nab private wealth

more than money

BEYOND

THE PRACTICE

Navigating the shift from medical career income to structured, enduring wealth management.

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CONTENTS

FOREWORD

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CEO, JBWere

Medical professionals play a critical role in supporting the health and wellbeing of Australians, often through careers that demand extended training, long hours and sustained personal commitment.

For many, the point at which earning capacity increases meaningfully arrives later in life and coincides with heightened professional responsibility, complex work structures, and growing questions about sustainability, wellbeing, and the future. This combination creates a set of financial challenges that are both distinctive and frequently underestimated.

This research explores the reality behind earning capacity and income. It shows that while many medical professionals reach high earning potential, their wealth building window is often compressed. Late career acceleration must compensate for years of compounding education and training costs, business or practice establishment expenses and the ongoing demands of roles that rarely allow time for reflection or long term planning. High income alone is not a guarantee of lasting financial security.

It also highlights the progression many experience over the course of their careers, moving from employee to practice or business owner. Ownership can create significant opportunity, but it also introduces commercial risk, regulatory burden and the need for careful succession planning and practice transition.

At the same time, retirement is no longer a clear endpoint. Many professionals anticipate a gradual transition, often reducing hours, shifting roles or remaining engaged for as long as their capability allows. This punctuated approach can extend earnings, but it also complicates decisions around investment strategy, liquidity, business exit and wealth transfer. The research also highlights the importance of engagement in navigating these decisions. Those who take a structured and informed approach are generally better positioned to convert peak earnings into long-term financial security.

This paper has been informed not only by the research findings, but also by insights from across NAB's specialist banking teams, including the perspective shared by John Avent, Executive NAB Health. The research reinforces the need to better understand the intersection between healthcare careers, personal wealth and long term sustainability.

At NAB Private Wealth, our approach is built around understanding what matters most to our clients and tailoring solutions accordingly. By bringing together private banking, investment expertise and advice, we support clients across every stage of their financial journey. We hope this research helps inform more meaningful conversations and better outcomes that reflect the lived realities of medical professionals.

We are proud to play a role in helping to create greater clarity for medical professionals navigating the financial landscape, and encourage earlier consideration of how income, business decisions and long term goals connect, enabling medical professionals to build wealth that supports not only their careers, but the lives they want beyond them.

EXECUTIVE SUMMARY

Medical professionals occupy a uniquely influential position in Australia's economy and healthcare system. With approximately 53,000 specialists nationwide, they are a cohort that has grown faster than population growth over the past decade. This reflects the critical role they play in managing the evolving health needs of an ageing population.

Medical professionals are all represented in Australia's top professions by average taxable income. However, despite their high earning potential, the pathway from high income to enduring wealth is neither guaranteed nor straightforward. They face one of the longest earning lead times of any profession: following five plus years of university, they often undertake extended periods of internship, residency, and specialist training before reaching peak income. By this stage, many are financially behind their peers in other professions, having missed years of compound growth while often carrying significant education-related debt.

Additionally, when earnings do start to rise, many professionals simultaneously assume significant financial commitments including debt to establish private practices, further increasing the need for structured financial planning and tailored banking support. Securing start-up capital and equipment financing can be a challenge for many, while practice ownership often introduces other complexities. These include staff management and regulatory and compliance demands, often coupled with a lack of business or practice management skills.

At the same time, retirement patterns are shifting across Australia with increased participation in the workforce beyond the pension age of 67 and medical professionals are no exception. 60% of medical professionals intend to practice for as long as they can, guided by physical capability in many cases, or otherwise transition into teaching and advisory roles. Financial motivations, professional identity, and a desire to remain mentally and socially engaged all contribute to extended careers, with practice owners having the additional burden of succession planning.

Overlaying these structural and financial dynamics is the persistent threat of burnout. More than 70% of Australian healthcare workers experienced burnout during the Covid 19 pandemic, and while conditions have moderated, high patient demand, administrative burdens, and workforce shortages continue to place strain on specialists. This subsequently has flow-on consequences for wellbeing, retention, care quality, and critically, for a professionals ability to maintain the focus and stability needed to build long-term wealth.

Compounding these financial and time pressures is the reality that professionals are highly time-poor with 78% working more than 40 hours per week and 60% find scheduling meetings with financial professionals inconvenient. Yet engagement with accountants and financial advisers remains strong, with professionals preferring a guided but informed approach rather than fully delegating decisions.

Ultimately, high-income medical professionals combine compressed wealth-building windows, business ownership complexity, evolving retirement patterns, and systemic burnout pressures. Within these frameworks, professional advice support is seen as key to successfully convert peak earnings into long-term wealth.

MEDICAL PROFESSIONALS: THE CHALLENGE OF TRANSITIONING FROM HIGH-INCOME TO LASTING WEALTH

Medical professionals are among Australia's highest-earning occupations, accounting for five of the top ten professions based on average taxable income. Yet high income does not automatically translate to lasting wealth.

