

Serial Number 1938/183.



**THE INDUSTRIAL EFFICIENCY (PHARMACY)
REGULATIONS 1938.**

GALWAY, Governor-General.

ORDER IN COUNCIL.

At the Government Buildings at Wellington, this 20th day of
December, 1938.

Present :

THE RIGHT HON. M. J. SAVAGE PRESIDING IN COUNCIL.

PURSUANT to the provisions of the Industrial Efficiency Act, 1936, and section 26 of the Board of Trade Act, 1919, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, and acting so far as the regulations hereby made enure under the Board of Trade Act, 1919, on the recommendation of the Minister of Industries and Commerce, and deeming the provisions hereinafter contained to be necessary in the public interest for divers of the purposes set out in section 26 of the Board of Trade Act, 1919, doth hereby make the following regulations for the purposes of enforcing the provisions of and effectively carrying out a plan under section 9 of the Industrial Efficiency Act, 1936, for the pharmacy industry, the material provisions thereof having been submitted to, and approved by, a majority of the persons engaged as principals in the pharmacy industry, and by persons employing a majority of the workers engaged in the pharmacy industry.

REGULATIONS.

PART I.—GENERAL.

1. These regulations may be cited as the Industrial Efficiency (Pharmacy) Regulations 1938.

2. These regulations shall come into force on the day following notification in the *Gazette* of the making thereof.*

3. These regulations shall apply in relation to the industry referred to in a notice given by the Minister of Industries and Commerce pursuant to section 14 of the Industrial Efficiency Act, 1936, on the 4th day of December, 1936, and published in the *Gazette* on the 10th day of December, 1936,† and therein described as—

“The business of any chemist or druggist carried on by the keeping of any open shop or place for the compounding or dispensing of prescriptions.”

* See end note.

† Also published in Statutory Regulations 1936-7, Serial number 222/1937, page 819.

4. In these regulations, if not inconsistent with the context,—
 “The said Act” means the Industrial Efficiency Act, 1936 :
 “Minister” means the Minister of Industries and Commerce :
 “Committee” means any Industrial Committee that may be appointed or recognized under section 10 of the Industrial Efficiency Act, 1936, in connection with the industry as aforesaid :
 “Bureau” means the Bureau of Industry established under the Industrial Efficiency Act, 1936 :
 “Plan” means the plan formulated under section 9 of the Industrial Efficiency Act, 1936, in respect of the industry as aforesaid :
 “License” means a license to carry on the industry as aforesaid :
 “Pharmacy” means and includes any premises in which the industry as aforesaid is carried on :
 “Pharmacist” means any person who carries on the industry as aforesaid, and includes the legal representatives of a deceased pharmacist, any duly registered company, and any person enrolled in terms of section 32 of the Pharmacy Act, 1908, as manager of any pharmacy, and in respect of the dispensary of any duly registered friendly society includes such friendly society :
 “Sale” means disposition for valuable consideration of medicines, drugs, herbal remedies, patent foods, surgical appliances, toilet requisites, photographic goods, and other products commonly sold by a pharmacist in the usual course of business, and including the prescribed charges for dispensing and compounding prescriptions, but not including disposition by way of security only, and not including the supply of compounded or dispensed medicines to or to the order or prescription of a duly registered medical practitioner if such supply be made on behalf of a *bona fide* member of a friendly society.
5. For the purposes of general interpretation hereof these regulations shall be deemed to be made under the said Act and, unless a contrary intention appears, expressions used herein have the same meaning as in the said Act.
6. The provisions of Part I of these regulations shall be read together with the provisions of Parts II, III, IV, and V.

PART II.—PHARMACY PLAN INDUSTRIAL COMMITTEE.

7. The Committee may from time to time elect one of its members to be the Deputy Chairman of the Committee.
8. In the absence of the Chairman from any meeting of the Committee the Deputy Chairman, and in the absence of both of them a member elected by the Committee from amongst the members present, shall preside at the meeting and may exercise at the meeting all the powers of the Chairman.
9. The powers hereinafter conferred on the Committee shall be exercisable as soon as the members have been appointed or as soon as the Committee has been recognized and shall not thereafter be affected by any vacancy in the membership thereof.

10. The Committee shall hold its meetings at such places and times as may be fixed by the Chairman, notice of which shall be given by him to the other members.

11. At all meetings of the Committee the Chairman shall be entitled to exercise a casting-vote as well as his deliberative vote.

