



How Canada Should be Engaging in a \$9 Trillion Dollar Health Economy

Highlights from the Industry
Engagement & Perspectives Report

Welcome



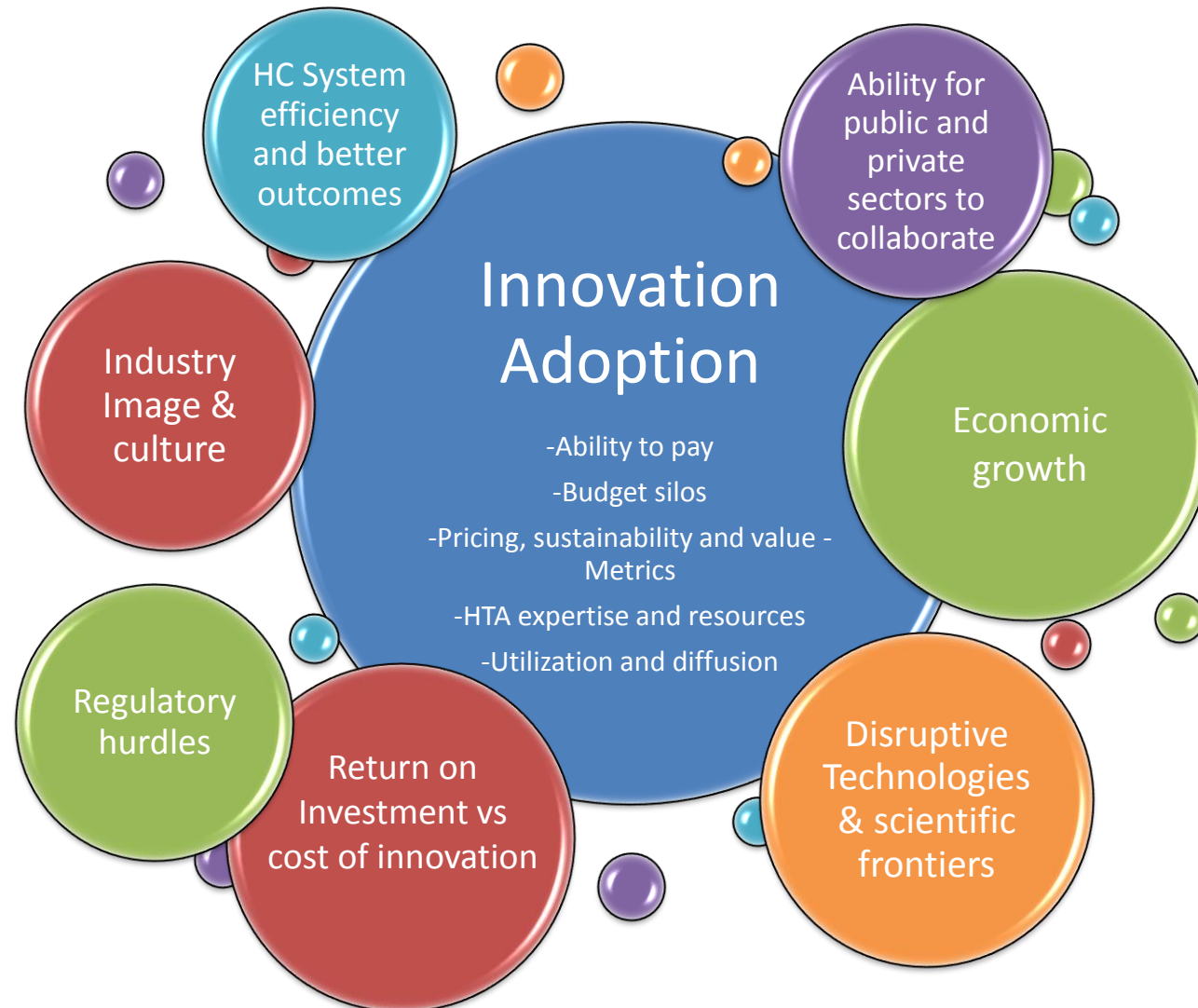
There are compelling reasons for a strong, Canadian healthcare industry:

