Patented Medicine Prices Review Board Canada

Conseil d'examen du prix des médicaments brevetés Canada

Patented Medicine Prices Review Board 2023–24 Departmental Results Report

The Honourable Mark Holland
Minister of Health

Canada

Catalogue No: H79-13E-PDF
ISSN 2561-0732

The Patented Medicine Prices Review Board's 2023-24 Departmental results report: At a glance

A departmental results report provides an account of actual accomplishments against plans, priorities and expected results set out in the associated Departmental Plan.

- Vision, mission, raison d'être and operating context
- Minister's mandate letter

Key priorities

The Patented Medicine Prices Review Board (PMPRB)'s top priorities for 2023-24 were as follows:

- Implement new pricing framework and begin evaluating its impact
- Support the Government's high-level priorities for the future of pharmaceutical management in Canada

These priorities were refocused over the course of the fiscal year to better reflect the PMPRB's current operational context, as expressed in the PMPRB's 2024-25 Departmental Plan.

Highlights

In 2023-24, total actual spending (including internal services) for the PMPRB was $14,044,145 and the total full-time equivalent staff (including internal services) was 82. For complete information on the PMPRB's total spending and human resources, read the Spending and human resources section of the full report.

The following provides a summary of the department's achievements in 2023-24 according to its approved Departmental Results Framework. A Departmental Results Framework consists of a department's core responsibilities, the results it plans to achieve, and the performance indicators that measure progress toward these results.

Core responsibility 1: Regulate Patented Medicine Prices

Actual spending: $10,223,542

Actual human resources: 58

Departmental results achieved

- Affordable patented drug prices[1]

  The PMPRB launched a consultations process to inform new draft Guidelines in 2023-24, releasing a Scoping Paper in November 2023 and hosting Policy Roundtable sessions in December to seek feedback from interested groups. Draft Guidelines will give PMPRB Staff direction in conducting price reviews under the amended *Patented Medicine Regulations*.

[1] In this report, "affordable patented drug prices" means "patented medicine prices that are not excessive".

In absence of Guidelines, the PMPRB conducted price reviews under Interim Guidance. This guidance was amended September 2023 to respond to the extended period of Guidelines development.

As part of its reporting mandate, the PMPRB published four analytic reports and five posters in addition to authoring two journal articles over the course of the fiscal year. These studies offer a range of information on pharmaceutical pricing and sales in Canada and internationally.

More information about Regulate Patented Medicine Prices can be found in the 'Results – what we achieved' section of the full departmental results report.

The Patented Medicine Prices Review Board's 2023–24 Departmental results report

On this page:

From the Chairperson

It is my pleasure to present the 2023–24 Departmental Results Report for the Patented Medicine Prices Review Board (PMPRB).

The PMPRB is an independent quasi-judicial body established by Parliament in 1987 under the *Patent Act* (the "Act"). The PMPRB has a dual price review and reporting mandate: our price review mandate is to ensure that the prices of patented medicines sold in Canada are not excessive, and our reporting mandate is to provide decision-makers with pharmaceutical trends information to help them make informed choices.

Following my nomination as PMPRB Chairperson in January 2023, the Board welcomed a new Vice-Chairperson and two new members in 2023–24, along with a permanent Director General (formerly "Executive Director") this spring. Fresh leadership has equipped us to take on a formative year in the PMPRB's pursuit of new price review Guidelines, which are under development to address July 2022 amendments to the *Patented Medicines Regulations* ("Regulations").

As a Board, we were devoted to reassessing the PMPRB's approach to the new Guidelines this past year, releasing a Scoping Paper in November 2023 and conducting Policy Roundtables with a wide range of interested groups from across Canada in December 2023, including representatives from industry associations, patient groups, pharmacies and distributors, civil society, and academia, among others. The feedback received from these sessions was summarized in a 'What We Learned' Report, released in February 2024, which will inform next steps in 2024–25.

Independent of the price review process, the PMPRB also produces critical analysis at the request of the Minister of Health to contribute to the availability of reliable information to support decision-making in Canada. The PMPRB submitted four analytic reports to the Minister, authored two related journal

articles, and shared the results of focused studies at numerous conferences in 2023–24. These are available to read on the PMPRB website.

