

Community Affairs Legislation Committee

Inquiry into the Therapeutic Goods and Other Legislation Amendment (Vaping Reforms) Bill 2024

Hearing date: 1 May, 2024

Response to Statement made (Proof Hansard, p. 24.)

Senator CANAVAN: I want to get more of a handle on the cost-of-living impacts. This might go particularly to Mr Leary as a user.

You mentioned earlier that going to vapes saved you money. Can you give us a rough cost per week or so that you have saved? I think you were going through the prices at pharmacies—it sounds like these legalised vapes are very excessively priced.

What's the difference between them and what you were able to pay at a vape store last year, and is that a big cost-of-living impact?

Mr Leary: The irony is that, when I was a smoker, I was working at the local government in engineering and I was spending—even then, when I was working, I was poor, and it's because I was smoking.

When I quit smoking and started vaping—and the price of cigarettes is much higher now—I think I was spending about \$300 a fortnight, so about \$150 or \$200 a week on cigarettes.

Vaping, I estimated, was costing no more than \$30 a week—so probably one-sixth to 10 or 15 percent of the cost.

I didn't actually go and buy the pods. I got a link from the doctor to a website—I think it was Chemist Warehouse. I didn't buy it, but I researched it, and people were saying they were paying two hundred and something dollars for three or six pods.

They said that they'd only last them three days, so you're looking at probably \$300 or \$400 a week for the pharmaceutical alternative.

The pharmaceuticals are probably as expensive as or more expensive than cigarettes, whereas vaping is probably 10 to 15 percent of the cost.

Liber's response

In relation to Mr Leary's response to Senator Canavan, Liber notes the following:

- Nicovape Q is distributed by national pharmaceutical wholesalers to pharmacies, in the manner expected of all mainstream medicines.
- Liber has no commercial relationships with and does not distribute its Nicovape Q products to individual pharmacies or online distribution platforms.
- As a wholesaler-distributed medical device, the pricing to pharmacies is fixed, as is the recommended retail price (RRP) of Nicovape Q cartridges, which is \$24.99 per twin pack.
- As such, six Nicovape Q cartridges retail at no more than \$74.97, or approximately \$12.50 per Nicovape Q cartridge.
- At \$12.50 per Nicovape Q cartridge, the maximum recommended weekly usage would cost \$87.50. By way of comparison, a pack-a-day smoker at \$40 per pack of cigarettes would spend \$280, meaning that a straight transition to a Nicovape Q cartridge per day would equate to savings of almost 70%.
- Liber notes that while users may start using an entire Nicovape Q cartridge per day, it is normal to down-titrate to a lower consumption pattern over the initial few weeks of treatment. A single Nicovape Q cartridge often lasts 2 - 3 days, bringing the daily cost down to \$3 - \$4, with some patients extending them over even longer periods.
- By way of example, I (Mr Lee) spoke to a patient recently who had decades of smoking history, typically smoking 50 cigarettes per day. The patient had a history of failed quit attempts using a variety of means. She started using Nicovape Q six months ago and initially used a Nicovape Q cartridge per day. She is now six months without smoking, uses a single Nicovape Q cartridge every six days, which she has dispensed from a Chemist Warehouse pharmacy, and estimates that over that six-month period, she has saved \$8,000.
- Mr Leary stated that his prescriber gave him a link to a website, he believes to be Chemist Warehouse. However:
- It is not possible to purchase Nicovape Q, or any other Schedule 4 medicines, from Chemist Warehouse online, and
- It is very unusual for a prescriber to give a patient a link to a website where they can purchase a prescribed medicine.
- Liber believes Mr Leary's testimony underscores the importance of restricting prescription medicines to brick-and-mortar pharmacies, rather than online platforms, which may not operate in the manner expected of pharmacies, including selling products at prices well above that which patients would pay from brick and mortar pharmacies.
- It is for this reason that Liber only distributes its Nicovape Q vaping products through national CSO wholesalers, and has no commercial or distribution arrangements with online platforms or individual pharmacies.