	0.8
All solid or liquid drugs, preparations, or articles (other than prescribed appliances) requiring no compounding or preparation by the chemist -	1.8



## PART IV.

## SAMPLE SHEET of READY RECKONER.

PRICE IN PENCE FOR VARIOUS QUANTITIES (grains or minims).																																	
Price in Pence per Pound.†		3 l.	5 vii.	400	360	5 vi.	300	5 v.	240	192	5 iii.	160	144	128	120	5 il.	100	96	5 l. ss.	80	72	70	64	60	50	40	30	5 ss.	20	10	12	6	
1	1	.03	.03	.03	.03	.02	.02	.02	.02	.01	.03	.02	.02	.02	.02	.02	.01	.01	.02	.02	.02	.02	.01	.02	.02	.01	.01	.01	.01	.01	.01	.01	.01
1	1	.07	.06	.06	.05	.07	.05	.04	.03	.03	.04	.03	.03	.03	.03	.03	.02	.02	.02	.02	.02	.02	.02	.02	.02	.02	.02	.02	.02	.02	.02	.02	.02
2	2	.10	.09	.09	.08	.07	.06	.07	.05	.04	.05	.04	.04	.04	.04	.04	.03	.03	.03	.03	.03	.03	.03	.03	.03	.02	.02	.02	.02	.02	.02	.02	.02
2	2	.14	.12	.11	.10	.09	.09	.07	.07	.05	.06	.05	.05	.05	.05	.05	.04	.04	.04	.04	.04	.04	.04	.04	.04	.03	.03	.03	.03	.03	.03	.03	.03
2	2	.17	.15	.14	.13	.11	.11	.09	.09	.08	.08	.07	.06	.05	.05	.05	.05	.05	.05	.04	.04	.04	.04	.04	.04	.03	.03	.03	.03	.03	.03	.03	.03
2	2	.21	.18	.17	.15	.14	.13	.10	.10	.08	.09	.08	.07	.06	.06	.06	.06	.06	.06	.05	.05	.05	.05	.05	.05	.04	.04	.04	.04	.04	.04	.04	.04
3	3	.24	.21	.20	.18	.16	.15	.12	.12	.10	.10	.09	.08	.07	.07	.07	.06	.06	.06	.06	.05	.05	.05	.05	.05	.04	.04	.04	.04	.04	.04	.04	.04
3	3	.27	.24	.23	.21	.18	.17	.14	.14	.11	.12	.11	.10	.09	.08	.08	.06	.06	.06	.06	.05	.05	.05	.05	.05	.04	.04	.04	.04	.04	.04	.04	.04
3	3	.31	.27	.26	.23	.21	.19	.15	.15	.12	.13	.12	.11	.10	.09	.09	.07	.07	.07	.07	.06	.06	.06	.06	.06	.05	.05	.05	.05	.05	.05	.05	.05
4	4	.34	.30	.29	.26	.23	.21	.17	.17	.14	.14	.13	.11	.10	.09	.09	.08	.08	.08	.08	.07	.07	.07	.07	.07	.06	.06	.06	.06	.06	.06	.06	.06
4	4	.38	.33	.31	.28	.25	.24	.19	.19	.15	.15	.14	.13	.12	.11	.10	.09	.09	.08	.08	.07	.07	.07	.07	.07	.06	.06	.06	.06	.06	.06	.06	.06
4	4	.41	.36	.34	.31	.27	.26	.21	.21	.16	.16	.15	.14	.13	.12	.11	.09	.09	.08	.08	.07	.07	.07	.07	.07	.06	.06	.06	.06	.06	.06	.06	.06
5	5	.45	.39	.37	.33	.30	.28	.22	.22	.18	.18	.17	.15	.14	.13	.12	.11	.09	.09	.08	.08	.07	.07	.07	.07	.06	.06	.06	.06	.06	.06	.06	.06
5	5	.48	.42	.40	.36	.32	.30	.24	.24	.19	.19	.18	.16	.14	.13	.12	.10	.10	.10	.09	.09	.08	.08	.07	.07	.06	.06	.06	.06	.06	.06	.06	.06
6	6	.51	.45	.43	.39	.34	.32	.26	.26	.21	.21	.19	.17	.15	.14	.13	.11	.11	.10	.09	.09	.08	.08	.07	.07	.06	.06	.06	.06	.06	.06	.06	.06
6	6	.54	.48	.46	.41	.37	.34	.27	.27	.22	.22	.21	.18	.16	.15	.14	.11	.11	.11	.10	.09	.09	.08	.08	.07	.07	.06	.06	.06	.06	.06	.06	.06
7	7	.55	.48	.46	.41	.37	.34	.27	.27	.23	.23	.22	.19	.17	.16	.15	.12	.12	.12	.11	.10	.09	.09	.08	.08	.07	.07	.06	.06	.06	.06	.06	.06
7	7	.58	.51	.49	.44	.39	.36	.29	.29	.25	.25	.24	.21	.19	.17	.16	.15	.12	.12	.12	.11	.10	.09	.09	.08	.08	.07	.07	.06	.06	.06	.06	.06
8	8	.62	.54	.51	.46	.41	.39	.31	.31	.26	.26	.25	.23	.21	.20	.19	.18	.15	.15	.15	.14	.13	.12	.12	.12	.12	.12	.12	.12	.12	.12	.12	.12
8	8	.65	.57	.54	.49	.43	.41	.33	.33	.28	.28	.27	.24	.22	.21	.20	.19	.18	.18	.17	.17	.16	.16	.16	.16	.16	.16	.16	.16	.16	.16	.16	.16
9	9																																