Internally, the PMPRB coordinated and supported the transition of staff back to the PMPRB offices for a minimum of two days a week starting April 2023. Dedicating resources to equity, diversity, inclusion, and accessibility, as well as mental health and wellness, has been an important part of the internal effort to support our employees as they work through a period of concurrent changes and continue to deliver on our mandate with integrity, transparency, and respect.

Thomas J. Digby
Chairperson

Results – what we achieved

Core responsibilities and internal services

- Core responsibility 1: Regulate Patented Medicine Prices
- Internal services

Core responsibility 1: Regulate Patented Medicine Prices

In this section

Description

The PMPRB regulates the prices of patented medicines by setting non-excessive price ceilings and taking enforcement action before the Board in the event of non-compliance.[1]

Progress on results

This section presents details on how the department performed to achieve results and meet targets for Regulate Patented Medicine Prices. Details are presented by departmental result.

Note that the language used in this report regarding the PMPRB's mandate is better understood in the context of the PMPRB's legal authorities as set out by the *Patent Act* and the recent jurisprudence.

While the PMPRB has the power to order that the price of a medicine be reduced to a non-excessive level following a public hearing, the PMPRB cannot set or mandate prices for patented medicines.

[1] The PMPRB has no statutory ability to set the prices of patented medicines in Canada outside of a hearing context, but does provide non-binding guidance through Guidelines which set out price thresholds above which pricing investigations, and eventual hearings, may be commenced.

Rather, the PMPRB can review the prices of patented medicines and, where it has reason to believe that those prices may be excessive, initiate public hearings to determine whether the prices are, in fact, excessive. The PMPRB publishes non-binding Guidelines which explain the procedures used to determine whether the price of a patented medicine warrants a more in-depth review in the form of an investigation which may lead to a public hearing. The PMPRB has minimal capacity to hold hearings that would lead to binding price reduction orders and while the Guidelines influence pricing behaviour in Canada, they cannot mandate it.

Consequently, the majority of the "results" related to Canadian pricing reported here are not within the PMPRB's ability to control directly. Similarly, because the determination of whether a price is excessive must be done on a case-by-case basis in the context of a public hearing, the "target" reported here related to median Canadian price in the PMPRB comparator countries is for comparative purposes only and does not presuppose that Canadian prices above the median price in the comparator countries are excessive or vice-versa.

Table 1: Targets and results for Regulate Patented Medicine Prices

Table 1 provides a summary of the target and actual results for each indicator associated with the results under Regulate Patented Medicine Prices.

Affordable patented drug prices[2]

Departmental Result Indicators	Target	Date to achieve target	Actual Results
% of patented drug prices in Canada below the median price of the PMPRB's comparator countries	At least 50%*	March 31, 2024	2021–22: 59.5% 2022–23: 43.9% 2023–24: 39.1%†
% of patented drug prices in Canada are within the thresholds set out in the PMPRB's Excessive Price Guidelines	At least 95%‡	March 31, 2024	2021–22: 84.6% 2022–23: 80.6% 2023–24: N/A§

* This indicator was introduced in 2015–16, under the premise that the PMPRB would continue to conduct its price reviews without significant changes in its regulatory framework. Analysis in the PMPRB's 2015 Annual Report indicated that the percentage of patented medicines priced below the median price of the PMPRB's comparator countries was 51.8%, a decline from the previous two years. Based on these factors, it was determined that 50% would be a reasonable target, primarily as a result of voluntary compliance with the non-binding Guidelines by rights holders. This indicator and target will be revised for coming reporting cycles.

† The results for 2022–23 and 2023–24 compare patented medicine prices in Canada to the PMPRB11 schedule countries, reflecting a July 1, 2022, change in the allowable data collected by the PMPRB for price review under the *Patented Medicine Regulations*. As a result of this change, the results for 2022–23 onward are not directly comparable to those calculated for previous years, which used the PMPRB7 schedule countries for the calculation.

‡ This percentage is calculated as follows: the sum of the number of price reviews that were not subject to an investigation plus the number of Undertakings, divided by the number of patented medicines for which the price review was completed at March 31 of the fiscal year.

§ In the absence of PMPRB Guidelines, this result was not calculable for 2023–24. Price reviews are conducted under Interim Guidance pending the release of new Guidelines.

Additional information on the detailed results and performance information for the PMPRB's program inventory is available on GC InfoBase.

