

February 1st 2019

Minister of Finance
The Honourable William Francis Morneau
Department of Finance Canada
90 Elgin Street
Ottawa, Ontario K1A 0G5

Dear Minister Morneau,

On behalf of several leading life sciences organizations across Canada, I am pleased to write this letter in support of the recommendations issued in the Health and Bio-sciences Economic Strategy Table Report.

The economic growth potential for the life sciences sector is massive. Indeed, it is repeatedly identified as our strongest opportunity to secure our financial prosperity. In the US, two biotech companies, Amgen and Gilead, have a combined market capitalization of more than \$238 billion USD, rivalling that of the combined 1,200+ companies listed on the TSX/TSV that make up the entire Canadian mining sector.

We commend the Government of Canada on taking this collaborative approach in working with industry to chart the pathway to further success. The adoption of the recommendations listed in the report will advance Canada's global competitiveness and greatly assist in meeting our growth targets.

As mentioned in the report, we are seeing a rise in protectionism and the pace of change is accelerating, and innovations are revolutionizing economic sectors. There is too much at stake for Canadian's quality of life and our economic success. In the third quarter of 2017, Canadian companies in the sector raised \$554 million CAD in VC financing. In comparison, US Life Sciences companies raised \$12.1 billion USD.

Canada has all the ingredients to become a global leader in life sciences innovation. But to do so, it is imperative that the actions proposed, specifically in the Health and Bio-sciences Economic Strategy Table report, are adopted and implemented in the upcoming spring budget. The time for action is now, as it will undoubtedly lay the foundation for significant contributions to economic growth and prosperity while advancing innovations across our health system.

In addition to the implementation of the HBEST recommendations, it is imperative that the government of Canada aligns public policies to support a competitive environment for the Health and Bio-sciences sector. Current policy initiatives related to the Patented Medicines Prices Review Board (PMPRB) and a National Pharmacare program have introduced a level of uncertainty that will inhibit our competitiveness in this sector. We implore the government to continue meaningful consultations with industry leaders to find solutions to these challenges that will help Canada achieve its public policy objectives without undermining our global competitiveness in Health and Bio-sciences.

We thank the members of the Health and Bio-sciences Economic Strategy Table for their continued commitment and for bringing forward such thoughtful and actionable

recommendations. We look forward to working closely with the Federal government and our industry partners on this matter.

Sincerely yours,



Jason Field, President and CEO
Life Sciences Ontario



Frank Béraud, Chief Executive Officer
Montréal InVivo



Anie Perrault, Directrice exécutive / Executive director
BIOQuébec



Mel Wong, President and CEO
BioAlberta