12. The members of the Committee shall not be personally liable for any act or default of the Committee done or omitted to be done in good faith in the course of the operations of the Committee.

13. The position of a member of the Committee shall not be affected by the fact that he is directly or indirectly concerned, either as vendor or purchaser or agent of a vendor or purchaser, in any contract made by the Committee, nor shall such contract be liable to be avoided so long as such member does not vote or take part in the deliberations of the Committee upon any particular contract in which he is so concerned.

14. The Committee may exercise any of its powers within New Zealand or elsewhere.

PART III.—REORGANIZATION OF PHARMACY INDUSTRY.

15. The Committee shall make recommendations to the Bureau on all applications referred to the Committee by the Bureau for licenses, or transfers of existing licenses, which may be required under the Industrial Efficiency Act, 1936, in respect of the pharmacy industry.

16. The Committee may from time to time make recommendations to the Bureau for increase or reduction in the annual license fee and levy payable by pharmacists as hereinafter provided.

17. The Committee shall be responsible to the Bureau for conducting a survey or surveys of the distribution and operation of pharmacies and the public service rendered by pharmacies, and shall from time to time classify pharmacies into such groups as it may consider necessary or desirable :

Provided that all information obtained by the Committee or by any member or officer thereof, or by any other person in the course of the administration of these regulations, shall be treated as confidential save for purposes connected with the administration of these regulations.

18. The Committee may from time to time require any pharmacist to furnish a balance-sheet, profit and loss account, and trading account and other detailed returns and statistics, including details of the land and building concerned and any other matter on which the Committee may require information, for the purpose of its deliberations.

19. The Committee shall have power through any of its authorized officers to carry out inspections of pharmacies.

20. The Committee shall have power to arrange amalgamations and transfers of pharmacies, and shall make recommendations when necessary to the Bureau for the payment of compensation for loss of business or otherwise in any cases where the payment of such compensation is deemed for the carrying out of the plan to be necessary or desirable.

21. The Committee may investigate the prices and conditions under which pharmacists purchase drugs and may formulate such proposals as may be deemed necessary or desirable in regard thereto.

22. (i) The Committee shall investigate the prices heretofore charged by pharmacists for drugs and medicines either when included in prescriptions or when sold or dispensed uncompounded.

(ii) As soon as may be, the Committee shall prepare and issue prescription-pricing schedules setting out the sums to be charged by pharmacists to customers for compounding prescriptions, for supplying the ingredients thereof, and for other incidental charges.

(iii) The Committee may from time to time amend, revoke, or replace any prescription-pricing schedules issued as aforesaid.

23. The Committee shall, when required by the New Zealand Standards Institute, act in association with the Institute as an advisory Pharmaceutical Standards Committee.

24. The Committee may arrange for the standard packing and simplification of stocks of drugs and pharmaceutical preparations usually held by pharmacists.

25. The Committee may set up and administer an appropriate scheme or fund to provide for investment by pharmacists or provide for loans or annuities to pharmacists for the purpose of securing the more efficient operation of pharmacies.

26. The Committee shall endeavour to co-ordinate the selling and display methods of pharmacists and to arrange for the modernization of pharmacies according to approved plans and designs.

27. The Committee may arrange for such advertising as may be calculated to increase the goodwill of the pharmacy industry in the public estimation.

28. The Committee may, in association with the Pharmacy Board of New Zealand, take such steps as may at any time be found feasible and desirable to ensure that pharmacists employ an adequate number of apprentices, and that such apprentices are afforded adequate facilities for their training in the practice and principles of pharmacy.

29. The Committee shall organize and administer, as the Government may require, the pharmaceutical benefits section of the Social Security Act, 1938, or any other measure which may have as its aim or one of its aims the betterment of the public health by improved pharmaceutical service or products.

30. The Committee shall from time to time, as may be found necessary, make recommendations to the Minister of Health for the control of quackery.

31. The Committee may undertake such other activities as it considers necessary for the effective carrying out of the plan.

PART IV.—LICENSE FEES AND LEVIES.

32. Every application made under section 15 of the said Act for a license to carry on the aforesaid industry shall be in writing signed by or on behalf of the applicant.

33. Every license shall be for a period commencing on the day on which the license is granted, or any later day named in the license, and ending on the 30th day of November next following the day of commencement.