[2] In this report, "affordable patented drug prices" means "patented medicine prices that are not excessive".

Details on results

The following section describes the results for Regulate Patented Medicine Prices in 2023–24 compared with the planned results set out in the PMPRB's departmental plan for the year.

Affordable patented drug prices[3]

Results achieved

- New Guidelines were expected to be issued in 2023–24 to address the amended *Patented Medicine Regulations* ("Regulations") that came into force on July 1, 2022. The timeline was ultimately extended to allow the Board to reconsider and refocus the PMPRB's approach to the Guidelines.

- To this end, the PMPRB launched a consultations process to inform new draft Guidelines in 2023–24, releasing a Scoping Paper in November 2023 to guide discussions and hosting Policy Roundtable sessions in December to seek feedback on a set of key questions that will form the basis for Guidelines development and implementation. Interested groups submitted and presented valuable perspectives for the Board's consideration, a summary of which is available in the 'What We Learned' Report released in February 2024.

- In absence of current Guidelines, the PMPRB conducted price reviews under Interim Guidance over the past fiscal year. Amended Interim Guidance was issued September 2023 to respond to the extended period of Guidelines consultations.

- During the Interim Period, the percentage of patented medicines "within the thresholds set out in the PMPRB's Excessive Price Guidelines" is not calculable, as no applicable Guidelines are in effect. This result will be reported as "N/A" until new Guidelines have been issued.

- The amended Regulations stipulate the use of a set of 11 schedule countries as comparators for price reviews (the "PMPRB11"), in place of the seven countries (the "PMPRB7") used under the previous iteration of the Regulations. This meant that the median of comparator countries changed as well. So while Canadian prices did not necessarily increase significantly, their relationship with the median of comparator countries shifted, resulting in 39.1% of patented medicines in Canada with prices below the median in 2023–24. These results are not directly comparable to previous years, because those years were based on a different comparison (median of the PMPRB7).

- The PMPRB's current results indicators and targets were put in place under the former Regulations and within the context of the PMPRB's last set of price review Guidelines. The PMPRB intends to revise its Departmental Results Framework in coming reporting cycles to respond to this gap.

- As part of its reporting mandate, the PMPRB submitted four analytic reports, five posters, and two journal articles to the Minister in 2023–24, offering a range of information on

[3] In this report, "affordable patented drug prices" means "patented medicine prices that are not excessive".

pharmaceutical pricing and sales in Canada and internationally. These studies, which are also published on the PMPRB website, are conducted separately from the PMPRB's price review mandate at the request of the Minister of Health to help decision-makers in Canada to better understand the current trends and pressures in the pharmaceutical market.

Key risks

As a result of the revised timelines in the Guidelines development process, the PMPRB's risk profile shifted slightly from what was identified at the outset of the fiscal year in the PMPRB's 2023–24 Departmental Plan.

In 2023–24, the PMPRB took action to mitigate potential risks from the delayed implementation of the Guidelines by focusing efforts on transparent, two-way communication with a diverse range of groups affected by the changes, including representatives from industry associations, patient groups, pharmacies and distributors, civil society, and academia, among others. Communication included the release of a Scoping Paper, Policy Roundtable sessions, a 'What We Learned' Report, NEWSletters with up-to-date information on progress, and bilateral meetings between PMPRB Staff and interested groups.

Delays in the Guidelines development have also created a backlog of medicines that have not been fully reviewed in the past two years, raising a risk of compounded uncertainty for rights holders and a greater demand on PMPRB Staff. To respond to these concerns, Interim Guidance has been put in place to provide transparency and direction on price reviews for new and existing patented medicines while Guidelines are under development. In September 2023, amended Interim Guidance was issued to allow for an expedited review of prices of new medicines.

Resources required to achieve results

Table 2: Snapshot of resources required for Regulate Patented Medicine Prices

Table 2 provides a summary of the planned and actual spending and full-time equivalents (FTEs) required to achieve results.

Resource	Planned	Actual
Spending	$13,927,400	$10,223,542
Full-time equivalents	58	58

Complete financial and human resources information for the PMPRB's program inventory is available on GC InfoBase.

Related government-wide priorities

Gender-based analysis plus

Sex and gender differences, race, ethnicity, age, and mental or physical disability are important factors in the accessibility, affordability, and appropriate use of prescription medicines and medical devices. Differences in sex and gender+ roles, income, and utilization of health care services can affect access to medicines and health insurance, prescribing patterns, and medicine use, and may have important repercussions for health and well-being.