Today, there are around 53,000 medical professionals in Australia, spanning fields such as surgery, anaesthesiology, internal medicine, psychiatry, and other specialised disciplines. This figure has grown from approximately 41,000 in 2010–11, outpacing population growth of 23% by about five percentage points over the past 12 years. The expansion of this group, alongside other high-earning medical professionals such as dentists, reflects rising demand for specialised care as Australia's population ages and the burden of chronic disease increases. For the purposes of this report, medical professionals includes Australian Health Practitioner Regulation Agency (AHPRA) registered medical and dental practitioners (excluding General Practioners (GPs)).

While the income peak for medical professionals may be high, the journey to that point is often a long and challenging one. Medical professionals face one of the longest lead times of any profession to reach their maximum earning capacity. Graduating after five to six years of medical school is often seen as just the starting point, with years of internship, residency, specialist training, and sometimes fellowship to follow.

As such, by the time income levels start to peak, many medical professionals find themselves behind in their financial journeys and playing catch-up having missed the positive effects of wealth compounding over those early career years, not to mention many also have been exposed to the negative effects of interest compounding via debt to fund their studies along the way.[1]

This late start contrasts with peers in other professions such as law, engineering and various corporate fields, many of whom have been saving, investing, and contributing towards their retirement for over a decade sooner.

In addition, as medical professionals enter their peak earning period, many take on significant debt to start their own practices, often funding premises, equipment and staff. As a result, many professionals seek financial support as their career progresses. This includes low-deposit business loans, equipment financing, and credit lines. While these products help support the specialists as they extend into practice ownership, they also compound the obligations and commitments they are already balancing.

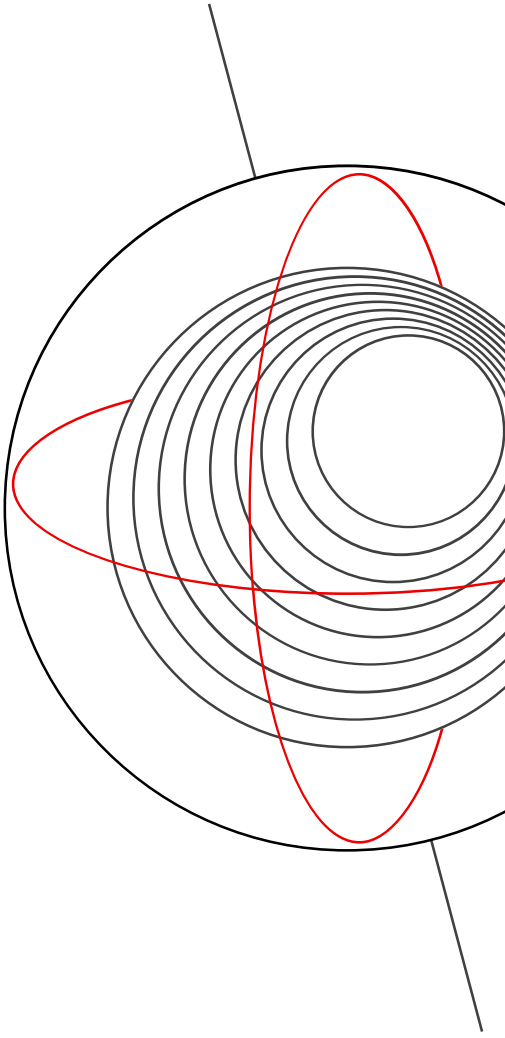
> "By the time I started as a registrar, my mates from school were senior managers or fully fledged tradespeople making pretty decent sums."

[1] BMC Health Services Research: https://link.springer.com/article/10.1186/s12913-024-11888-y