- \$9 Trillion Global Health Economy
- Revenues and exports from commercialized research outputs
- Diversification of Canada's economy,
- Quality jobs for our highly educated workforce
- Improved patient care and outcomes
- Manage rising healthcare costs

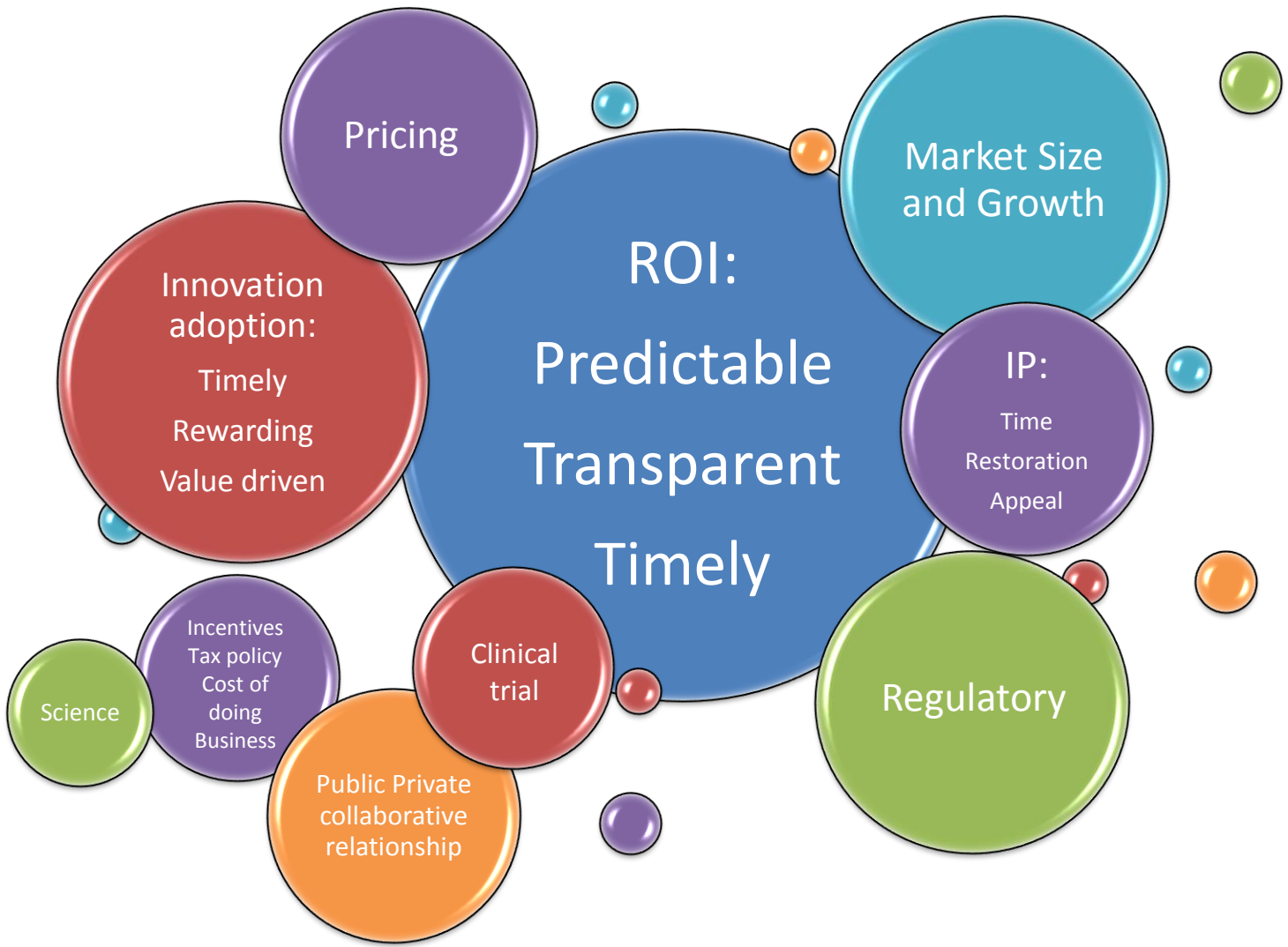
Canada has opportunities but there are barriers to success.