Since the price of a patented medicine does not vary for the sex or gender+ of the user, the PMPRB's price review process does not take explicit account of the diversity of user groups or their economic situation. Non-excessive patented medicine prices, and associated savings for all payers, benefit all

populations directly through lower out-of-pocket costs and indirectly through health system reinvestments and improved access to better care.

In 2023–24, the PMPRB explored the use of supplementary data sources in its Pharmaceutical Trends program to report on analytic research topics informed by GBA Plus, with the intent to incorporate these elements into reporting in 2024–25. This analysis is conducted by way of reports to the Minister of Health.

United Nations 2030 Agenda for Sustainable Development and the Sustainable Development Goals

The Sustainable Development Goals (SDGs) set out in the UN 2030 Agenda reflect the interconnectedness of the social, economic, and environmental facets of sustainability. The PMPRB is a supporting contributor for three SDGs:

- SDG 10: Reduce inequality within and among countries
- SDG 12: Ensure sustainable consumption and production patterns
- SDG 13: Take urgent action to combat climate change and its impacts

For 2023–24, the PMPRB's contributions to these goals were largely conducted at the Internal Services level. However, the PMPRB's Patented Medicine Price Regulation program indirectly benefits those most affected by wealth inequality, contributing to a more equitable access to pharmaceuticals for all Canadians. Similarly, as health system payers look to find flexibility in their budgets and policy options to respond to the changing needs of Canadians, the PMPRB's analytic reporting can support informed decision making towards the development of a sustainable healthcare system, particularly as it provides public and private federal, provincial, territorial, and program-level information on pharmaceutical pricing, spending, and beneficiaries.

More information on the PMPRB's contributions to Canada's Federal Implementation Plan on the 2030 Agenda and the Federal Sustainable Development Strategy can be found in our Departmental Sustainable Development Strategy.

Program inventory

Regulate Patented Medicine Prices is supported by the following programs:

- Patented Medicine Price Regulation Program
- Pharmaceutical Trends Program

Additional information related to the program inventory for Regulate Patented Medicine Prices is available on the Results page on GC InfoBase.

Internal services

In this section

Description

Internal services are the services that are provided within a department so that it can meet its corporate obligations and deliver its programs. There are 10 categories of internal services:

- management and oversight services
- communications services
- legal services
- human resources management services
- financial management services
- information management services
- information technology services
- real property management services
- materiel management services
- acquisition management services

Progress on results

This section presents details on how the department performed to achieve results and meet targets for internal services.

In response to new directives from Treasury Board of Canada Secretariat on prescribed presence in the workplace, the PMPRB implemented and managed a full-scale return of employees to the PMPRB offices for a minimum of two days per week in April 2023. This marked a notable shift in internal operations since the switch to telework at the start of the COVID-19 pandemic three years earlier.

The PMPRB also took action to advance work on several key internal initiatives in 2023–24, including the implementation of the PMPRB's Accessibility Plan, tracking and amplifying action items from the Chairperson's letter to the Clerk of the Privy Council in response to the Call to Action on Anti-Racism, Equity, and Inclusion in the Public Service, and strengthening employee Mentorship and Sponsorship programs. At the tail end of the fiscal year, a new role was created and filled at the PMPRB for Chief of Inclusion, Diversity, Equity, and Accessibility (IDEA) to bolster and monitor the work in this area.

These initiatives have been a key element in supporting employees through periods of transition and contribute to the PMPRB's focus on workplace resilience and mental health.

Resources required to achieve results

Table 3: Resources required to achieve results for internal services this year

Table 3 provides a summary of the planned and actual spending and full-time equivalents (FTEs) required to achieve results.

Resource	Planned	Actual
Spending	$3,166,274	$3,820,603
Full-time equivalents	23	24

Complete financial and human resources information for the PMPRB's program inventory is available on GC InfoBase.

Contracts awarded to Indigenous businesses

Government of Canada departments are to meet a target of awarding at least 5% of the total value of contracts to Indigenous businesses each year. This commitment is to be fully implemented by the end of 2024–25.

The PMPRB's result for 2023–24:

Table 4: Total value of contracts awarded to Indigenous businesses*

As shown in the Table 4, the PMPRB awarded 17.9% of the total value of all contracts to Indigenous businesses for the fiscal year.

