

Session 2

Deep dive into Market Data & Products available in Australia

Presenter: Rhys Cohen,
Policy Officer, Penington Institute





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Medicinal Cannabis Market Data

Rhys Cohen | 12 March 2024



About Penington Institute

Penington Institute connects lived experience and research to improve the management of drugs through community engagement and knowledge sharing.

A not-for-profit organisation, our focus is supporting cost-effective approaches that maximise community health and safety in relation to drugs including pharmaceuticals and alcohol.



Medicinal cannabis market data

- Overall use
- Approvals for medicinal cannabis
- Sales of medicinal cannabis
- Market size and forecasting



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Overall use



Overall use

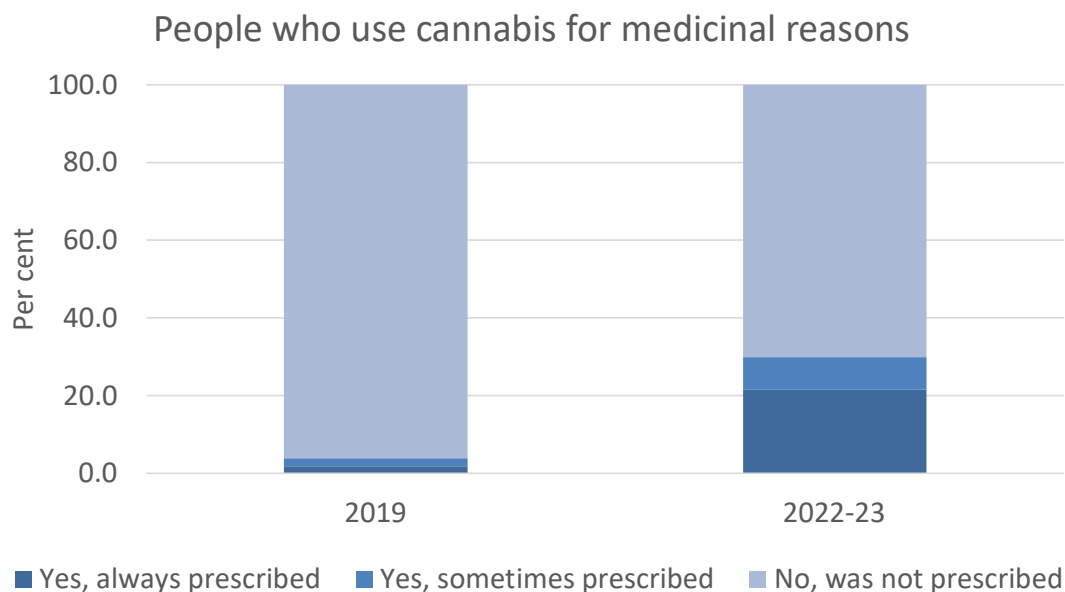
Among people aged 14+ who used cannabis in the last 12 months (2.6m):

~25% (700k) said their reason for use was always or sometimes medicinal

~30% (200k) of people using medicinally reported accessing prescription products

Data limitations:

- Likely to be considerable underreporting



Source: Australian Institute of Health and Welfare, National Drug Strategy Household Survey 2022-23



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Approvals for medicinal cannabis



