femtech CANADA

Canada’s Network of Women’s Health Innovators

Written Submission for the 2025 Pre-Budget Consultations

Canada Strong is Strong Women

Femtech Canada
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Proposed Budget Recommendations

Recommendation #1

Renew the $20M investment in the CIHR’s National Women's Health Research Initiative

Recommendation #2

Invest $30M into Femtech Canada innovation programming, with a focus on supporting startup and scaling women’s health companies nationally.

Recommendation #3

Invest $50M into a national investment fund for scaling, high growth innovative Femtech companies.

Recommendation #4

Allocate $1.6M to update the 1999 Canadian Women’s Health Strategy.

August 27, 2025

The Honourable Francois-Philippe Champagne
Department of Finance Canada
90 Elgin Street Ottawa
Ontario, ON, K1A 0G5

Subject: Submission for the 2025 Pre-Budget Consultations

Dear Minister Champagne,

On behalf of Femtech Canada, an organization dedicated to fostering innovation and research into women's health, we would like to submit the following brief in response to the call for 2025 pre-budget consultations. To drive groundbreaking change, we propose launching a $100M investment into women's health —a bold, four-year initiative designed to accelerate women's health innovation and fuel economic growth.

Femtech Canada is a national organization of over 180+ companies advancing innovation, research, and equitable care in women's health. Our network consists of entrepreneurs, clinicians, academics, and industry leaders committed to solving health challenges that affect women uniquely, disproportionately, or differently. These include menopause, reproductive health, autoimmune conditions, sexual and mental health, and cardiovascular disease.

Since our founding in 2021, Femtech Canada has become the world's third-largest women's health innovation network. We provide resources, mentorship, and advocacy, foster collaboration with over 50 national corporate partners and 30 private investment funds and connect with accelerators in seven provinces. Our cutting-edge technologies focus areas span therapeutics, diagnostics, digital health, consumer goods, and medical devices. The network continues to grow with 54% year-over-year growth in newly established companies.

Prime Minister Carney's mandate sets out a vision for a stronger, more connected, and more competitive Canada. Femtech Canada's recommendations directly advance three of these priorities.

First, **Priority #2 – One Canadian Economy**: We will connect research, innovators, and industry across provinces through our recommendations. This means new supply chains, interprovincial trade in health technologies, and stronger pipeline for domestic manufacturing. This supports **pan-Canadian commercialization** of Canadian-made solutions, while ensuring innovations developed in one province are available to women in every region.

Second, **Priority #3 – Lowering Costs**: Innovative women's health solutions can save Canada in direct healthcare costs, while bosting participation in the workplace —increasing GDP and household incomes. By lowering costs and increasing incomes, we put more money into Canadian families' pockets while driving Canada's economic output.

Third, **Priority #6 – Attracting Talent**: Femtech is one of the fastest-growing health sectors globally, with 90% of Canadian companies with women in leadership positions. Investing now will help Canada keep our top researchers and entrepreneurs here, attract global expertise, and cement our leadership. A commitment in this sector will also make us a destination for investors and skilled workers who want to grow with companies in Canada and sell to the world.

Our recommendations are a nation-building investment that strengthens our economy, improves lives, and positions Canada as a global leader in a sector we can own, globally.

The Problem: Women's Health is Underserved, Under-researched and Underfunded

Despite making up more than half of Canada's population, women experience significant inequities in healthcare access, research representation, diagnosis, and innovation. These gaps hurt not only the health of women but the productivity and well-being of the entire country.

1. **Under-Researched:** Until 1997, women weren't required to be included in clinical trials in Canada. Today, 64% of Phase 1 clinical trials still skew toward male participants[1]. Only 6.8% of research funding in Canada is allocated to female-specific health issues[2]. Critical conditions like endometriosis, menopause, and PCOS are understudied, limiting innovation.