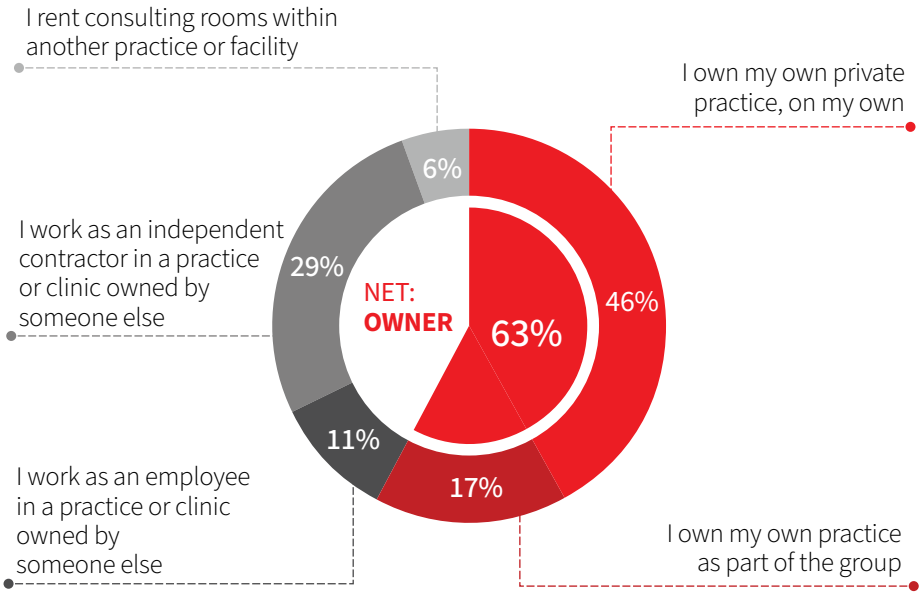
THE PROGRESSION FROM EMPLOYEE TO BUSINESS OWNER

For the majority of medical professionals, practice ownership is not just a career choice, it is one of the most significant financial decisions they will make. A well-run practice builds capital over time: in its patient base, its equipment, its goodwill, and ultimately its sale value at retirement. Approximately 3 in 5 medical professionals own their own private practice, either individually or as part of a group.[1] That is a markedly higher rate than GPs, where corporate ownership has driven the proportion of owner-operators down to around 24%, from 35% in 2008.[2]

The financial stakes of that ownership decision are high in both directions: practice owners carry more debt and business risk, but they also hold an asset that, with the right structuring and planning, can form a cornerstone of retirement wealth.



Practice Ownership

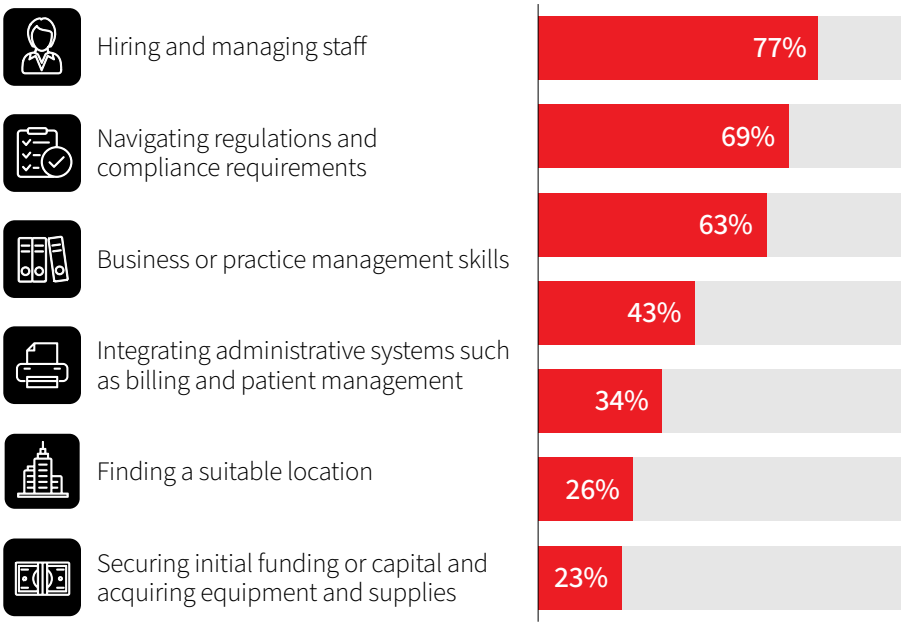


[1] Medical Journal of Australia: https://onlinelibrary.wiley.com/doi/10.5694/mja2.51038
[2] RACGP: https://www.racgp.org.au/health-of-the-nation-2025/chapter-3-general-practice-funding-and-viability/general-practice-ownership

Getting there is not straightforward. The independence of running a practice is a powerful motivator, but it comes with financial and operational complexity that many professionals feel underprepared for. Staff management is the biggest challenge faced (77%), followed by navigating regulatory and compliance requirements (69%), and a lack of formal business management skills (63%). Additionally, nearly a quarter state that they face difficulty in securing initial capital and equipment financing, a hurdle that good banking relationships can significantly reduce.

During this time, many turn to partner organisations for support including professionals in clinic fit-out, marketing, operational planning, and staff hiring, as well as financial advisers who assist with building business plans, often a prerequisite for many lending applications. This is also the point at which the right financial structuring advice is most valuable: professionals who engage early with a private banker or wealth adviser can be better placed to manage practice debt, protect personal assets, and begin building wealth in parallel with growing their practice.