Contracting performance indicators	2023–24 Results
Total value of contracts awarded to Indigenous businesses† (A)	$283,750.85
Total value of contracts awarded to Indigenous and non-Indigenous businesses‡ (B)	$1,586,680.40
Value of exceptions approved by deputy head (C)	$0.00
Proportion of contracts awarded to Indigenous businesses [A / (B−C) × 100]	17.9%

* For the purposes of measuring performance against the minimum 5% target for FY 2023–24, the data in this table is based on how Indigenous Services Canada (ISC) defines "Indigenous business", which is one that is owned and operated by Elders, band and tribal councils; registered in the Indigenous Business Directory; or registered on a modern treaty beneficiary business list.

† Includes contract amendments with Indigenous businesses and contracts that were entered into with Indigenous businesses by means of acquisition cards above $10,000.00 ($10K), and may include subcontracts with Indigenous businesses.

‡ Includes contract amendments and contracts that were entered into by means of acquisition cards above $10K.

The PMPRB has responded to the Government of Canada's Indigenous procurement targets by prioritizing contracting areas with competitive availability for Indigenous suppliers, such as graphic design for reporting products and information technology equipment. These areas have relatively consistent internal and program requirements year over year, allowing for long-term planning towards meeting or exceeding these targets.

In its 2024–25 Departmental Plan, the PMPRB forecasted that, by the end of 2023–24, it would award 25.3% of the total value of its contracts to Indigenous businesses. This forecast was determined based on an estimate of contracting requirements for the year. An increase in the total contracted amount by end of year and a change in the availability of Indigenous suppliers for specific contracts lowered the percentage to 17.9%, still well above the minimum target of 5%.

Spending and human resources

In this section

Spending

This section presents an overview of the department's actual and planned expenditures from 2021–22 to 2026–27.

Budgetary performance summary

Table 5: Actual three-year spending on core responsibilities and internal services (dollars)

Table 5 presents how much money the PMPRB spent over the past three years to carry out its core responsibilities and for internal services.

Core responsibilities and internal services	2023–24 Main Estimates	2023–24 total authorities available for use	Actual spending over three years (authorities used)
Regulate Patented Medicine Prices	13,927,400	14,568,439	• 2021–22: 8,999,721 • 2022–23: 8,687,581 • 2023–24: 10,223,542
Subtotal	**13,927,400**	**14,568,439**	• **2021–22: 8,999,721** • **2022–23: 8,687,581** • **2023–24: 10,223,542**
Internal services	3,166,274	4,032,672	• 2021–22: 3,339,688 • 2022–23: 3,333,947 • 2023–24: 3,820,603
Total	**17,093,674**	**18,601,111**	• **2021–22: 12,339,409** • **2022–23: 12,021,528** • **2023–24: 14,044,145**

Analysis of the past three years of spending

Actual spending increased between 2022–23 and 2023–24 as a result of compensation adjustments from collective agreements signed in 2023–24, an increase in the number of full-time equivalents (FTEs), and a corresponding rise in Employee Benefits Payments (EBP). Spending on information technology equipment, health science consultants, and language training also contributed to this difference.

Planned spending in 2023–24 was higher than Actual spending due to a lapse of funding for the Special Purpose Allotment (SPA) to conduct Public Hearings. The SPA can only be used to cover the costs of public hearings, such as external legal counsel and expert witnesses, etc. For purposes of forecasting planned spending, it is necessary to assume that the entire SPA funding will be spent because these expenditures are dependent on the number of hearings, and the length and complexity of the hearings held, which are difficult to predict. In 2023–24, spending on the SPA was $500,834 of the $4,463,360 available, a difference of $3,962,526. Any unspent amount is returned to the Consolidated Revenue Fund.

More financial information from previous years is available on the Finances section of GC Infobase.

Table 6: Planned three-year spending on core responsibilities and internal services (dollars)

Table 6 presents how much money the PMPRB plans to spend over the next three years to carry out its core responsibilities and for internal services.

