

STATEMENT

RECOGNIZING THE ADVANTAGES AND BENEFITS OF INNOVATION

December 5, 2006 - Russell Williams, president of *Canada's Research-Based Pharmaceutical Companies (Rx&D)* made the following statement in response to the Government of Quebec's unveiling of its new Quebec research and innovation strategy, *Un Québec innovant et prospère*.

"*Canada's Research-Based Pharmaceutical Companies (Rx&D)* support the intent of the Government of Quebec to focus on innovation as a means to increase research and development (R&D) activities not only in the pharmaceutical industry, but also in other key life sciences sectors, such as biotechnology.

"The best way for Quebec to attract new R&D investment is to create an environment favouring the emergence, multiplication, and retention of these investments in the knowledge-based economy by strategically positioning Quebec in terms of innovation. We applaud the higher tax credit ceiling, since this is coupled with an integrated strategy designed to encourage innovation involving all of the players in the life sciences sector in which research and innovation can flourish in a knowledge-based economy.

"Furthermore, the Government must associate its health policies, particularly the Drug Policy, to Quebec's economic development strategy without delay. The Drug Policy recognizes the importance of new medicines and of a dynamic pharmaceutical industry to the province's health-care system. New medicines save valuable dollars by helping to reduce the number of hospitalizations and, often, by avoiding the need for surgery. New medicines are also an excellent investment, since they account for only eight cents of every health-care dollar.

"The research-based pharmaceutical community can and does play a significant role in the economic growth of the province. Quebec is a strategic player in Canadian pharmaceutical research. The province attracts nearly 50% of pharmaceutical R&D investment, which represents more than \$2 billion annually in the province's economy. Historically, partnerships between our community and the Government of Quebec have always benefited patients, as well as the economy. We will take a closer look at the new Quebec research and innovation strategy, as the time has now arrived to renew this partnership.

"For Quebec to remain a leader in pharmaceutical R&D, the Government must make new products available to patients. By opting for a comprehensive, innovative, health economic strategy, Quebec is well positioned to face increasingly tough competition from the rest of the world.

STATEMENT

“Given the new global reality, we support the Government proposal to recognize the importance of focussing on R&D as a means to distinguish itself from other economies and to encourage growth and prosperity. We must act quickly so that Quebec can not only protect its assets but ensure the advancement of its knowledge-based economy. The research-based pharmaceutical community is prepared to renew this key partnership for the benefit of patients and the province’s economy.”

- 30 -

Canada's Research-Based Pharmaceutical Companies (Rx&D) is an association of members dedicated to improving the health of all Canadians. As partner of the health-care system, our discoveries help eliminate the need for medical procedures such as surgery, which have a significant impact on patient quality of life and health-care budgets. Our community represents over 22,000 men and women working for 50 member companies in Canada and is responsible for generating 100,000 jobs across Canada.

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