This report presents industry's solutions.

The Future: Upcoming Issues for the Global Healthcare Industry



Attracting Industry Investment



Canada's Strengths

Canada's most consistently mentioned strength was research, particularly in the area of clinical trials

- *“Some of the best medical institutions in the world across a number of disease categories. Canada ranks among the best institutions and individuals.” MNE*
- *“Canada is as good (not better) as other jurisdictions in basic research but we don't approach it with an eye to commercial success.” SME*

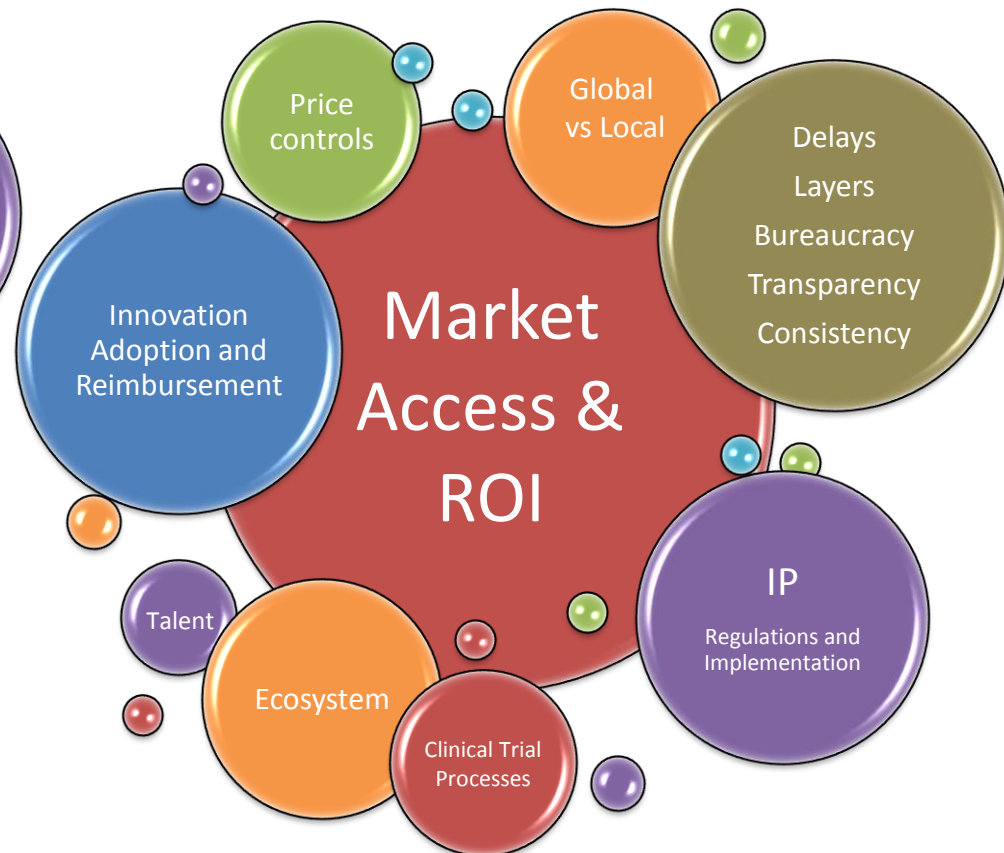
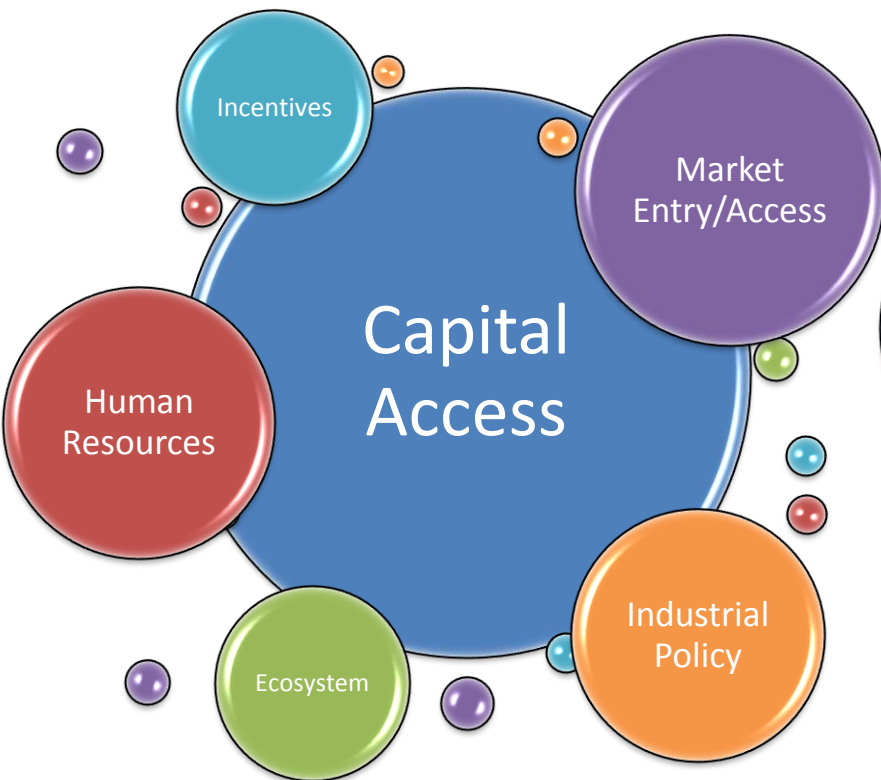
Canada's perceived strengths exhibit little overlap with the biggest drivers of industry investment and growth.