34. Before any license is issued there shall be payable for the purposes hereinafter specified in respect of each pharmacy owned by each licensee an annual license fee of £1 per annum and an annual levy computed as follows:—

| | |
|--|-----|
| Pharmacies with a sales turnover not exceeding £1,000 | £4 |
| Pharmacies with a sales turnover exceeding £1,000 but not exceeding £2,000 | £5 |
| Pharmacies with a sales turnover exceeding £2,000 but not exceeding £3,000 | £6 |
| Pharmacies with a sales turnover exceeding £3,000 but not exceeding £4,000 | £7 |
| Pharmacies with a sales turnover exceeding £4,000 but not exceeding £5,000 | £8 |
| Pharmacies with a sales turnover exceeding £5,000 | £8* |

* Plus 10s. for each £500 of sales turnover exceeding £5,000.

35. For the purposes of these regulations every sales turnover shall be deemed to be the total sales of the pharmacy for the financial year of the business according to which accounts are prepared for the purpose of income-tax returns and which ended next before the due date for payment of the levy :

Provided, first, that if any business has not been carried on whether by the same or a previous owner for a complete financial year immediately prior to the due date for payment of the levy the annual turnover shall be deemed to be a sum proportionate to the turnover for the period for which the business has been carried on :

Provided, secondly, that if any business has not been carried on prior to the due date for payment of the levy the amount of the levy shall be £4, reduced by £1 for each complete three-monthly period expired since the due date for payment of the last preceding annual levy.

36. The first license fee shall be due and payable on the 1st day of December, 1938, and shall be deemed to be paid in respect of the period from the coming into force of these regulations until the 30th day of November, 1939 (both days inclusive).

37. Subsequent license fees shall become due and payable on the 1st day of December in every year, and shall be deemed to be paid in respect of the period from the 1st day of December in that year until the 30th day of November in the next succeeding year (both days inclusive).

38. The first levy shall be due and payable immediately notice is given by the Bureau to the applicant that his application for a license has been granted, and every subsequent levy shall be due and payable on the 1st day of December in every year.

39. Every license fee and levy may be paid by lodging the same to the credit of the Public Account at the bank where for the time being the Public Account is kept, or may be paid in cash at the office of the Bureau of Industry.

40. Every person making any payment in respect of license fee or levy shall forthwith notify the Bureau in the prescribed form of the amount of such payment and the amount of turnover on which the levy payment is based.

41. Every person making application for a license in respect of a pharmacy shall pay the requisite license fee at the time of application. Out of moneys appropriated by Parliament for the purpose and subject to the existence of any available appropriation, such license fee shall be refunded in full if the application applied for is not granted.

42. Every application for leave to transfer a license shall be in writing signed by or on behalf of the licensee or the proposed transferee, and shall be accompanied by an application fee of £2.

43. Every appeal under section 21 of the said Act shall be in writing signed by or on behalf of the appellant, and shall be accompanied by a fee of £2. If in the opinion of the Minister the appellant is substantially successful in his appeal, the said fee of £2 shall be repaid to the appellant out of moneys appropriated by Parliament for the purpose.

44. All moneys received in respect of license fees, transfer fees, appeal fees, and levies shall, subject to appropriation by Parliament, be applied in defraying the expenditure incurred in the preparation of the pharmacy plan hereinbefore referred to, and in the carrying out of that plan, including the expenses of the Committee, and in the general administration of the Industrial Efficiency Act, 1936, so far as it relates to the pharmacy industry.

PART V.—OFFENCES AND PENALTIES.

45. Any person who delays or fails or neglects to pay in such manner as may be prescribed by these regulations any charges or fees hereinbefore made payable commits an offence against these regulations.

46. Any person who fails to make in accordance with these regulations any return or statement required thereby or in pursuance thereof, or who makes any such return or statement which is false or misleading in any material particular, or who obstructs any officer of the Committee in the course of his inspection or inquiries, commits an offence against these regulations.

47. Any person who commits an offence against these regulations shall be liable, on summary conviction, to a penalty not exceeding £10, or, in the case of a continuing offence, to a penalty not exceeding £10 for every day on which any such offence is committed or continued.

C. A. JEFFERY,
Clerk of the Executive Council.

Issued under the authority of the Regulations Act, 1936.

Date of notification in *Gazette*: 21st day of December, 1938.

These regulations are administered by the Department of Industries and Commerce, Tourist and Publicity.