

February 25, 2022

The Honourable Chrystia Freeland Minister of Finance Department of Finance Canada 90 Elgin Street Ottawa, Ontario K1A 0G5

**Subject: 2022 Budget Consultations** 

Dear Minister Freeland,

Life Sciences Ontario (LSO) is a not-for-profit organization that represents and promotes Ontario's vibrant and diverse life sciences sector. Members of LSO include life sciences companies, entrepreneurs, members of academia, and service providers from many different areas of the life sciences ecosystem, including biopharmaceuticals, agriculture, agri-food, the bioeconomy, medical devices, animal health, environmental technologies, and more. Ultimately, our mission is to encourage commercial success throughout this diverse sector by collaborating with governments, academia, industry and other life sciences organizations in Ontario and across Canada.

Ontario is currently home to one of the largest life sciences clusters in North America. The sector supports a thriving research and innovation ecosystem, contributes \$58 billion to Ontario and Canada's GDP, and provides almost 200,000 direct and indirect jobs for Ontarians. About 1-in-13 jobs in Ontario are in life sciences or supported by its activity, and job wages in the sector are almost 25 per cent higher than the provincial average.

Our country's life sciences sector has also been at the forefront of Canada's response to the COVID-19 pandemic and has worked hard to contribute to global efforts to develop vaccines, treatments, and other solutions needed to stem the tide of this crisis.

As part of its 2022 pre-budget consultations, the federal government wants ideas on how "we can create new jobs and build a greener, more competitive, more innovative, more inclusive, and more resilient Canada."

As one of the most innovative sectors in our economy, the life sciences sector holds the key to achieving all of these important objectives, including driving Canada's economic recovery and resilience, developing medical innovations that keep Canadians healthy and productive, and addressing some of society's greatest challenges, including climate change and food security.



However, taking advantage of these opportunities will require bold action and long-term commitment. We were very encouraged by the federal government's Biomanufacturing & Life Sciences Strategy, which came out last summer. However, since this announcement, limited actions have been taken to move this inititive forward.

For instance, the strategy promised to reconvene the Health & Biosciences Economic Strategy Table (HBEST), but this has yet to happen. Our sector urgently needs a high-level, multistakeholder forum to help advance dialogue and set thing in motion, but we don't have that high-level table yet.

Moreover, it isn't clear whether pillars 1 (aligned governance) and 5 (world class regulations) are being advanced. For instance, the PMPRB regulatory changes are a clear example of bad regulations and siloed policy-making that have stifled growth in our sector. In fact, they have created so much uncertainty and challenges that a special exemption had to be put in place for COVID treatments and vaccines to ensure we were able to access these important tools during the pandemic.

In this context, LSO has three recommendations for Budget 2022:

- a) Implement the Biomanufacturing and Life Sciences Strategy
- b) Create a working group of leaders in the public, not-for-profit and private sector to guide the implementation of the Biomanufacturing and Life Sciences Strategy (note, this may simply be a matter of reconstituting or reconvening the Health & Biosciences Economic Strategy Table)
- c) Repeal the PMPRB regulation changes

Thank you for the opportunity to provide our input.

Sincerely,

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<sup>&</sup>lt;sup>1</sup> https://www.ic.gc.ca/eic/site/151.nsf/eng/00019.html