Challenges faced when starting a practice



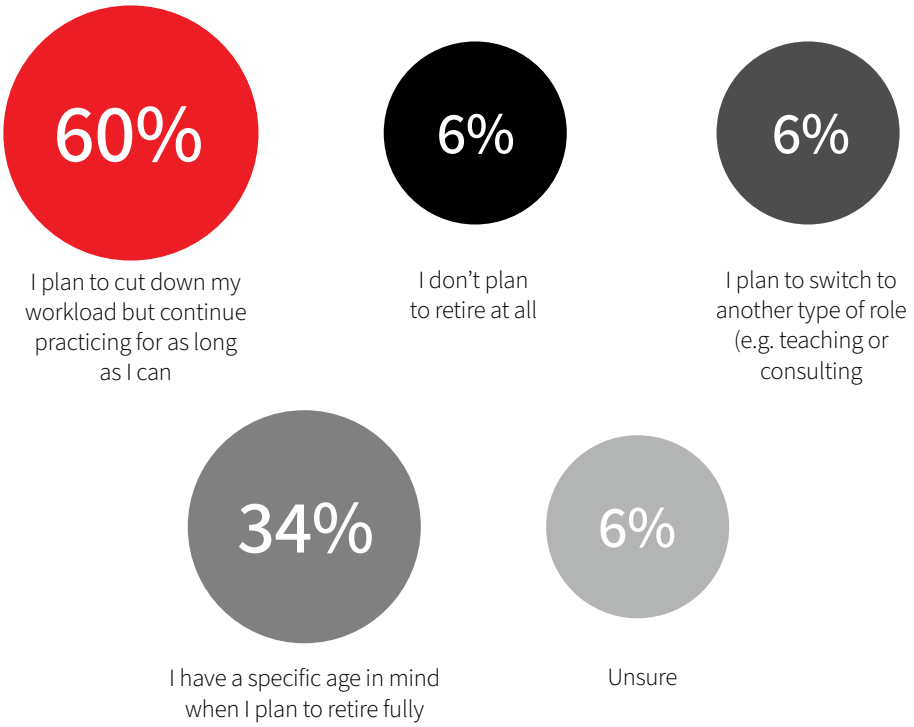
"Getting a loan to start a practice does seem easier these days, there are resources to tap into, but you need to come prepared with evidence of earning potential and even a business plan which can seem quite foreign to some of us!"

EXTENDING THE EARNINGS WINDOW INTO A PUNCTUATED RETIREMENT

The nature of retirement in Australia has changed, with increased participation in the workforce beyond the pension age of 67. Medical professionals are no exception, with 60% intending to practice for as long as they can or switching to another type of role such as teaching or consulting. Only a third have a specific retirement age in mind, and for many that age goes into their 70s.

This trend is unsurprising and influenced by a complex mix of financial, professional, and systemic factors. Financially, the desire to continue earning for as long as possible after a compressed wealth building period is understandable. In addition, many view their medical specialisation as part of their individual identity and sense of purpose – and retirement may feel like a loss of identity. Furthermore, medical professionals understand the importance of keeping mentally and physically active for as long as possible and continuing to practice or taking up alternative roles in advisory and teaching can allow them to stay engaged with their social and professional networks.