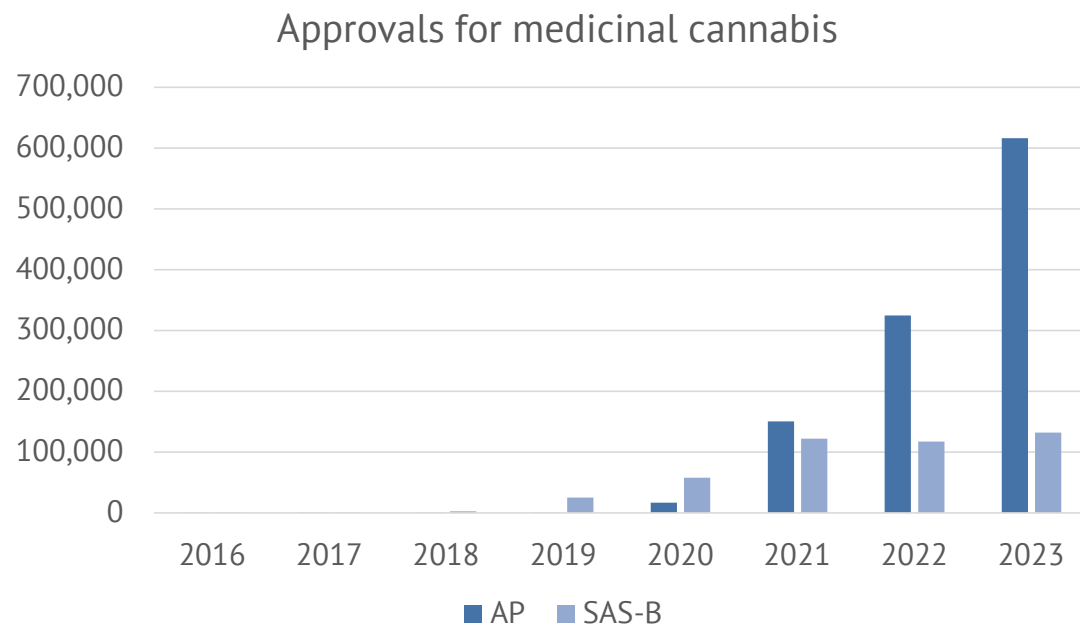
Approvals for medicinal cannabis

Approvals for access have continued to grow

Approvals now primarily via AP, not SASB

Data limitations:

- Approvals cannot tell us how many people are accessing, what they are accessing, or how much
- AP approvals cannot tell us patient age, gender, or primary indication



Source: TGA medicinal cannabis approvals dashboard



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Sales of medicinal cannabis



Sales of medicinal cannabis

De-identified data on units sold

One 'unit' = one jar of flower, one bottle of oil, one packet of lozenges etc.

Data limitations:

- Likely some inaccurate or non-compliant reporting by companies
- Excludes compounding
- Doesn't tell us unit size or price



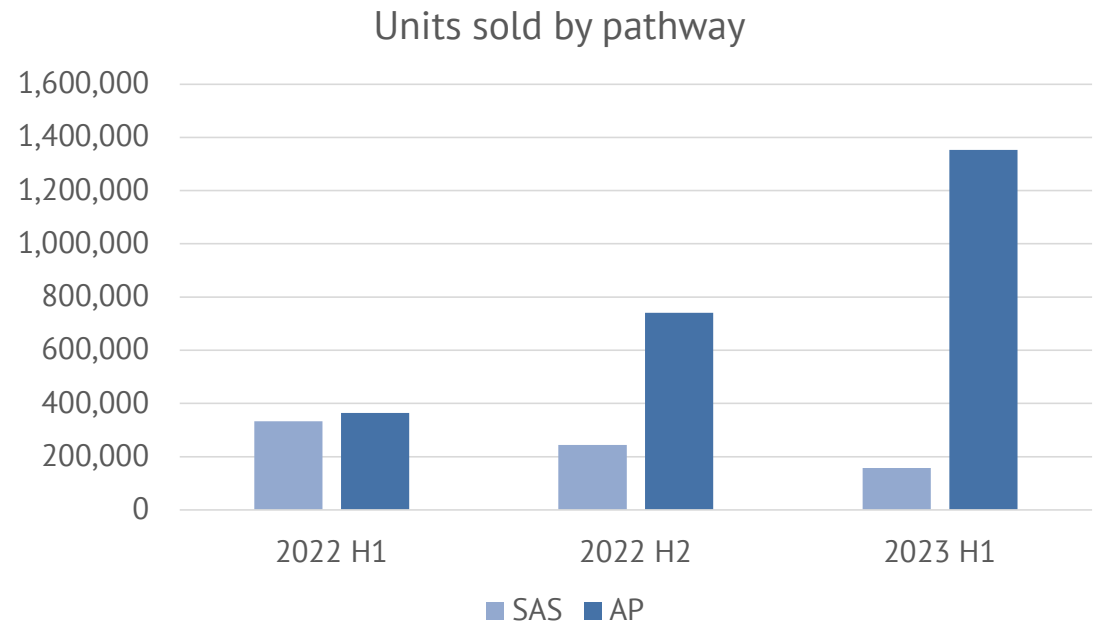
Sales of medicinal cannabis – by pathway