† See Part I., paragraph 4.



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## IONS.

(2) If all medicines were prescribed in accordance with decimal measures, the matter would be a simple one. If, in the case of any particular liquid drug, the price of the mil (in units of value, whether pence, halfpence, or tenths of pence) is 4, the price of the decimil will be .4. All that would be necessary would be to multiply the number of mils or decimils by the unit of value for the particular drug and to write down the result as the price of that ingredient with the proper adjustment of the decimal point. A similar process could be undertaken in the case of solids. But as it may be expected that doctors will continue for some time to prescribe in ounces, drachms, and grains or minims, it is not possible to turn to account the advantages in this respect of the metric system.

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(4) Let all drugs be priced at hundredths of 6*d.* per drachm. The number of such hundredths in the case of any particular drug is the key number for that drug. Nothing else requires to be remembered or ascertained. Thus a given group of drugs will have 1 for their key, another group 2, another 3, and so on.

(6) Now, if the key number of a given drug be 4, the price of a drachm being *four* hundredths of 6*d.*, or  $\cdot 04 \times 6d.$ , the price of a grain or minim of that drug must be *four* thousandths of 1*d.* or  $\cdot 004 \times 1d.$ , since  $\cdot 004d. = \frac{\cdot 04 \times 6d.}{60}$ . Hence the price of both the drachm and the grain or minim of a particular drug is

always the key number of that drug, denoting hundredths of 6*d.* in the case of drachms and thousandths of 1*d.* in the case of grains or minims. When grains or minims are priced, the figures are placed to the *right* of the stroke, *e.g.*,  $\frac{1}{4}$ . Thus figures to the left of the stroke denote hundredths of 6*d.*, and those to the right denote thousandths of a penny.

(7) Proper provision will require to be made in the prescription form for pricing according to this method. Instead of the ordinary columns for pricing in shillings and pence, or pence alone, the form would bear the following arrangement of columns :—

	$a$	$b$
Total - - -		
	$a$	$b$

(8) Line  $a-a$  takes the place of the stroke in pricing. The price of drachms is inserted in the columns to the *left* of line  $a-a$ ; the price of grains or minims being inserted in the columns to the *right*. Figures are inserted in each case from the extreme right of the appropriate set of columns.