Core responsibilities and internal services	2024–25 planned spending	2025–26 planned spending	2026–27 planned spending
Regulate Patented Medicine Prices	14,316,813	14,372,296	14,386,577
Subtotal	**14,316,813**	**14,372,296**	**14,386,577**
Internal services	3,429,234	3,465,170	3,472,370
Total	**17,746,047**	**17,837,466**	**17,858,947**

Analysis of the next three years of spending

For purposes of forecasting planned spending for 2024–25 and future years, it is necessary to assume that the entire SPA funding for hearings will be used. The amount of the SPA for 2024–25 and beyond is $4,463,361.

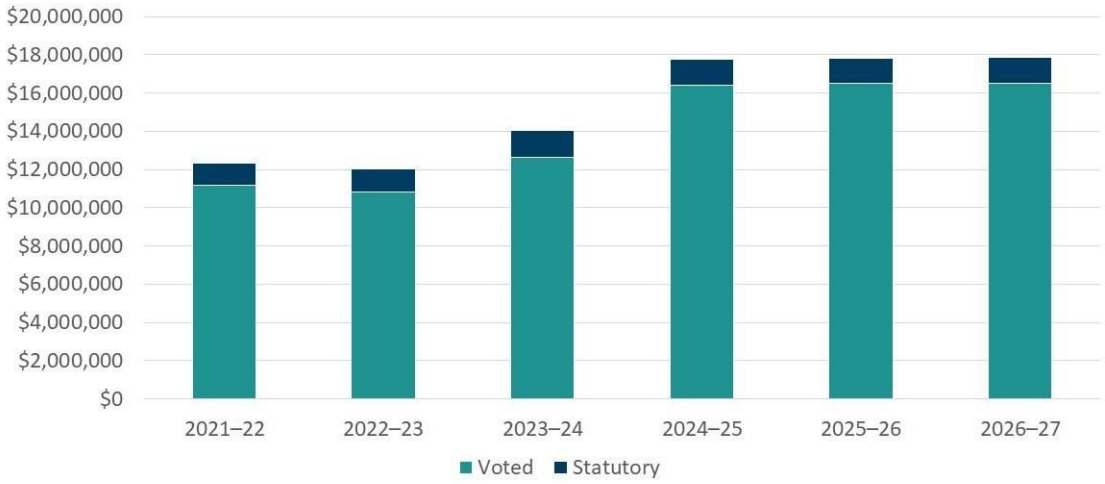
More detailed financial information from previous years and information on the alignment of the PMPRB's spending with Government of Canada's spending and activities is available on the Finances section of GC Infobase.

Funding

This section provides an overview of the department's voted and statutory funding for its core responsibilities and for internal services. For further information on funding authorities, consult the Government of Canada budgets and expenditures.

Graph 1: Approved funding (statutory and voted) over a six-year period

Graph 1 summarizes the department's approved voted and statutory funding from 2021–22 to 2026–27.



Year	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27
Statutory	$1,159,360	$1,185,071	$1,387,286	$1,323,046	$1,334,132	$1,336,737
Voted	$11,180,049	$10,836,457	$12,656,859	$16,423,001	$16,503,334	$16,522,210
Total	$12,339,409	$12,021,528	$14,044,145	$17,746,047	$17,837,466	$17,858,947

Text version of graph 1

A bar graph shows the distribution of the PMPRB's total approved funding by statutory and voted for six fiscal years, from 2021–22 to 2026–27.

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27
Statutory	$1,159,360	$1,185,071	$1,387,286	$1,323,046	$1,334,132	$1,336,737
Voted	$11,180,049	$10,836,457	$12,656,859	$16,423,001	$16,503,334	$16,522,210
Total	$12,339,409	$12,021,528	$14,044,145	$17,746,047	$17,837,466	$17,858,947

Analysis of statutory and voted funding over a six-year period

As announced in Budget 2017, the PMPRB received additional funding for future years; $3,849,215 in 2018–19, $5,694,677 in 2019–20, $6,671,853 in 2020–21, $7,668,725 in 2021–22, and $5,680,633 in 2022–23 and ongoing, including EBP and increased funding for the SPA.

Voted spending increased between 2022–23 and 2023–24 primarily as a result of compensation adjustments from collective agreements signed in 2023–24, as well as an increase in the number of full-time equivalents (FTEs). Spending on information technology equipment, health science consultants, and language training also contributed to this difference.

