

## PMPRB Changes will negatively impact Canada's healthcare system and global competitiveness

**August 12, 2019 [OTTAWA]** - The recent release of the Patented Medicine Prices Review Board's modernized regulatory framework will negatively impact Canada's competitiveness in attracting investment to commercialize Canadian innovation.

"The changes proposed for the Patented Medicine Prices Review Board are limited measures that seek to address the significantly complex and broader challenge of rising healthcare costs while ignoring the interconnected nature of the Canadian biotech ecosystem," commented Andrew Casey, President and CEO BIOTECanada.

"This short-term, overly simplistic and siloed policy approach to managing one narrow part of healthcare costs is myopic and puts Canada out of step with other similar jurisdictions. Importantly for BIOTECanada's membership, the proposed changes will significantly impact the Canadian biotech ecosystem and the ability of early stage companies to attract investment and talent. Given the impact of the proposed regulatory changes to many of BIOTECanada's members and the early stage biotech sector more broadly, BIOTECanada actively contributed to the government's consultation process following the release of the first consultation paper in March 2017. Importantly, BIOTECanada representatives were members of both the Steering Committee and Technical Working Group which were established to inform the technical regulatory development process for the PMPRB modernization. While there was a lengthy consultation period during which numerous stakeholders, both industry and non-industry, provided significant input and suggestions for improvement, no material changes were made to the regulatory framework published by the government."

Canada's biotech industry investment has fundamentally changed over the past decade where it is now a complex model of partnership and/or direct investment. Rather than conducting all R&D in-house, multinational pharmaceutical and biotech companies now invest in early stage companies to advance their innovation or partner with organizations to identify and develop the next wave of companies. Public policy needs to understand and recognize this change. Accordingly, throughout the PMPRB policy development process and consultations, the industry contributed alternative proposals that recognized the healthcare fiscal challenges government is seeking to address while also trying to support the industry's business model and maintain Canada's competitiveness as a destination for investment, clinical trials and innovation.

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