(9) In the set of columns to the right it will be observed that the line  $b-b$  takes the place of the decimal point in reckoning the decimals of pence. Hence, figures in the column immediately to the left of line  $b-b$  will represent whole pence, figures in the next column to the left tens of pence.

(10) In pricing a prescription, therefore, all that is necessary to know is the key number to each drug concerned. Where the quantity prescribed is expressed in grains or minims, that number of grains or minims is mentally multiplied by the key number and set down in the appropriate right-hand column. If the quantity prescribed is expressed in drachms, the number of drachms is mentally multiplied by the key number and set down in the appropriate left hand column. Where the key is more than 10, for example, 15, it will be found convenient to multiply first by ten and put down the result, and next by five, putting the result down underneath the previous result, and leaving them to be added when the whole prescription is totalled.

(11) It will be observed that the "total" spaces do not provide for recording any hundredths or thousandths of a *1d.* In the examples given below it has been thought sufficient to take the total price on the right of the stroke to tenths of a penny only, the tenth figure being increased by 1 if any figures are found in the hundredths place of decimals. Modification in the method is, however, possible in this respect in order to secure adjustment in the direction of greater accuracy.



(12) The following example will make the process clear. The key number is given in the margin in the case of each drug :—

Key Numbers.	R	a		b	
1	Liq. Arsenicalis m. 30 - - - - -			3	0
3	Vin. Antimoniale dr. 2 - - - - -	6			
9	Fer. et Ammon. Cit. dr. 1 - - - - -	9			
5	Sp. Ammon. Co. dr. 2 - - - - -	1	0		
—	Aq. Ad oz. 8.				
Total - - - - -		2	5	1	
		a		b	

(13) It remains to consider the pricing, by this method, of *ounces*. The key figure for any drug, it will be remembered, is the number of hundredths of 6d. at which the drachm is priced. Thus, if the key is 4 the price of the drachm is  $\frac{4}{100} \times 6d.$ , or  $\frac{6}{100} \times 4d.$  Thus, the price of a drachm of any drug is  $\frac{6}{100}$  of the key number in pence, or  $\frac{6}{100} \times xd.$ ,  $x$  representing the key number. There are eight drachms to the ounce, and the price of the ounce is, therefore,  $\frac{6}{100} \times xd. \times 8$ , which is equivalent to  $\frac{6}{100 \div 8} \times xd.$  For this purpose it will be sufficiently accurate to regard  $100 \div 8$  as 12, and the price of the ounce will always be  $\frac{6}{12}$  (or  $\frac{1}{2}$ ) of  $xd.$ , viz., half the key number in pence. Thus, taking the example above in which the key was 4, the price per oz. would be  $2d.$ , and the procedure would be to multiply the number of ounces by 2, and to put down the result in the pence columns between the lines  $a-a$  and  $b-b$ . Where the key was an uneven number, say 3, and the price of the ounce would, therefore, be  $1\frac{1}{2}d.$ , it would be put down as 1.5, the line  $b-b$  taking the place of the decimal point. The following example will illustrate :—

Key Numbers.	R	a		b	
32	Phenazon 2 dr. - - - - -	6	4		
5	Tr. Belladon. $1\frac{1}{2}$ dr. - - - - -		5	1	5
9	Pot. Brom. 2 dr. - - - - -	1	8		
2	Syr. Tolu. 1 oz. - - - - -			1	
Total - - - - -		8	7	1	2
		a		b	

(14) The appropriate dispensing fee of pence and tenths of pence is entered in the columns to the left and right of the dotted line representing the decimal point.

(15) As the pricing of each prescription is done the total will require to be entered on a schedule. The schedules will be totalled in the special denominations of value, and the result in bulk converted into the ordinary coinage rate when accounts are prepared for payment.



