

STATEMENT

ONTARIO AND INNOVATION

The following is a statement by Russell Williams, President of *Canada's Research-Based Pharmaceutical Companies (Rx&D)* regarding the *Transparent Drug System for Patients Act* announced today by Ontario's Minister of Health and Long-Term Care George Smitherman.

"Canada's Research-Based Pharmaceutical Companies (Rx&D) reaffirms its willingness to work with government to strengthen health and pharmaceutical care in Ontario. Our community is an integral partner of Ontario's health-care system and economy, innovative medicines and vaccines play a key role in improving health outcomes for patients.

Ontarians have had access to only 20% of new innovative medicines approved in the last two years because they have not been listed on the provincial formulary. Clearly, Ontarians would benefit from an open and timelier access to the newer medicines that improve quality of life and, in some cases, save lives.

Our medicines help cure disease, free up hospital beds for patients for which there is no alternative yet to surgery, and immunize Ontarians against disease. New medicines that offer incremental benefits also provide real benefits for patients by improving their quality of life.

Patented prescription medicines are cost-effective as they represent less than eight cents out of every health-care dollar invested in Canada and saves resources elsewhere in the system.

It is imperative that patients have access to the therapies that work best for them. Imposing substitution of medicines and thus limiting the physician's ability to prescribe what they know is best, is contrary to optimal health outcomes for patients. As we understand the plan, this is of concern to us.

The drug strategy must also be consistent with the Ontario Government's policy in fostering innovation and creating jobs and prosperity.

Premier Dalton McGuinty was recently quoted at the BIO 2006 Conference in Chicago as saying, "Places that invest in innovation will be home to the most rewarding jobs, the strongest economies and the best quality of life." We wholeheartedly agree.

Our concern is that Ontario's drug strategy does not sufficiently take into account the benefits of innovation and the value of the medicines and vaccines our community develops in Ontario. For Ontario to attract research and development (R&D) as the Premier wants, it must have a balanced approach that will stimulate investment in R&D.

STATEMENT

Rx&D members employ 9,000 Ontarians directly and are responsible for generating 25,000 other jobs in other industries. We invested \$360 million in research and development in the province last year of which \$50 million went to universities and hospitals.

Our firm desire is to build on these investments. But to do so, we must be able to work with government to create a climate that truly fosters innovation, innovation that improves health.

Our community is eager to meet with Minister Smitherman and the Premier as soon as possible to better understand the proposals and make recommendations to ensure that the drug policy is one that truly serves the interests of Ontarians today and in the future. We must be careful that Ontario remains competitive in the world and does not create policies that inhibit Ontario's ability to attract R&D investments.”

- 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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