Planning for retirement



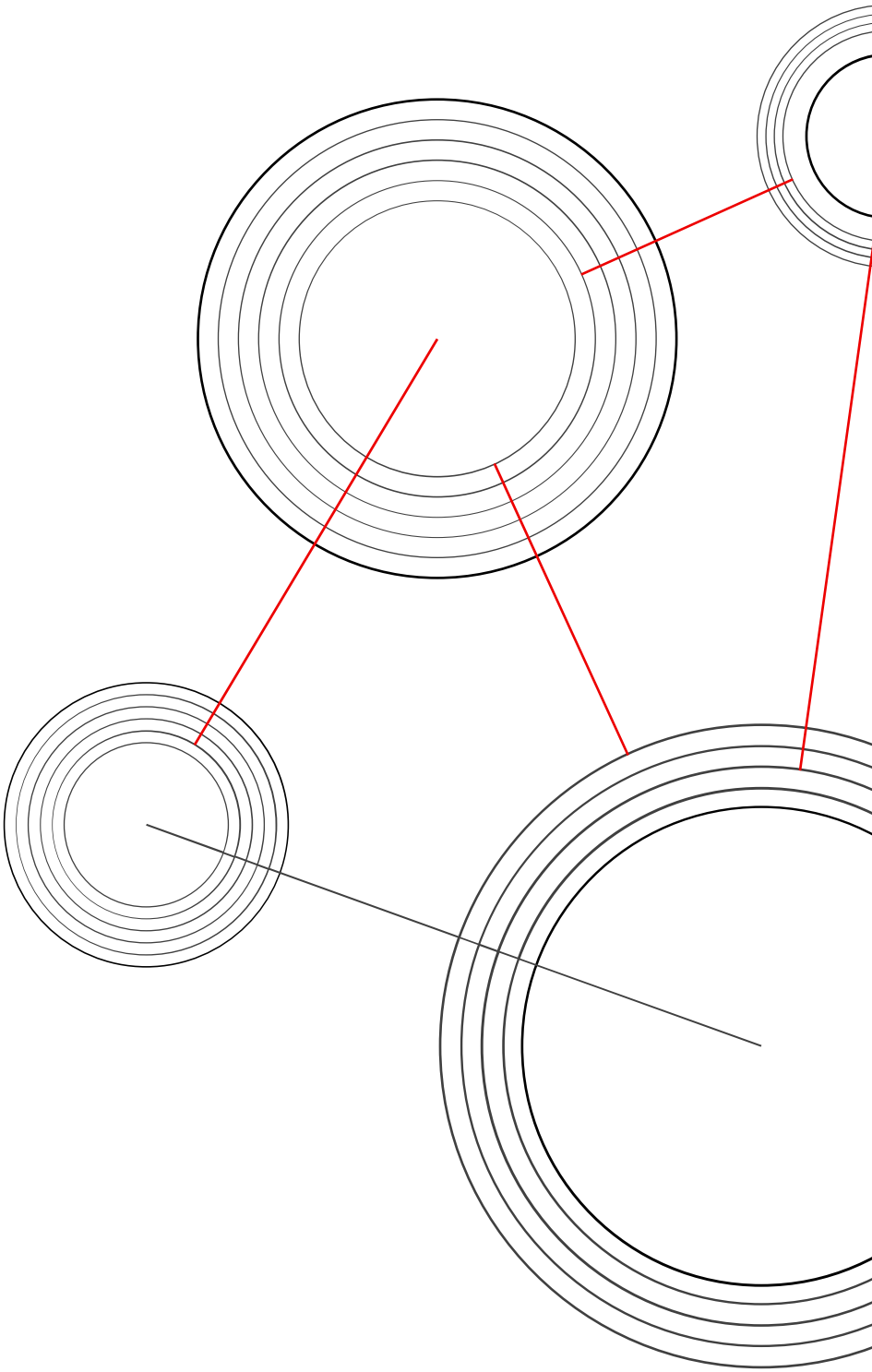
"As long as my hands are still steady, and I can still see, I'll be right there at the [operating] table."

"Without sounding too pompous, there's a lot of experience up here [in my mind] that I'd want to share for as long as I can."

For professionals who own their practice, succession planning is one of the most consequential wealth decisions they will make. The value embedded in a practice including its patient base, equipment and goodwill can represent a significant portion of retirement capital. Yet this transition is often left unplanned until the final years of a specialist's career.

Early planning can help maximise the value realised from the practice while ensuring proceeds are structured effectively for long-term wealth transfer. In some cases, there is a clear succession pathway, such as a family member or partner within a group practice. However, it is also common for practices to be sold to a third party or even close upon retirement.

Advisers, private bankers and other financial professionals who support medical professionals through this transition can play an important role, not only in structuring the financial aspects of the sale but also in recognising that stepping away from a practice is often an emotional milestone for medical professionals who have spent decades building their business and patient relationships.[1]



[1] Referring back to Beyond the Business: Navigating retirement and succession for small business owners – NAB Private Wealth
https://business.nab.com.au/tag/private-view/life-beyond-your-small-business

BURNOUT: A HIDDEN RISK TO FINANCIAL WELLBEING

Burnout can represent a significant but often overlooked risk to a professional's financial trajectory. Periods away from practice, reductions in clinical hours, or an earlier-than-planned retirement can compress an already narrow wealth-building window and potentially at the stage of a career when earnings are highest.

More than 70% of Australian healthcare workers experienced burnout during the COVID-19 pandemic, and while the acute peak has subsided, many of the underlying pressures remain. Rising patient demand, workforce shortages, and growing administrative and compliance burdens continue to place strain on clinicians across the healthcare system.

The drivers are multiple. Professionals report escalating patient loads, inadequate staffing, growing administrative and compliance demands, and constant exposure to trauma and moral distress. Psychosocial hazards such as long shifts, limited control over scheduling, and workplace bullying further heighten risk.[1]

Trainees and early-career doctors are particularly vulnerable: increased working hours, exam pressure, and limited supervision correlate strongly with burnout symptoms.

The consequences are wide-ranging. At an individual level, burnout leads to emotional distress, decreased job satisfaction, and higher rates of attrition. At a system level, burnout contributes to absenteeism, presenteeism, medical error, and reduced patient outcomes including poorer patient-care quality and professional lapses. The Australian Medical Association notes that turnover and performance losses linked to burnout impose a substantial economic cost on health services.[2]

In response, both regulatory and professional bodies have elevated clinician wellbeing as a workforce priority. Evidence consistently shows that organisational-level interventions such as redesigning workloads, improving rostering, and cultivating supportive leadership achieve greater reductions in burnout than individual resilience programs alone.