Reflects trend in approvals data

Units sold via SASB pathway are declining over time

TGA reforms have greatly improved accessibility via AP pathway

But more work needs to be done

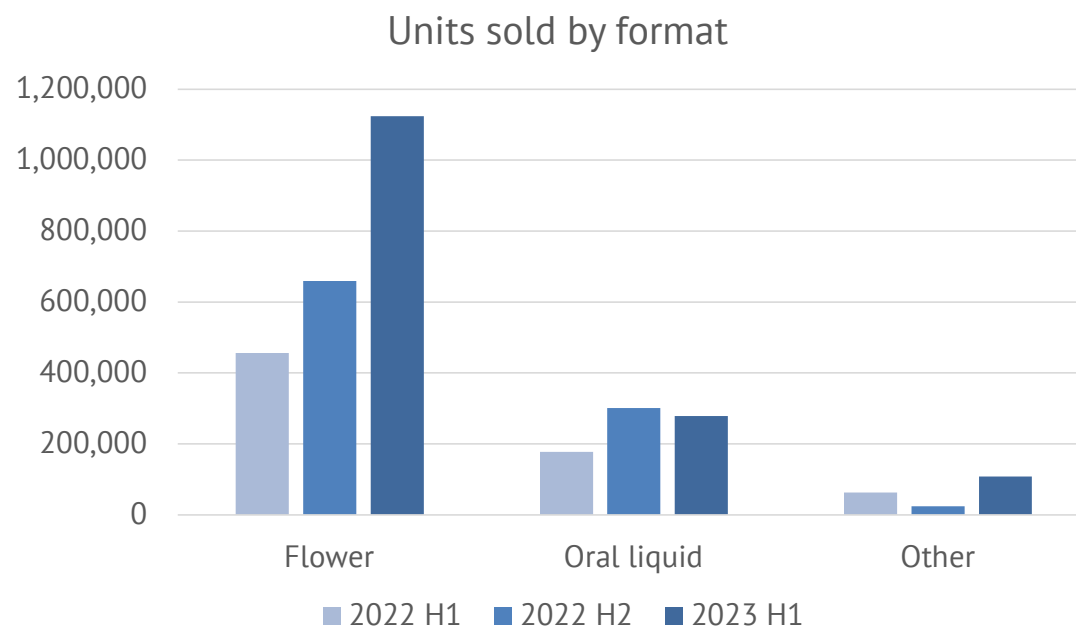


Sales of medicinal cannabis – by format

Recent growth driven by flower

Oral liquid unit sales have seen a slight decline (cost issues?)

'Other' includes capsules, vape pens, topicals, and concentrates



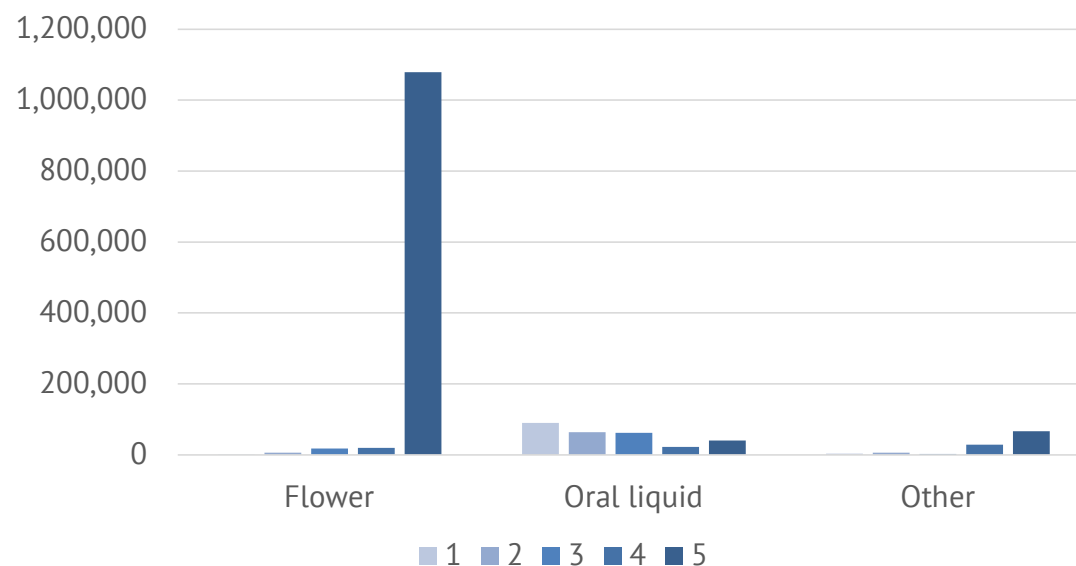
Sales of medicinal cannabis – by category