For purposes of forecasting planned spending for 2024–25 onward, it is necessary to assume that the entire SPA funding for hearings will be spent because these expenditures are dependent on the number of hearings, and the length and complexity of the hearings held, which are difficult to predict. The amount of the SPA for 2024–25 and beyond is $4,463,361.

For further information on the PMPRB's departmental voted and statutory expenditures, consult the Public Accounts of Canada.

Financial statement highlights

The PMPRB's complete financial statements (unaudited or audited) for the year ended March 31, 2024, are available online.

Tables 7 and 8: Condensed Statement of Operations (unaudited or audited) for the year ended March 31, 2024 (dollars)

Table 7 summarizes the expenses and revenues for 2023–24 which net to the cost of operations before government funding and transfers.

Financial information	2023–24 actual results	2023–24 planned results	Difference (actual results minus planned)
Total expenses	11,552,225	15,098,955	(3,546,730)
Total revenues	320	0	320
Net cost of operations before government funding and transfers	15,799,895	18,646,416	(2,846,521)

The 2023–24 planned results information is provided in the PMPRB's Future-Oriented Statement of Operations and Notes 2023–24.

Table 8 summarizes actual expenses and revenues for 2022–23 and 2023–24 which net to the cost of operations before government funding and transfers.

Financial information	2023–24 actual results (restated)	2022–23 actual results	Difference (2023–24 minus 2022–23)
Total expenses	11,552,225	13,404,304	(1,852,079)
Total revenues	320	3,384	(3,064)
Net cost of operations before government funding and transfers	15,799,895	13,400,920	2,398,975

Table 9: Condensed Statement of Financial Position (unaudited or audited) as of March 31, 2024 (dollars)

Table 9 provides a brief snapshot of the department's liabilities (what it owes) and assets (what the department owns), which helps to indicate its ability to carry out programs and services.

Financial information	Actual fiscal year (2023–24)	Previous fiscal year (2022–23)	Difference (2023–24 minus 2022–23)
Total net liabilities	1,830,443	1,542,151	288,292
Total net financial assets	953,946	802,701	151,245
Departmental net debt	876,497	739,450	137,047
Total non-financial assets	86,060	49,529	36,531
Departmental net financial position	(790,437)	(689,921)	(100,516)

Human resources

This section presents an overview of the department's actual and planned human resources from 2021–22 to 2026–27.

Table 10: Actual human resources for core responsibilities and internal services

Table 10 shows a summary of human resources, in full-time equivalents (FTEs), for the PMPRB's core responsibilities and for its internal services for the previous three fiscal years.

Core responsibilities and internal services	2021–22 actual FTEs	2022–23 actual FTEs	2023–24 actual FTEs
Regulate Patented Medicine Prices	55	55	58
Subtotal	**55**	**55**	**58**
Internal services	23	22	24
Total	**78**	**77**	**82**

Analysis of human resources over the last three years

Actual FTEs increased from 2022–23 to 2023–24 as a result of backfilling staff departures and fulfilling postponed staffing actions.

Table 11: Human resources planning summary for core responsibilities and internal services

Table 11 shows information on human resources, in full-time equivalents (FTEs), for each of the PMPRB's core responsibilities and for its internal services planned for the next three years. Human resources for the current fiscal year are forecasted based on year to date.

Core responsibilities and internal services	2024–25 planned FTEs	2025–26 planned FTEs	2026–27 planned FTEs
Regulate Patented Medicine Prices	58	58	58
Subtotal	**58**	**58**	**58**
Internal services	23	23	23
Total	**81**	**81**	**81**

Analysis of human resources for the next three years

Planned FTE levels are expected to be consistent with current levels through 2026–27.

Corporate information

Departmental profile

Appropriate minister(s): The Honourable Mark Holland

Institutional head: Thomas J. Digby, Chairperson

Ministerial portfolio: Health

Enabling instrument(s): *Patent Act* and *Patented Medicines Regulations*

Year of incorporation / commencement: 1987

Other: The Minister of Health is responsible for the pharmaceutical provisions of the *Patent Act* set out in sections 79 to 103. Although the PMPRB is part of the Health Portfolio, because of its quasi-judicial responsibilities the PMPRB carries out its mandate at arm's length from the Minister. It also operates independently of Health Canada, which approves drugs for safety, efficacy and quality; other Health Portfolio members, such as the Public Health Agency of Canada, the Canadian Institutes of Health Research, and the Canadian Food Inspection Agency; federal, provincial, and territorial (F/P/T) public drug plans, which approve the listing of drugs for their respective formularies for reimbursement purposes; and the Common Drug Review, administered by the Canadian Agency for Drugs and Technologies in Health (CADTH), which recommends drugs that should qualify for reimbursement purposes by participating public drug plans.

