Submission for Pre-Budget Consultations in Advance of the 2023 Federal Budget

By: Life Sciences Ontario

**Recommendation:** Expand the scope and ambition of the Biomanufacturing and Life Sciences Strategy beyond pandemic preparedness to focus on creating a globally competitive policy and business environment for life sciences companies, and establish an advisory table, comprised of public and private sector leaders, to inform, guide and report on the implementation of the strategy.
Dear Honourable Members,

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, LSO’s 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 one of the most innovative sectors in our economy, the life sciences sector holds the key to driving Canada’s economic prosperity and competitiveness, 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.

Our sector needs a more attractive commercial environment for companies—one that encourages investment, drives innovation, and ensures that new health technologies are able to reach hospitals, clinics, and patients.

Early in the pandemic the life sciences sector was recognized as one of three strategic pillars for the province’s recovery efforts, and in March 2022, the Ontario government launched its comprehensive and integrated life sciences strategy.1

The federal government has also stepped up its commitments to the sector in recent years, shifting away from punitive and uncertain price controls for patented medicines towards more holistic strategies to drive economic growth and improve health outcomes. LSO was particularly encouraged by the 2021 announcement of the Biomanufacturing & Life Sciences Strategy (BLSS), and its launch in July of that year.2 The strategy includes many important elements, including calls for stronger public-private collaboration, talent development, augmenting supply chains, leveraging our strong academic centres and building on Canada’s strengths in artificial intelligence and other enabling sectors. Pillar 5 in particular is critical for our sector, promising world-class regulations.
However, much of the focus and effort to date has been on biomanufacturing and pandemic preparedness, and this was reflected in the Minister’s anniversary report. The scope and ambition of the strategy needs to be expanded significantly to embrace the economic and health innovation opportunities of the entire sector to tackle the full range of challenges Canada faces. This includes the tsunami of cancer diagnoses driven by an aging population, the emerging threat of bio-terrorism, and ongoing discoveries in genomics, personalized medicines and rare diseases. Canada needs to be a leading destination for world-leading researchers, companies and capital in life sciences, and we need a Team Canada approach to get there.

The federal government also needs more ongoing public/private collaboration to inform, advise and report on the Biomanufacturing and Life Sciences Strategy, building on efforts to date that include commitments in the strategy to reconvene the Health & Biosciences Economic Strategy Table (HBEST) and the Canadian Chamber of Commerce’s Life Sciences Strategy Council.

In this context, LSO’s recommendation for Budget 2023 is to:

Expand the scope and ambition of the Biomanufacturing and Life Sciences Strategy beyond pandemic preparedness to focus on creating a globally competitive policy and business environment for life sciences companies, and establish an advisory table, comprised of public and private sector leaders, to inform, guide and report on the implementation of the strategy.

Thank you for the opportunity to provide our input.

Sincerely,

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