

Buy Canadian Policy Consultation

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The Canadian Pharmaceutical Manufacturers and Exporters Alliance (CPMEA) is encouraged by the Canadian government's commitment to "secure the Canadian advantage in strategic industries like biomanufacturing... These industries protect our sovereignty and security - from being able to make our own vaccines and medicines, to protecting our security. These industries will keep us sovereign, set Canada up to lead in the economy of the future, and create high-paying jobs".

We could not have said it better ourselves.

The CPMEA represents Canadian pharmaceutical manufacturers operating production facilities in Canada, making medicines for Canadian patients and for export. Our members are the **largest manufacturers of medicines by volume** in Canada, providing innovative, generic and biosimilar pharmaceuticals.

Canadian pharmaceutical manufacturers also produce many medicines for export to the U.S. In 2024, these exports to the U.S. exceeded \$11 Billion – the majority are generic and contract manufactured medicines – much of which is at risk due to tariffs and incentives to reshore manufacturing to the U.S. Pharmaceutical imports are currently under a 232 investigation by the Department of Commerce, and tariffs, quotas and other protectionism measures are expected.

The federal government has committed to "deploy a made-in-Canada procurement strategy that prioritizes Canadian suppliers and supply chains." The best way to support production of pharmaceuticals in Canada is through procurement policies to **establish sustainable and reliable demand giving Canadian manufacturers predictability and business confidence to justify investments in expanding production and improving productivity**. This is exactly what the Buy Canadian Policy is intended to achieve.

Directing even a portion of public spending to Canadian-made medicines by the federal government will ensure drug production remains in Canada and provide needed incentives for Canadian pharmaceutical manufacturers to expand and modernize manufacturing plants - **without adding new costs to government or taxpayers**.

There are several areas where the federal government can direct its procurement to support Canadian pharmaceutical producers:

- ❖ **Implement a “Buy-Canadian” procurement policy for federal drug programs, e.g. NIHB, federal Public Service Health Care Plan (PSHCP), military, and veterans’ programs.**
 - Through formulary management, Canadian drug producers can supply generic and contract manufactured products to the beneficiaries of these programs.
 - The federal Public Service Health Care Plan (PSHCP) in Canada covers 80% of eligible prescription drug costs for its employees.
- ❖ Establish clear guidance to NIHB, Provinces and Territories that pharmaceutical procurement from Canadian producers is necessary for Canada’s national security.
- ❖ Coordinate with provinces through the Canada Drug Agency ‘Canada First’ Formulary Exclusivity listings, so when a new drug off-patent medicine is launched, a six-month period of exclusivity on provincial formularies will be provided for Canadian producers.
- ❖ As member of the pCPA, work with other jurisdictions to eliminate or reduce rebates on pCPA-negotiated product listing agreements (PLA) for Canadian producers.
- ❖ Under National Pharmacare and the Bulk Purchasing strategy, give preference for Canadian-made medicines in a National Formulary.

We stand ready to work to ensure that Canadians covered by federal health care programs have access to high quality pharmaceuticals made here at home by reliable, trusted Canadian pharmaceutical manufacturers as part of the commitment to Buy Canadian.