



**Neighbourhood
Pharmacy**
Association of Canada

Association canadienne
**des pharmacies
de quartier**

Office of the Chief Executive Officer

1205-3230 Yonge Street
Toronto, ON M4N 3P6
T: 416.226.9100
F: 416.226.9185
info@neighbourhoodpharmacies.ca
neighbourhoodpharmacies.ca

February 20, 2025

The Honourable François-Philippe Champagne, Minister of Innovation, Science, and Industry
The Honourable Mark Holland, Minister of Health
The Honourable Ahmed Hussen, Minister of International Development
The Honourable Melanie Joly, Minister of Foreign Affairs
The Honourable Dominic LeBlanc, Minister of Finance
The Honourable Mary Ng, Minister of Export Promotion, International Trade and Economic Development
House of Commons, Parliament of Canada
(via email)

RE: Pharmacy Sector Concerns Regarding Potential Tariffs and Retaliatory Measures

Dear Ministers,

On behalf of the Neighbourhood Pharmacy Association of Canada (Neighbourhood Pharmacies), I am writing to express our sector's concerns regarding the potential imposition of tariffs and retaliatory measures under consideration.

The Neighbourhood Pharmacy Association of Canada (Neighbourhood Pharmacies) represents leading pharmacy organizations across the country, including chain, banner, grocery chains, specialty pharmacies, mass merchandisers and independent pharmacies. Nationally, we advance the delivery of care through more than 12,200 pharmacies and their teams, that serve as integral community health hubs in urban, suburban, rural, remote and First Nations neighbourhoods. Canada's pharmacies employ more than 185,000 Canadians, including 38,000 licensed pharmacy professionals, who dispense more than 847 million prescriptions per year valued at \$36 Billion. The sector generates an estimated \$9.5 Billion in GDP, while its total economic footprint is more than \$18.7 Billion.

As the only pan-Canadian association representing pharmacy operators, we work to support policy makers with the development of innovative solutions that allow pharmacies to deliver public health and primary care while advocating for fair and sustainable funding for community pharmacies.

We greatly appreciated the opportunity to participate in the recent pharmacy sector roundtable discussion hosted by Minister Holland on February 11. As highlighted during the meeting, the sector has several critical concerns regarding the potential implementation of both US and retaliatory Canadian tariffs:

1. Inclusion of Pharmaceuticals and Related Products in Tariffs:

The inclusion of pharmaceuticals in Canadian-imposed tariffs would pose an immediate threat to patient and public health in Canada. We strongly support the exclusion of pharmaceuticals, including active pharmaceutical ingredients (APIs) and over-the-counter medications, from any tariff or retaliatory measures. Ensuring the uninterrupted availability of these essential health

products is vital to safeguarding public health and protecting access and continuity of care for patients.

2. Public Panic and Supply Chain Disruptions:

We are deeply concerned about the potential for public fear to trigger panic buying and hoarding. As we saw during the COVID-19 pandemic, this behaviour can trigger the very supply chain disruptions Canadians fear. Proactive public communication strategies will be essential to maintaining confidence in the stability of medication supply, and to support pharmacies and their teams on the frontlines who are often left managing these disruptions.

3. Impact on Provincial Pharmacy Funding and Services:

Tariffs and the resulting cost pressures could have downstream impacts on provincial pharmacy budgets. Reduced pharmacy funding risks compromising the ability of pharmacies to deliver critical services, including the medication management, primary care, and public health programs that Canadians rely on daily.

4. Increased Operating Costs for Pharmacies:

Pharmacies may face the burden of increased operational costs if ancillary supplies necessary for medication packaging, such as plastics, vials, and labels, are not exempted. The compounding effect of these rising costs, particularly when paired with potential currency devaluation, and the inflation of all operating costs over the past few years presents a significant threat to pharmacy operations and the accessibility of medications – the introduction of tariffs could put at risk some of the 185,000 jobs the pharmacy sector supports today.

As aptly noted by Minister Holland in his roundtable opening remarks, this moment presents an opportunity for Canada to take a "stronger together" approach, fostering growth by addressing interprovincial barriers to workforce mobilization, technology adoption, and innovation. We wholeheartedly support efforts to break down these barriers to streamlined operations, which will not only strengthen the pharmacy sector but also enhance healthcare delivery across Canada.

Neighbourhood Pharmacies remains committed to partnering with the Federal Government to navigate these challenges collaboratively. We welcome the opportunity for continued dialogue and are available to provide any additional information or insights as needed.

Thank you for your time and attention to these critical concerns.

Sincerely,



Sandra Hanna, RPh. LLM. ICD.D
Chief Executive Officer
Neighbourhood Pharmacy Association of Canada

cc:

Dani Saud, Senior Policy Advisor to the Prime Minister
Eshan Naik, Director of Policy and Health Research to the Minister of Health