Category 1: \geq 98% CBD

Category 5: $>$ 98% THC

In 2023 H1, Category 5 dried flower products were $<$ 70% of all units sold

Units sold by Category in 2023 H1





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Market size and forecasting



Market size and forecasting

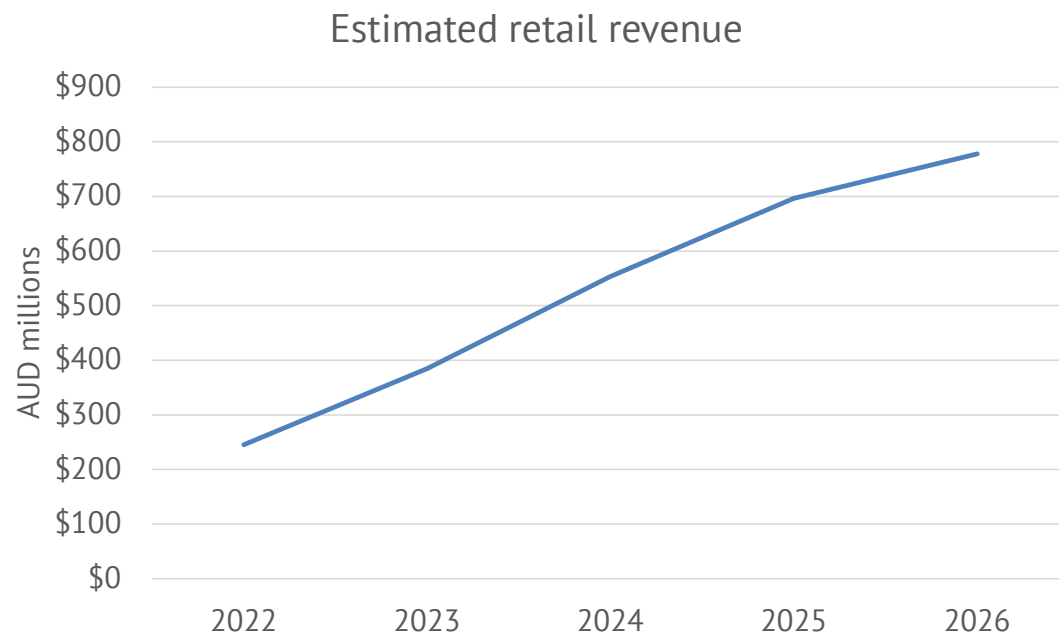
Growth rate and price movement assumptions

Retail revenue estimates:

- 2023: ~\$380 million
- 2026: ~\$770 million

Data limitations:

- The future is uncertain



Source: Cassandra Hunt, Rhys Cohen

In summary...

Data is patchy

Growth is strong but barriers remain

It's a dried flower market

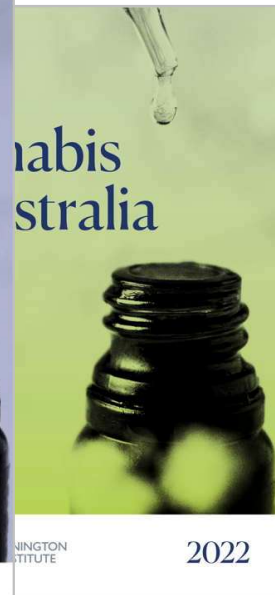
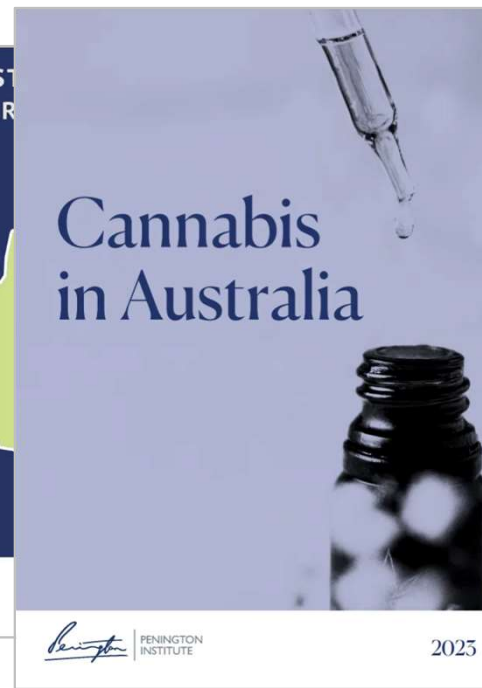
The future is uncertain but looks positive

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Reach out to us via:
info@penington.org.au

Contact Rhys Cohen:
r.cohen@penington.org.au





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