Burnout among medical professionals is not a personal failing but an unfortunate outcome of structural stress and it carries real financial consequences. Periods of reduced capacity, enforced leave, or premature exit from practice can significantly disrupt a professional's wealth accumulation trajectory. This makes financial resilience planning not just prudent but essential: adequate income protection insurance, practice structures that limit personal financial exposure, and retirement plans flexible enough to accommodate an earlier-than-expected exit. A professional who is financially secure is better placed to make career decisions on their own terms, stepping back when they choose to, rather than being forced to continue out of financial necessity.

[1] SafeWork Australia: https://www.safeworkaustralia.gov.au/sites/default/files/2022-08/model_code_of_practice_-_managing_psychosocial_hazards_at_work_25082022_0.pdf
[2] British Medical Journal: https://doi.org/10.1136/bmj-2022-070442

ENGAGING WITH FINANCIAL PROFESSIONALS: THE CHALLENGE WITH A TIME-POOR COHORT

Medical professionals generate higher than average income, but this is often accompanied by exceptionally long working hours. Of professionals surveyed, half stated that they worked between 40 to 50 hours a week, while a further quarter did more than that, up to 80 hours a week (28%). Overall, medical professionals are twice as likely to work over 40 hours a week as compared to the general population (78% work over 40 hours a week, as compared to 38% of Australians broadly).

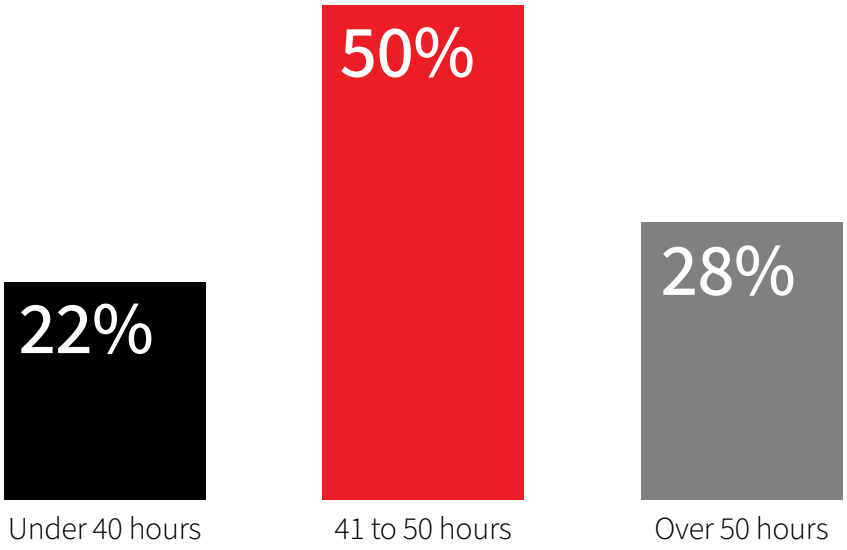
For many professionals, particularly those that own their practice or business, finding the time to manage personal finances is challenging. As a result, access to support from accountants, financial advisers, private bankers, and other financial professionals is therefore not only crucial but also needs to come at a suitable time. Indeed, around 60% of professionals report that scheduling meetings within standard working hours is inconvenient, reflecting the time pressures associated with clinical workloads.

Greater flexibility in engagement, including after-hours availability and digital communication, can therefore make a meaningful difference.

In response to these constraints, many professionals favour communication models that fit around their schedules. After-hours phone calls or meetings, followed by sharing documents or information via email are commonly cited as the most practical ways of maintaining engagement with financial advisers while balancing patient care and business responsibilities.

When it comes to engagement with advisers and other financial services professionals, many medical professionals prefer to adopt a guided yet informed and involved approach. Compared to other cohorts with similar investment and wealth profiles, medical professionals are significantly more likely to be engaged in seeking information from their advisers to rationalise decisions rather than adopting a hands-off delegator approach.

Number of hours worked a week



> “I’ve known my accountant for a long time, and she’s the one who put me in touch with my current adviser whom I’ve been working with for nearly a decade now.”