Departmental contact information

Mailing address:
The Patented Medicine Prices Review Board
Box L40
Standard Life Centre
333 Laurier Avenue West
Suite 1400
Ottawa, Ontario
K1P 1C1

Telephone: 1-877-861-2350

TTY: 613-288-9654

Email: PMPRB.Information-Renseignements.CEPMB@pmprb-cepmb.gc.ca

Website(s): https://www.canada.ca/en/patented-medicine-prices-review.html

Supplementary information tables

The following supplementary information tables are available on the PMPRB's website:

- Gender-based analysis plus
- United Nations 2030 Agenda and the Sustainable Development Goals

Federal tax expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals, and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Report on Federal Tax Expenditures. This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information, and references to related federal spending programs as well as evaluations and GBA Plus of tax expenditures.

Definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, departments, or individuals; and payments to Crown corporations.

core responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a core responsibility are reflected in one or more related departmental results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A report on the plans and expected performance of an appropriated department over a 3-year period. Departmental Plans are usually tabled in Parliament each spring.

departmental priority (priorité)

A plan or project that a department has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired departmental results.

departmental result (résultat ministériel)

A consequence or outcome that a department seeks to achieve. A departmental result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

departmental result indicator (indicateur de résultat ministériel)

A quantitative measure of progress on a departmental result.

departmental results framework (cadre ministériel des résultats)

A framework that connects the department's core responsibilities to its departmental results and departmental result indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report on a department's actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. For a particular position, the full-time equivalent figure is the ratio of number of hours the person actually works divided by the standard number of hours set out in the person's collective agreement.

gender-based analysis plus (GBA Plus) (analyse comparative entre les sexes plus [ACS Plus])

An analytical tool used to assess support the development of responsive and inclusive how different groups of women, men, and gender-diverse people experience policies, programs and policies, programs, and other initiatives. GBA Plus is a process for understanding who is impacted by the issue or opportunity being addressed by the initiative; identifying how the initiative could be tailored to meet diverse needs of the people most impacted; and anticipating and mitigating any barriers to accessing or benefitting from the initiative. GBA Plus is an intersectional analysis that goes beyond biological (sex) and socio-cultural (gender) differences to consider other factors, such as age, disability, education, ethnicity, economic status, geography (including rurality), language, race, religion, and sexual orientation.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2023–24 Departmental Results Report, government-wide priorities are the high-level themes outlining the government's agenda in the November 23, 2021, Speech from the Throne: building a healthier today and tomorrow; growing a more resilient economy; bolder climate action; fighter harder for safer communities; standing up for diversity and inclusion; moving faster on the path to reconciliation; and fighting for a secure, just, and equitable world.

horizontal initiative (initiative horizontale)

An initiative where two or more federal departments are given funding to pursue a shared outcome, often linked to a government priority.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments, and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What a department did with its resources to achieve its results, how well those results compare to what the department intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of a department, program, policy, or initiative respecting expected results.

plan (plan)

The articulation of strategic choices, which provides information on how a department intends to achieve its priorities and associated results. Generally, a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

program (programme)

Individual or groups of services, activities, or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes, or service levels.

program inventory (répertoire des programmes)

Identifies all the department's programs and describes how resources are organized to contribute to the department's core responsibilities and results.

result (résultat)

A consequence attributed, in part, to a department, policy, program, or initiative. Results are not within the control of a single department, policy, program or initiative; instead they are within the area of the department's influence.

Indigenous business (entreprise autochtones)

For the purpose of the *Directive on the Management of Procurement Appendix E: Mandatory Procedures for Contracts Awarded to Indigenous Businesses* and the Government of Canada's commitment that a mandatory minimum target of 5% of the total value of contracts is awarded to Indigenous businesses, a department that meets the definition and requirements as defined by the Indigenous Business Directory.

statutory expenditures (dépenses législatives)

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

target (cible)

A measurable performance or success level that a department, program, or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an appropriation act. The vote wording becomes the governing conditions under which these expenditures may be made.