Building an environment where industry can thrive is necessary to compete for investment and retention of companies and jobs.

Issues for Canadian Industry

SME

MNE



Recommendations

Build an environment for industry to thrive :

- Develop and implement an industrial policy for the Canadian Health Science Industry;
- Implement adoption and reimbursement policies, that streamline a predictable and timely path to market including early adoption of locally developed technologies.
- Align Canadian IP rights with those of other advanced countries;
- Adopt value based pricing and procurement policies;
- Build technology infrastructure to ensure that Canada is equipped with the required electronic medical records and databases to compete for industry investment;

Recommendations cont'd

Policies to address the chronic challenges with accessing capital for Canadian SMEs

- Create health science specific investment funds to address the timelines and needs of this industry.
- Incentivise investors through capital gains tax credits/exemptions
- Provide wage subsidies or tax relief to companies to enable job creation and the building of an experienced workforce.
- Implement globally competitive R&D tax credits that recognize:
 - Investment in development research that is necessary to meet regulations and commercialize;
 - MNE investment in local companies;
 - Work and jobs in Canada rather than Canadian ownership;
 - The need for refundability for pre-revenue companies;
- Implement Industry-focused government programs that are nimble, reward corporate investment in technology development and are unbundled from partnership requirements.

Recommendations cont'd

Address the shortage of experienced talent at all levels

- Eliminate barriers to timely immigration of health science industry professionals to enable knowledge transfer;
- Provide direct funding and tax relief for companies to acquire and develop experienced industry personnel.
- Build an experienced workforce through job creation within companies.

The Road Ahead



Neither industry nor government can implement these recommendations alone and the complexity of the Canadian health care environment requires many levels of co-operation.

However, the ability to compete in a \$9 trillion dollar global market while at the same time delivering better health outcomes through innovation and creating high quality jobs for Canadian talent, is well worth the effort.

OBIO is looking forward to implementing these recommendations with the help of our partners and stakeholders.

THANK YOU

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