



Banning Cigarette Sales in Pharmacies Does Not Result in Pharmacy Closures

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Many health professionals have long felt that the sale of tobacco products in pharmacies is absolutely incompatible with the role of pharmacists as members of the health care team. The sale of the cause of disease and death beside medications designed to treat disease can be at best described as inappropriate. In 1974, it was estimated that 22% of all tobacco sales occurred in pharmacies. In a presentation to government during hearings on the Ontario Tobacco Act, Shopper's Drug Mart stated that in 1992, 16.7% of cigarette sales occurred in drug stores. One survey in 1979 found that a chain of pharmacies claimed to derive 13% of its annual sales from tobacco. In the last few years, all ten provincial pharmacy governing bodies have disapproved of the practice.

Physicians for a Smoke-Free Canada has been actively involved in the area since our inception in the mid-1980s. In 1989 we carried out a campaign in Ottawa in which we encouraged patients to take their prescription to non-tobacco selling pharmacies. This led to a number of pharmacies ceasing tobacco sales, and as of February, 1990, 34.6% were tobacco-free. Similar campaigns were carried out in Hamilton, Ontario and Halifax, Nova Scotia.

The Canadian Pharmaceutical Association encouraged pharmacies to eliminate tobacco sales as early as 1984, with the Stand Up and Be Counted project. At the completion of this program, only 9% of pharmacies in Canada were tobacco-free. The CPHA formed the Committee of Pharmacists Against Tobacco Sales, and their activities have been extremely valuable and effective. A small number of extremely active pharmacists have been invaluable in moving this issue forward.

The Ontario *Tobacco Control Act* and its (tobacco—controlled) opponents

In 1991, the Ontario College of Pharmacists called upon the Minister of Health to ban the sale of tobacco products in pharmacies effective July 1, 1993. They also recommended interim measures for pharmacies to take which would make tobacco products less visible and eliminate advertising. Armed with this recommendation from the governing body, the Ontario government brought forward and passed into law the *Tobacco Control Act*.

There was strong opposition from some pharmacies, notably, the Imasco-owned Shoppers Drug Mart (SDM), which hid its involvement behind the benignly named Committee of Independent Pharmacists. The spokesperson for this organization is a Mississauga pharmacist, Larry Rosen.

The Committee of Independent Pharmacists claims to represent the interests of owner-operators of pharmacies which sell tobacco. They do not have a membership list as such, and the source of their funds is unclear.

Predictions

Shopper's Drug Mart

- Total Pharmacies in Ontario (March 98) – 2257
- Total Pharmacies Selling Tobacco (March 98) – 1427
- Shoppers Drug Mart Pharmacies (SDM) – 326

Shopper's Drug Mart Predictions

- 'Tobacco Ban will force SDM to rationalize, downsize, merge and/or close pharmacies to eliminate 2000 jobs.'

Coopers and Lybrand Predictions – January 1994

Ontario Tobacco Act would lead to:

- Closure of 119 pharmacies
- Loss of 2,746 jobs
- Loss of \$550 million to Ontario economy
- 514,199 Ontario citizens without pharmacy services.

The Drug Store Owners' Predictions

Shoppers Drug Mart in its presentation on the Tobacco legislation in March, 1993, pointed out that 326 of the 2257 pharmacies in Ontario were Shopper's stores. They claimed that a ban on tobacco sales would lead to downsizing and the closure of pharmacies with the loss of 2000 jobs.

The Committee of Independent Pharmacists commissioned a study by the Coopers and Lybrand Consulting group in the economic impact of the ban on tobacco sales. This detailed study predicted that 119 pharmacies would close, over 2700 jobs would be lost, the economy would lose \$550 million and over 500,000 Ontarians would be deprived of access to a pharmacy.

In his presentation to government, Mr. Rosen claimed that up to 140 pharmacies would have to close in Ontario in response to the ban.

The CEO of Shopper's Drug Mart, David Bloom, made a presentation in February 1994 in which he predicted that if the ban went ahead, 20 of 326 of his stores would close and 2000 jobs would be lost. Larry Rosen, in a letter sent to all Ontario MPPs, predicted the closure of 300 pharmacies and the loss of up to 10,000 jobs.

Reality

Shopper's Drug Mart 1995 Annual Report

- SDM performed very well
- Overcame loss of gross margin dollars from loss of tobacco sales in Ontario
- SDM network grew by 28 stores
- Purchased 135 Big V Chains

What really happened:

In the year following the ban on tobacco sales in pharmacies, a total of 50 pharmacies closed in the province of Ontario. On the other hand, a total of 120 pharmacies opened. There was a net gain of 70 pharmacies in the province in 1995.

Data reported by the Ontario College of Pharmacists shows that there is no demonstrable difference in the number of pharmacy openings and closings in the year following the ban than the two years preceding the ban.

The bloom and doom predicted does not seem to have materialized. Shopper's performed very well in 1995. Canada-wide, the SDM network grew by 28 stores, and in Ontario they purchased the Big V chain of 135 stores.

Fewer pharmacies closed in 1995 than any of the previous two years, and almost as many new pharmacies opened in 1995 as in 1994. The fact that so many pharmacies opened suggests that the loss of tobacco revenue did not discourage new investments.

Conclusions

The claim by pharmacists that tobacco revenue is necessary to sustain their operations does not seem to be consistent with the available facts. This information should encourage all other Canadian provinces to move quickly to enact similar legislation.

