

# Supporting Measures to Foster the Growth of Canada's Health and Bioscience Sector

## DESCRIPTION

At a time when the world is experiencing an unprecedented health crisis and economic change, Canada, which already has an excellent record of innovation in health and bioscience, has an opportunity to go even further. Canada currently ranks fourth among the world's health and bioscience centres. By taking bold steps, we can become an even more attractive destination for investment and talent, enabling us to grow health and bioscience companies to improve the sustainability of the health system and Canada's long-term prosperity.

## BACKGROUND

In November 2017, sectoral economic strategy tables were launched to build on the full potential of its innovations and accelerate the pace of commercialization of health and bioscience products. More than eight meetings were held through March 2019.

Part of the vision for the economic strategy table for health and bio-sciences includes the goal of doubling the size of Canada's health and biosciences sector by 2025, while making Canada a top-three global hub by: leveraging and advancing innovative technologies; attracting and retaining capital, skills and talent; and ensuring a vibrant ecosystem that will unleash the sector's full potential and improve health outcomes.

In practical terms, to achieve this, Canada will need to double its exports in the sector to \$26 billion. It will also have to double the number of firms in the health sector, which currently stands at 900, to 1,800. Finally, it will have to create or attract 40 new high-growth firms in the health and bioscience sector, which will also allow it to double the number of these types of firms within its territory.

However, to advance Canada's global competitiveness and achieve our growth targets, it is essential that we address the processes that stifle creativity and impede the adoption of promising innovations in the sector. Indeed, the economic strategy tables have identified a number of barriers that must be overcome if we are to do so: over-regulation, risk aversion in the procurement culture, skills shortages, limited access to capital, and current digital health systems that hinder data collection.

To achieve our ambitious objectives for the sector, the federal government will have to put some strong measures in place.

## RECOMMENDATIONS

That the Government of Canada:

1. Adopt the five measures proposed by Canada's Economic Strategy Tables for Health and Biosciences:
  - a. Accelerate innovation adoption by employing value-based procurement across Canada's health systems;
  - b. Design agile regulations by adopting international best practices, eliminating duplication across jurisdictions and decreasing review times;
  - c. Harness digital technology by creating a national digital health strategy featuring an interoperable digital health platform;
  - d. Develop and attract world-class talent by equipping Canadians for highly skilled jobs, eliminating hiring barriers and streamlining government skills programs; and
  - e. Create Anchor Firms by mobilizing late stage capital, scaling up high-potential firms, and broadening research and development tax incentives.