2. **Under-Supported:** Women are twice as likely to suffer from chronic pain, autoimmune diseases, and mental health conditions, yet face barriers to care. Women experience depression at twice the rate of men but are three times more likely to encounter obstacles in accessing mental health support. Globally, only 5% of R&D is focused on women's health[3]. Only 3% of digital health investment goes to Femtech[4], and female founders (who represent 90% of founders in Canadian femtech) in Canada receive just 4% of venture capital. [5]

   Undervalued: Women make up nearly half our workforce, drive over 75% of household purchasing decisions6, and women entrepreneurs contribute $150 billion annually to our economy[7]. Despite this, neglected women's health conditions translate to significant economic costs. Menopause alone costs Canadian employers $237 million in lost productivity and women $3.5[8] billion in income loss annually. Over one million Canadians

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[1] https://www.sciencedirect.com/science/article/abs/pii/S1049386708001412?utm

[2] Stranges, T. N. (2023). Are we moving the dial? Canadian health research funding trends for women's health, 2S/LGBTQ + health, sex, or gender considerations. Biology of Sex Differences, 14(40). Retrieved from https://doi.org/10.1186/s13293-023-00524-9

[3] World Economic Forum (2025). Women's health is a $1trillion opportunity that demands greater investment. Retrieved from https://www.weforum.org/stories/2025/05/women-s-health-trillion-dollar-opportunity-investment/

[4] UNICEF (2025) What you should know about femtech and why. Retrieved from https://www.unicef.org/innovation/stories/what-you-should-know-about-fem-tech-and-why

[5] WEKH (2024) The State of Women's Entrepreneurship in Canada: 2024. Retrieved from https://wekh.ca/research/the-state-of-womens-entrepreneurship-in-canada-2024/

[6] Statistics Canada (2022) Estimating the economic value of unpaid household work in Canada, 2015 to 2019. Retrieved from https://www150.statcan.gc.ca/n1/pub/13-605-x/2022001/article/00001-eng.htm?utm_source=chatgpt.com

[7] WEKH (2022) The State of Women's Entrepreneurship in Canada: 2024. Retrieved from https://wekh.ca/research/the-state-of-womens-entrepreneurship-in-canada-2024/

[8] Menopause Foundation of Canada (2023) Menopause and Work in Canada. Retrieved from

live with endometriosis, with over 50% saying it impairs their work[9]. Finaly, as many as 17% of Canadian women report living in poor mental health, affecting their ability to participate in the workforce and society[10].

3. **Underdiagnosed:** Diseases such as heart disease—the leading cause of death in Canadian women—remain underdiagnosed due to biased clinical practices. A **retrospective study** cited by the Heart & Stroke Foundation revealed that early signs of an impending heart attack were **missed in 78% of women** in Canada[11]. This is not unique to cardiovascular health, women also experience higher rates of adverse drug reactions due to limited participation in testing.

Budget Recommendations: A $100M Women's Health Investment

McKinsey & Company estimates that closing the women's health gap could increase Canada's GDP by $27 billion annually by 2040. Each dollar invested in women's health could return $3 in economic growth[12]. Healthier women lead to stronger families, stronger communities, a stronger workforce and a stronger Canada.

We propose a four-pillar strategy to address the health innovation gap and build a more inclusive, sustainable healthcare and economic future for women in Canada.

Recommendation 1: Renew the $20M investment in the National Women's Health Research Initiative, a partnership between the Canadian Institutes of Health Research (CIHR) and Women and Gender Equality Canada (WAGE).

Renew and sustain funding for the NWHRI—a partnership between CIHR and WAGE. Since its launch, this initiative has funded 37 projects targeting high-priority areas like endometriosis, pain management, and women's heart health. A renewal of this program would enable four new national calls for proposals, supporting 35+ additional research initiatives.

Recommendation 2: Invest $30M through Canada's Regional Development Agencies to support Femtech Canada's innovation programming.

Deploy $30M through Canada's Regional Development Agencies to support national Femtech programs. Funding will focus on scaling startups, connecting them to infrastructure and health systems, and accelerating commercialization while helping extend current life sciences ecosystem support to include and represent women's healthcare needs.