# APPENDIX VII.

STATEMENT showing result of CALCULATIONS made by Messrs. W. B. PEAT & Co., on data furnished by the DRUG TARIFF COMMITTEE, as to extent to which the Chemists' remuneration would have been affected in the case of the ENGLISH and SCOTTISH BUSINESSES investigated had the TARIFF recommended by the COMMITTEE been in operation since the inception of MEDICAL BENEFIT.

	ENGLAND.						SCOTLAND.					
	1911-12.			1913-14.			1911-12.			1913-14.		
	(1)			(2)			(3)			(4)		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
I.—Total Average Annual Receipts	37,459	2	10	47,193	7	11	45,921	1	5	6,168	17	8
(a) Of Insurance Drug Business	—	—	—	7,068	9	7	5,796	3	1	1,189	16	4
(b) Of Private Drug Business	24,450	1	2	25,900	19	2	25,900	19	2	4,823	15	1
(c) Of Other Business	13,009	1	8	32,969	8	9	31,697	2	3	6,013	11	5
II.—Total Average Annual Outgoings	30,384	10	9	36,870	13	5	36,870	13	5	1,767	2	9
(a) Total Average Annual Cost of All Material	22,194	9	1	26,878	12	2	26,878	12	2	5,305	10	0
(b) " " Establishment Charges	8,190	1	8	9,992	1	3	9,992	1	3	3,718	17	1
III.—(a) Average Annual Cost of Material used in Drug Business	13,008	15	5	16,864	4	11	16,864	4	11	1,586	12	11
(b) " " Establishment Charges apportionable to Drug Business	5,452	6	7	7,113	12	3	7,041	9	5	2,510	18	6
IV.—(a) Cost of Material used in Other Business	9,185	13	8	10,014	7	3	10,014	7	3	1,212	10	2
(b) " " Establishment Charges apportionable to Other Business	2,737	15	1	2,878	9	0	2,950	11	10	1,207	18	7
V.—Average Annual Profit on <i>Whole Business</i> :—	15,264	13	9	20,314	15	9	19,042	9	3	374	2	9
(1) Amount	68.8	%		75.6	%		70.8	%		4.061	17	1
(2) Percentage on Buying Price	40.7	%		43.0	%		41.5	%		109.2	%	
(3) " " Selling Price	7.074	12	1	10,322	14	6	9,050	8	0	52.2	%	
(a) Gross	31.9	%		38.4	%		33.7	%		2.475	4	2
(b) Net	18.9	%		21.9	%		19.7	%		66.5	%	
VI.—Average Annual Profit on <i>Drug Business</i> :—	11,441	5	9	16,105	3	10	14,832	17	4	31.8	%	
(1) Amount	87.9	%		95.5	%		88.0	%		3,502	12	11
(2) Percentage on Buying Price	5.988	19	2	8,991	11	7	7,791	7	11	139.5	%	
(3) " " Selling Price	46.0	%		53.3	%		46.1	%		59.0	%	
(a) Gross	24.5	%		27.3	%		24.6	%		1,721	10	5
(b) Net	3.823	8	0	4,209	11	11	4,209	11	11	2,290	2	9
VII.—Average Annual Profit on <i>Other Business</i> :—	41.6	%		42.0	%		42.0	%		91.2	%	
(1) Amount	29.4	%		29.6	%		29.6	%		38.0	%	
(2) Percentage on Buying Price	1.085	12	11	1,331	2	11	1,259	0	1	559	4	2
(3) " " Selling Price	11.8	%		13.2	%		12.6	%		46.3	%	
(a) Gross	8.3	%		9.4	%		8.8	%		31.7	%	
(b) Net	—	%		—	%		—	%		185	1	5
(1) Amount	—	%		—	%		—	%		15.3	%	
(2) Percentage on Buying Price	—	%		—	%		—	%		10.5	%	
(3) " " Selling Price	—	%		—	%		—	%		10.3	%	



