



**Remarks
to the
Standing Committee on
Finance and Economic Affairs
of the Legislative Assembly of Ontario**

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December 4, 2008

CHECK AGAINST DELIVERY

Good Morning.

The Council of Academic Hospitals of Ontario (CAHO) represents Ontario's 25 academic hospitals.

Academic hospitals have a complex role in our health care system and it is not always well-understood.

Like other hospitals, we provide a full range of patient care to our communities. But we are also where the sickest patients come to be treated. Patients from across the province are treated in academic hospitals when they require access to the specialized and complex care that only we are able to provide.

Academic hospitals also have a mandate to teach. We train 20,000 students annually, including physicians, nurses, allied health professionals, and graduate students. We train 90% of all medical residents and 99% of clinical fellows in the province.

And we conduct research and pursue innovation in health care. 80% of Ontario's health research takes place in our hospitals. Universities and the private sector together account for the remaining 20%.

An academic health centre is often described as a three – legged stool: clinical care, teaching and research. All are needed to keep the stool standing. They are absolutely reliant on each other. Those who work in the academic hospital environment – from internationally recognized physicians to specialized nurses to dedicated staff – do so by choice. They choose to work in a vital and vibrant environment that is focused on excellence and innovation.

Today we would like to focus our comments on the research leg of the academic health centre stool. Why? Because health research is crucial to a knowledge economy and, as you all know, a strong knowledge economy is key to our province's future.

Let me repeat something I just said: Ontario's academic hospitals, and the health research institutes we encompass, are responsible for 80% of all of the province's health research. That means we alone generate over \$850 million of research activity annually. Today, our province is the fourth largest biomedical research jurisdiction in North America. Our own base of 10,000 researchers generates an enormous spin-off economy of new jobs and commercial opportunities. And these knowledge jobs are what the Province of Ontario needs to create a new future for our province.

However, while these figures are impressive, other jurisdictions are making steady strides and Ontario's competitiveness is slipping.

We applaud the government's Innovation Agenda and we want to be active partners in its success. To realize not only health outcome goals but also economic goals we have to, in the words of Minister Wilkinson, "build self-sustaining momentum to fuel future growth".

Self-sustaining momentum in the area of health innovation is achievable. Two very important levers for success are easily within reach and they are what we would like to focus on today.

The first is the creation of an arms-length government agency to drive the health research agenda in Ontario. This agency would bring government, researchers, academic hospitals, the private sector, universities and the public together to ensure the best health research is translated into the best health care delivery and, at the same time, fosters growth of our knowledge-based economy.

Ontario lags behind most other Canadian provinces and other jurisdictions in this regard.

Since launching its Health Research Foundation in 2001, British Columbia's share of national research awards has grown from less than 9% to more than 12%. Ontario, by comparison, has been seeing a downward trend in terms of its share of national research funds.

Second, we need to support health researchers to come to Ontario, to stay and to succeed. In terms of public funding support for health researchers, again Ontario lags behind the pack. Successful innovation is dependent on our ability to attract and develop the best researchers in the world. Ontario is not unique in its quest to attract the finest. Internationally, other jurisdictions have publicly funded recruitment and retention strategies. Closer to home, other Canadian provinces offer ongoing salary and training awards to health researchers. Alberta commits 70% of its annual research fund to salary and training support. B.C. allocates over 60% its government research funds to researcher salaries and training. Quebec, Nova Scotia and Manitoba make similarly significant contributions. Here at home, the Ontario government's contribution to health researcher support constitutes only 7% of its total investment in health research.

40% of the researchers we've lost have gone to other provinces.

This gap may be the result of misunderstanding. Health research does not pay for itself. For example, research grants do not cover researcher salaries and training. So, here in Ontario, our hospitals fund many of our researchers by providing stop gap and one time types of support, paid for largely through our own fundraising efforts. When times are good, this is a barely adequate strategy. In times like these, it is unachievable.

Another misunderstanding may be that a promising new discovery emerging from a hospital is taken up by industry right away. Unfortunately, such is seldom the case in our province. It falls to our research institutes and their teams to develop products further to move them to market. Of 87 Canadian companies identified as the spin-off of publicly-funded health research in Canada, only 28 of those listed are in Ontario. Most Ontario innovations end up going south of our border.

Current funding mechanisms for our hospital-based researchers lack strategy and stability. The escalating costs of health care delivery have placed increasing demands on hospital foundations for clinical infrastructure and operational shortfalls that force support away from researcher and training needs. The recent success of our provincial hospital-based research enterprise in the Canada Foundation for Innovation Research Hospital Fund competition has further increased the pressure on hospital foundations. Ontario hospitals won \$315 million of an available \$426 million in awards. But this comes at a price as hospital foundations are now responsible for raising through charitable philanthropy an additional 60% matching funds for these awards as no funding support has come forward from our province.

We are driving enormously significant and exciting research here in Ontario. Ontario is playing a lead role in realizing the explosive potential of today's biomedical research. We should all be very proud.

Our status in the world of health research helps to attract the best and the brightest here. But we need to KEEP them here and that requires stable support. We are asking to partner with the Ontario government and public in sending out a signal that Ontario is the place to be if you are a bright young researcher. We require a collaborative and highly strategic health research agenda to support our enterprise, and we require support for the base of that enterprise: young researchers.

In return, we promise you solid economic return on our shared investment.