

WHY WE'RE NOT DOING BETTER ON COVID VACCINES

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As the CEO of GlaxoSmithKline Canada (GSK) for 16 years, now retired for nine, I was deeply involved in the production and distribution of the Canadian vaccine for the H1N1 pandemic in 2009, working collaboratively with public health and other government officials. All the vaccine for that pandemic was produced in the GSK factory in Quebec City. The campaign, after a few initial snags, was a tremendous success. The vaccine was developed, rolled out and injected into millions of Canadians in just several months.

I felt compelled to write about the current vaccine supply situation when federal Minister of Intergovernmental Affairs Dominic Leblanc erroneously stated on CTV's Power Play that we don't have any domestic vaccine production in Canada because "GSK closed its facility during the Harper years." In fact, that facility is still operational and manufactures much of Canada's annual flu vaccine.

As of this writing Canada ranks tenth in the world in COVID vaccine doses administered per 100 population. This is surprising considering Prime Minister Justin Trudeau has consistently stated that "We are better on vaccines than just about every other country."

The provinces have worked out their logistics issues and are not the problem. The problem is clearly that the federal government is not able to procure significant doses of vaccine until April. Canada will receive 1.2 million doses of Pfizer and Moderna vaccine by the end of January and six million doses by the end of March. That will allow the vaccination of approximately three million citizens — less than 10 per cent of the population. Many other countries have received significantly more vaccine on a population-adjusted basis. The question is: Why is Canada not able to acquire more vaccine early?

Is it because the Liberal government has virtually no relationship other than as a buyer and regulator with the only organizations that could possibly produce a vaccine quickly and in sufficient quantities, the global innovative pharmaceutical industry?

Successive Liberal governments, including this one, have created an unfavourable environment for investment and commercial success for innovative pharmaceutical companies in Canada. They have made it very difficult for Canadian CEOs to attract investment to Canada despite many attempts by the industry to work with governments to do so. They have made no effort to work with the innovative industry to encourage a partnership that could deliver tremendous value to the health-care system and the economy and give Canadians early access to new medicines and vaccines.

Not surprisingly, the industry has gone elsewhere to invest — to places like the U.K., the U.S. and the EU where that positive environment does exist. They are all performing better than Canada on early vaccine acquisition. A senior public health official in Israel recently stated that one of the reasons that country was able to acquire large quantities of doses was its good relationship with the pharmaceutical industry.

This unfavourable environment has its roots in the Trudeau government of 1968 and the effective elimination of pharmaceutical patents. That led to the hollowing-out of the innovative industry and the emergence of a generic-company oligopoly that was supported by successive Liberal governments.

The Mulroney and Harper governments supported the innovative industry by improving the patent landscape but Canada only partially recovered and to this day does not have globally competitive patent protection. The negative trend continues even now with the imminent implementation of a punitive pricing regime through new federal (Patented Medicine Price Review Board) regulations. One now has to ask: where are the generic companies when we badly need innovation? Liberal government pharmaceutical policy has failed Canadians at our time of greatest need.

Is Canada unable to acquire early vaccines because the federal government was late negotiating contracts with companies as it attempted to acquire domestic supply by funding three or four opportunities, including collaboration on the CanSino vaccine from China, that frankly had virtually no chance of succeeding? Or is it because Canada may not have been willing to pay a per-dose price that would have ensured significant early supply?

Or, finally, is our initial supply small because Canada provided little to no funding for the development of the vaccines, unlike the contributions made by the U.S., U.K. and Germany? Operation Warp Speed in the U.S. contributed \$12 billion to support accelerated development and manufacturing. It should be no surprise that the U.S. now has large quantities of vaccine.

When it comes to vaccine supply Canada should be in the same position as these other leading countries. Instead, we are three to four months behind. How many more people will die in this pandemic who wouldn't have if the federal government had done a better job acquiring more early doses? How many more businesses will fail? How long will the lockdowns go on? Months matter in this struggle. Days matter. Unfortunately, Canadians are paying a steep price.

Moving forward, Canada should start preparing for the inevitable next pandemic by establishing a constructive partnership between the federal government and the innovative pharmaceutical/life sciences industry. Canada needs to position the sector as one of our strategic industries — which, incredibly, it currently is not. The government needs to build a policy platform that will make Canada globally competitive in attracting innovation and investment. Part of that investment has to be domestic pandemic vaccine manufacturing capability. There should be no excuses next time.

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