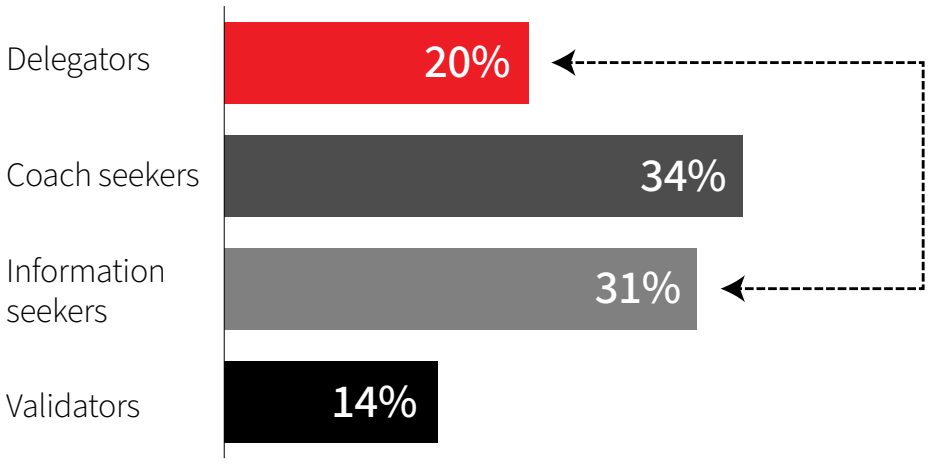
> “We’re all specialists in our own field, just as my patients trust me with their health, I should be able to trust you to do the right thing for my [financial] wellbeing.”

Positively, engagement with financial services professionals is high amongst high-income medical professionals. Accountants and bookkeepers are used by almost all professionals, while two in three report having worked with a financial adviser or planner. There is, however, room for growth in engagement with other professionals such as insurance brokers, and private bankers. While private banking relationships are most common among professionals who own their own practice, the financial needs of medical professionals often extend well beyond traditional banking. Managing practice debt, structuring lending, coordinating investment strategies and planning for retirement can require a more integrated approach. Private banking services can play a role in coordinating these elements, providing access to specialist lending, investment advice and broader wealth planning tailored to the unique career and income patterns of medical professionals.

In many cases, the accountant acts as the central trusted individual and the gateway to broader financial services relationships, often introducing professionals to financial advisers, brokers and private banking teams as their financial needs become more complex.

High-income medical professionals occupy a unique position: they combine professional purpose and societal contribution with the ability to generate substantial earnings during their peak career years. With the right strategies, this income can be transformed into enduring wealth, providing security well beyond retirement. By taking a structured approach to tax, superannuation, investment, and insurance, and by drawing on expert financial advice, professionals can ensure their position translates into long-term prosperity and peace of mind.

Engagement with financial advisers



Delegators prefer to rely on advisers to develop plans and make decisions for them to sign off on. Coach seekers look to be actively involved in the process, while Information Seekers use their adviser as one of many sources of information. Validators leverage their advisers to confirm decisions they have made.

CASE STUDY:
Andrew and Shirley

Building a practice, managing wealth, and planning succession

Andrew spent more than 40 years in private dental practice in Perth. Together with his wife Shirley, they created a successful dental business while also establishing a long-term financial foundation anchored by property investment, superannuation contributions, and a longstanding relationship with NAB Private Wealth.

The practice

After graduating in the late 1970s, Andrew worked briefly in government dentistry before entering private practice. Within a year, he and Shirley purchased the practice where he was working.

Over time, the practice grew to three chairs. Many patients remained with them for over 40 years, reflecting the relationship-based nature of their practice.

> “We were able to expand the practice because we had support behind us, someone who understood that we could finance it - that we were earning the income and were managing it in such a way that was growing the business.”

The division of roles: Clinical excellence and business discipline

While Andrew focused on clinical work, Shirley became the operational and financial backbone of the business. With an economics background, she managed staffing, finances, banking relationships, and compliance.

Andrew and Shirley’s approach to finances was pragmatic. They operated with a large overdraft facility and did not focus on extracting “profit” in a traditional sense. Instead, surplus funds were directed toward paying down their home mortgage and investing in assets.

Debt did not frighten them, provided it was productive and serviceable. This disciplined but growth-oriented approach became central to both business stability and personal wealth accumulation.

The private banking relationship: A strategic partnership

A defining feature of their journey was a long-standing relationship with a dedicated banker through NAB Private Wealth, spanning more than 30 years.

For Andrew and Shirely, the value of their long-term engagement with the banker went beyond the transactional. It included:

- Responsive support when time sensitive financial decisions arose
- Confidence that funding would be available when adopting new technology
- Support for property acquisitions and practice expansion
- Stability in overdraft and lending facilities
- An adviser who understood both their practical and personal financial goals

As Shirley noted, responsiveness in business is critical, especially when opportunities arise or urgent decisions are required. Whether purchasing equipment, acquiring property, or managing cash flow, the ability to "pick up the phone" and receive same-day guidance reduced operational stress.

Importantly, the relationship extended to the next generation. Their son, also a dentist, was able to secure funding for his Melbourne practice and housing through the family's longstanding banking relationship. Their daughters also accessed property finance through that connection. Over time, the partnership became a form of intergenerational capital, not just financial, but relational.

