THE HILL TIMES
THIRTY-EIGHTH YEAR CANADA'S POLITICS AND GOVERNMENT NEWSPAPER NOVEMBER 16, 2026 $5.00

NEWS

# BIOTECanada CEO says it's time feds 'land the response' to three-month-old pharma task force report

Budget 2026 referred to the July 24 report calling for major pharmaceutical policy reform, saying the government continues to review it and 'further details' will be announced in coming months.

BY TESSIE SANCI



More than three months after a federally appointed task force supplied Industry Minister Mélanie Joly, left, and Health Minister Marjorie Michel with its recommendations on pharma policy reform, the ministers have still not issued a formal response to the report. *The Hill Times photographs by Andrew Meade*

Three months after a heavyweight task force dropped its report on reforming pharmaceutical policy in Canada, the federal government has not released a formal response, but continues to say—most recently in this year's budget—that it's reviewing the recommendations. BIOTECanada's Wendy Zatylny says this is a good signal, but there's a need for Ottawa to pick up the pace in declaring how it plans to move forward.

While the reference in the Nov. 5 budget is key because it shows the government is planning its next move, "it would have been nice to have seen a more directed response regarding the task force report," said Zatylny, president and CEO of the biotech advocacy group, whose members include homegrown life sciences companies and multinational pharmaceutical firms.

"We've been calling for that for a while now," said Zatylny. "There is a need for speed here, and the most important thing the government can do now is to land the response."

Zatylny was one of 26 members of the Pharmaceutical and Life Sciences Sector Task Force, which also included the leaders of Canada's Drug Agency and Innovative Medicines Canada, as well as the country heads of multinational pharmaceutical companies such as Pfizer, AstraZeneca, and GSK. Their mandate was to suggest ways to enhance Canada's competitiveness to ensure sustainable and reliable access to pharmaceuticals.



Although a reference to the pharma task force report in the 2026 budget was a positive signal, 'the most important thing the government can do now is land the response,' says Wendy Zatylny, president of BIOTECanada and a member of the task force. *Photograph courtesy of BIOTECanada*

The federally appointed group published a 39-recommendation report on July 24, which covered ways to improve everything from pricing, regulatory process, clinical trials, and sovereign data. It attached deadlines to each recommendation, with members saying that at least 12 should be completed within three months.

Those 12 items are almost completely focused on updating regulatory processes to reduce the amount of time it takes for new medicines to receive the go-ahead to be sold in Canada and included on public drug plans. Involved in those processes are Health Canada, which deems whether a medicine is

safe; Canada's Drug Agency, which provides advice to most provinces (with the exception of Quebec, which has its own agency) and territories as to whether they should cover a new medicine on their public drug plans; and the pan-Canadian Pharmaceutical Alliance, which negotiates what provinces and territories will pay to include drugs on their plans.

But three-and-a-half months later, the federal government hasn't explicitly said which recommendations it will accept. In its latest public statement about the report found in the 2026 budget, Ottawa says it is "currently assessing the Task Force's recommendations; further details will be announced in the coming months."

Zatylny said the timelines were included in the report to "maintain momentum."

"The reality is that we are operating in a globally competitive environment, and many other economies around the world are actively chasing investment in life sciences, biotechnology, and looking to those sectors to catalyze economic growth. And so we don't have a lot of time," she added.

Still, while there hasn't been a formal response or plan, there has been some movement. Former pharmaceutical executive Natalie Yeadon, who founded and leads a consulting firm focused on pharma, has been tracking the progress of the 39 recommendations in a report card available on her company's website.

The report card states that two recommendations related to venture capital funding and ensuring the life sciences sector is a part of the federal defence industrial strategy have been funded. Twelve recommendations are in progress, while the remaining 25 have seen no action.

Yeadon, CEO of Augmentios, called the Venture and Growth Capital Catalyst Initiative—a $1-billion venture capital initiative first announced in the 2025 budget—a "great" funding initiative though there are gaps in the plan. The fund will see Ottawa use its own dollars to motivate private-sector investment in domestic life sciences companies.



A report card developed by Natalie Yeadon, founder and CEO of Augmentios, tracking the progress of task force recommendations states, as of Nov. 11, there has been some action on 12 recommendations, no action on 25 others, and two recommendations have been funded. *Photograph courtesy of Natalie Yeadon*

Zatylny said the consultation for the venture capital plan occurred this summer, and she understands the program has been designed but the government has not "actually opened it up" to start distributing those funds.

"It's important to start flowing the money," she said.

Both Yeadon and Zatylny also note a change to the Scientific Research and Experimental Development (SR&ED) tax incentive cited in the budget as a positive change for drug development.

Changes to the SR&ED program is one of the recommendations in the task force's report, with members calling on the government to "adjust" the criteria to "stimulate investment in clinical trials."

The 2026 budget is expanding the criteria of what is eligible for the SR&ED tax credits so applicants can include "certain commercialization expenses," as per the budget's language. This includes specific costs associated with bringing a new product or process to market, including costs related to applying for regulatory approval or certifications, and ways to secure and maintain intellectual property protection. The measure is expected to cost the feds $930-million over five years.

Yeadon's report card notes that clinical trials are not specifically named in the budget as being eligible for this broader class of expenses, but still, she deems this as a recommendation that is in progress.

"I think this is a great opportunity. They specifically said that they're opening SR&ED to things like regulatory approval, which can cost a start-up company a lot of time and money," Yeadon told *The Hill Times*.

"By being able to include those costs, that is attractive and it's a good win," she said.

Zatylny said the expansion of SR&ED so that it applies to regulatory process costs is "huge."

"That costs upwards of a million dollars to put together a regulatory package," she added.

*The Hill Times* reached out to Innovation, Science, and Economic Development Canada on Nov. 11 to ask if the expanded SR&ED criteria would be applicable to clinical trials, but did not receive a response due to the federal holiday.

Where more work is needed is in reducing the "friction" of the multiple components of the regulatory and pricing process that sees a new medicine having to be reviewed by Health Canada and other organizations, according to Yeadon.

She said Health Canada "has made a lot of progress" in terms of the amount of time it takes for the department to study a new drug application, but the need undergo a health technology assessment from Canada's Drug Agency, which is typically followed by the pricing negotiations at the pan-Canadian Pharmaceutical Alliance—as opposed to concurrently—extends the amount of time it takes to get a new medicine to the public. She noted the drug agency has been working on the issue, focusing its efforts on specific projects.

The task force's report noted that Canada is strong at early-stage research and niche-driven areas of science "rather than large-scale commercialization."

When Zatylny was asked if one of the report's goals was to push Canada's pharmaceutical sector to higher-level commercialization, she said, "One of its goals is to stimulate that capacity to grow and scale commercial companies and keep them here in Canada. … We tend to bleed companies and innovation out of the country. One of the things the task force report was pointing to—and we have at BIOTECanada as well—is the need to keep that capacity in Canada and to leverage the benefits of the investment that we make up front in research to begin with, and the investments that we make in early stage companies."

Yeadon, who described herself as an "implementer" and an entrepreneur, said this country needs to "moonshot more."

"There are people who counter what I'm saying [and say,] 'It's good enough.' … It's what I call the farm team mentality. … If you're okay with that, that's cool. But my feeling is it's not good enough to me. I want to be on the national team. … We don't have to be a middle power," Yeadon said.

Zatylny said there has been "encouraging progress" on the issue, but it's time to bring the government and industry together, and "get those implementation teams working, get the strategies announced, and give us something now to work around to to keep leveraging this momentum."

*tsanci@hilltimes.com*
*The Hill Times*