1. In Denmark 5 per cent of the labour force corresponding to 150,000 people are ill every day and the total expenses for illness benefit amount to approx. DKK 14bn annually. Without medicine more people would be ill for a longer time. The Improvements of the healthcare results that we have seen in recent years for instance in the form of longer survival in the cancer area are above all due to the development of new medicines. Pharmaceuticals are one of Denmark’s largest export goods with an export in 2013 of DKK 85.7bn corresponding to almost 13.5 per cent of the total Danish exports. If we deduct the import of medicine, the trade with pharmaceuticals contributed to the Danish balance of payment with a surplus of more than DKK 45bn. Money that can be spend on welfare for instance construction of new hospitals. The growth in export of pharmaceuticals increased by 100 per cent in eight years is to a great extent due to the development of genuine innovative products that the industry has launched on the large export markets. The pharmaceutical industry is also one of Denmark’s most productive sectors with a productivity measured as value added per employee that is 2.6 times larger than the business community as a whole.

2. In Denmark 243,000 people are on early retirement. Mental diseases, diseases in the musculoskeletal system, cardiovascular diseases and cancer are some of the most frequent reasons for early retirement. The society spends DKK 34bn annually on early retirement, but without medicine more people would be on early retirement.

3. As a high-income economy Denmark has to use the newest and most advanced technology in combination with a more productive organisation of the production than our competitors. In the health service new healthcare technology continuously contributes to the optimisation of treatment and by this ensures that we have an effective public sector as possible. The public sector spends approximately DKK 155bn annually on healthcare which corresponds to 14 per cent of all public expenditure. Therefore all new technology that increases the health service productivity and effectiveness is important. The Improvements in effectiveness that we have experienced in our health service in terms of more patients being treated on an outpatient basis are first and foremost driven by the technology in the form of new medicinal products that have fewer adverse reactions and a faster effect which means that we can treat more patients in less time.

4. A small country like Denmark benefits greatly from foreign investments. They contribute with capital, the creation of jobs and transfer of knowhow. In the pharmaceutical area all the world’s most important pharmaceutical companies are present in Denmark. They contribute to the existence of large and varied supply of medicinal products to the benefit of patients in Denmark. They contribute with valuable transfer of new technology and knowledge from abroad to the Danish health service. And, they contribute with foreign investments in clinical research and jobs in Denmark.

5. The pharmaceutical industry employs approx. 26,500 persons and including the indirect employment in subsupply industries the pharmaceutical industry is a source to approx. 90,000 jobs. Taking the number of inhabitants into consideration this makes the Danish pharmaceutical industry the second largest in the world. The industry contributes to the Danish economy with many personal taxes to the Treasury, just as it contributes with salary to many thousands employees that can be used for consumption and through this, creation of growth in other sectors. In total the personal and corporation taxes from the pharmaceutical industry amount to approx. DKK 18bn annually.

6. Increased employment and tax receipts

7. Exports, productivity and surplus on the balance of payments

8. A healthier and more active population that lives longer
An ambitious and intelligent healthcare policy that will invest in better healthcare results and increase the efficiency in the health service by taking-up innovative medicinal products at the same time as the countries that we normally compare ourselves with and to a reasonable price. The domestic market is crucial for the companies’ opportunities for exporting and selling medicinal products in other countries. A lack of subsidy in the Danish market may influence other countries not to acknowledge the product’s innovation. The price that the product has in Denmark most counties look at when they are to fix the introductory price and when the price is reassessed. Calculations shows that a proportionate modest change of reimbursement status in Denmark for a medicinal product from general to restricted reimbursement will trigger a chain reaction for a Danish pharmaceutical company in the form of a reduction of 10 per cent in the sales to China. Correspondingly calculations show that a price reduction of a medicinal product in Denmark gives a factor 3 reduction in the sales in Europe and a factor 7 reduction in sales globally.

Increased investments in an excellent research and educational basis in the biomedical area. The investments ought to be used for more elite training programmes in the areas where Danish research belongs to the world’s elite and more ambitious long term public investments in research together with the large Danish funds. Furthermore, doctors who carry out research in the health service must have better time and more public resources for clinical research, just as there is a need for facilitating a culture that has an interest in working together with the industry. The doctors who collaborate with the industry are competent and they become more qualified because of this collaboration.

Stable market conditions for the pharmaceutical industry are crucial because of the very expensive and long period of development and the very capital intensive and technically advanced production. The industry is greatly challenged in relation to their development opportunities by the conditions for reimbursements and pricing and the fact that these issues are up for discussion all the time in Denmark, and the prices actually are decreasing (the prices decreased by 40 per cent in 2005-2013).

Market conditions that stimulate innovation that ensure take-up of new healthcare technology and that also reward the stepwise innovation by organising pricing, reimbursement systems and intelligent public procurement (procurement of innovation). Production of medicinal products is as a rule not sensitive to market fluctuations, but was hit by the second wave of the economic crisis when the public financed health services in Europe have to save money, and the savings are typically very one-sided and short-sighted. We need to focus on how the public sector via its demand can contribute to the stimulation of innovation, and the impact it has on growth in the Danish companies and the opportunity for attracting investment from abroad.

Denmark should be a desirable country for researchers and specialists from abroad to settle in. The tax scheme for researchers must be adjusted so that it is internationally competitive and the conditions are first-class in order to attract researchers and highly specialised knowledge-based workers to Denmark, and to make it easy and supply for them to settle down in a new home with family and leisure time. These conditions do not exist today, among other things, it take too much time to issue a residence permit to citizens in Europe who arrive at Denmark in order to work in a Danish company.

The Copenhagen area lacks international schools and the price is too high. Employees in subsidiary companies who arrive to Denmark and stay for a shorter period of time in order to solve tasks in the parent company experience unnecessary bureaucracy and problems obtaining work permit. Finally, an effort must be done to develop the written and personal advisory service in English as regards residing and living in Denmark.

Attraction and maintenance of labour from abroad

Critical framework conditions

An excellent biomedical research and educational basis

Stable market conditions on the domestic market

Market conditions that stimulate innovation and reward stepwise innovation

An ambitious and intelligent healthcare policy

Attraction and maintenance of labour from abroad