Succession planning and retirement on their own terms

Andrew and Shirely are now retired, although Andrew continues to teach. Succession planning began nearly a decade before retirement, when they brought in a young associate who Andrew had taught previously, mentoring him into the role of eventual practice owner. Over time, Andrew reduced his clinical hours, and the associate's responsibilities were increased, and patient relationships were gradually transitioned.

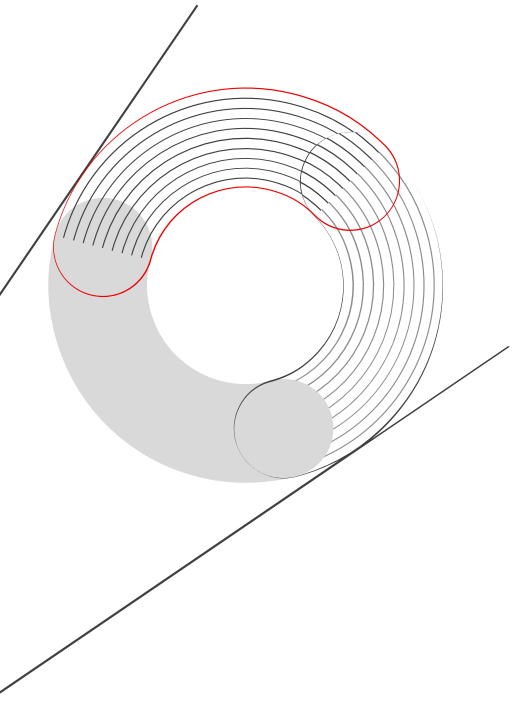
By the time they exited the practice, Andrew and Shirley were able to retire on their own terms while ensuring continuity of care for patients.

They credit their strong financial position at retirement as a key driver of being able to exit the business in their chosen manner.

Key takeaways for today's healthcare professionals

Despite changes to the industry, Andrew and Shirely's journey offers enduring lessons.

- Practice ownership is challenging, but builds long-term optionality if approached with discipline.
- Long-term banking relationships can support both business and personal financial decisions.
- Debt and strategic leverage can accelerate wealth accumulation when supported by strong income flows.
- Succession planning should begin early to allow for a graceful exit.
- Retirement should be deliberate, not reactive.



METHODOLOGY

The research underpinning this report was carried out by CoreData, as commissioned by NAB Private Wealth. A mixed-method approach was used, leveraging both quantitative and qualitative research. An online survey amongst medical professionals aged 45+ with a personal income of over $300,000 AUD per annum was conducted, along with hour-long interviews. The research was supplemented by CoreData's syndicated research, publicly available data, as well as industry knowledge and insights from CoreData's engagement in financial services.

ABOUT NAB

We're here to serve customers well and help our communities prosper.

We're more than 41,000 colleagues, supporting more than 10 million customers in Australia and overseas across: personal accounts, small, medium and large businesses, private clients, government and institutional activities.

We became NAB when the National Bank of Australasia (est. 1858) merged with the Commercial Banking Company of Sydney (est. 1834) on October 1, 1981.

Our scale and connectivity help us to tackle some of the biggest challenges facing our business and community. We're focusing on supporting affordable and specialist housing, backing First Nations businesses and taking climate action.

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ABOUT NAB PRIVATE WEALTH

We support forward thinkers who want to make a difference – to their families, their communities, their businesses and the world around them. That's why we've built our business around you. We pride ourselves on delivering a bespoke service, meticulously crafted to align with your lifestyle, meet your unique needs and support your vision for the future.

We care about what matters to you. So, we go the extra mile in everything we do, drawing on the collective expertise of Australia's leading banking, investment and wealth advice specialists to help enhance your wealth, preserve your future and make your mark.

We bring together the strong relationship and lending expertise of NAB's private bankers, the experience and insight of our investment specialists, the convenience of nabtrade, and the deep expertise of one of Australia's leading wealth advisers - JBWere.

We work your way. You choose the level of support that's right for you, whether you need in-depth advice, a little support or are making all your own decisions. It's a better way to manage your wealth: a convenient, all-in-one service personally tailored to you.

To find out more, visit nab.com.au/privatewealth

ABOUT NAB HEALTH

We understand that the best financial solutions are integrated – combining a range of services to make the complex simple.

NAB Health, HICAPS and Medfin are all part of the NAB Group. We work together to support you across all of your personal banking, business banking and health care processing needs.

To find out more, visit nab.com.au/health

ABOUT COREDATA

CoreData Research is a global specialist financial services research and strategy consultancy, founded in 2002 and headquartered in Australia, with operations in Sydney, Perth, London, Boston and Manila.

We provide clients with bespoke and syndicated research services through a variety of data collection strategies and methodologies, along with consulting and research, database hosting and outsourcing services. CoreData provides both business-to-business and business to-consumer research, while the group's offering includes market intelligence, guidance on strategic positioning, methods for developing new business, advice on operational marketing and other consulting services.