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https://menopausefoundationcanada.ca/menopause-and-work-in-canada-report/
[9] https://pmc.ncbi.nlm.nih.gov/articles/PMC9127440
[10] Statistics Canada (2011) Women with Activity Limitations. Retrieved from https://www150.statcan.gc.ca/n1/pub/89-503-x/2010001/article/11545-eng.pdf
[11] Heart&Stroke (2018) Women's heart health is another glass ceiling we need to smash. Retrieved from https://www.heartandstroke.ca/what-we-do/media-centre/news-releases/2018-heart-report-news-release?utm_source=chatgpt.com
[12] McKinsey (2024) Closing the Women's Health Gap: A $1 trillion opportunity to improve lives and economies. Retrieved from https://www.mckinsey.com/mhi/our-insights/closing-the-womens-health-gap-a-1-trillion-dollar-opportunity-to-improve-lives-and-economies

Femtech Canada is ready to lead programming, leveraging our network of accelerators and clinical partners to:

- Launch annual Femtech accelerator cohorts
- Fund academic and clinical commercialization pilots
- Support team hiring and growth
- Enable inventory support and manufacturing for early-stage sales
- Build data, AI, and tech infrastructure

This investment would reach over 250 companies across Canada and unlock at least $40M in matching contributions from participating femtech companies and contribute $30M in economic and social outcomes for Canada over 4 years.

Recommendation #3: Create a $50M National Femtech Investment Fund

Launch a $50M investment fund to support scaling and commercialization of high-growth Femtech companies. Over 90% of Canadian Femtech companies are women-led. Yet, women founders receive just 4% of venture funding. This initiative addresses that gap directly. The fund would support companies at the pre-seed and seed stages—precisely when capital is most critical and help keep these companies in Canada, while generating over $350M in private sector investment over four years.

Femtech Canada has partnered with UHN's Centre for Aging and Brain Health Innovation to manage this fund, leveraging their expertise in venture deployment. The fund will prioritize innovation in critical areas such as reproductive health, mental health, digital diagnostics, menopause, and chronic pain.

Recommendation #4: Update Canada's 1999 Women's Health Strategy by allocating $1.6M

Canada's last national women's health strategy was released in 1999. Since then, science, demographics, and societal needs have evolved dramatically. We propose a $1.6M investment to create a modern, cross-departmental strategy co-led by Health Canada, WAGE, ISED, and provincial governments.
The strategy should address:

- Research priorities
- Health data collection and equity
- Innovation and commercialization
- Access to care (especially rural and Indigenous communities)
- Gender-based analysis
- AI and digital health inclusion

This call is supported by 22 national organizations, including the five major women's health hospitals in Canada, who will jointly publish a manifesto calling on the federal government to act.

Expected Outcomes

Economic Impact:

Femtech Canada has supported 180+ companies in the last two years, who have commercialized 110 years of Canadian research, creating 1260+ active jobs nationally and generating $250M+ in private sector investment, including four major company acquisitions. Femtech companies have undertaken 70+ new clinical research projects generated at Canadian universities and hospitals, 70+ new products and services being manufactured and sold to Canadians and have filed 75+ patents.

Through the $100M Women's Health Investment, we expect:

- 500 new jobs created across Canada
- $25M in domestic sales
- $25M in foreign exports
- $350M in private sector investment
- 250 Femtech companies supported
- 50 new companies created
- 100 new R&D and IP projects launched
- 50 commercialized healthcare solutions

Social, Health and Economic Outcomes

With advancements in research, innovation, new products and services and improvements in care delivery, greater availability of Femtech products and services have been proven to reduce household costs, improve productivity and health outcomes while shaping the foundation of entire communities.

1. **Affordability & Choice**
   The availability of new, alternative, and innovative products and services by investing in innovative tools and treatments for areas of health such as reproductive health, cancers, and menopause lowers the costs and improves choices for Canadian women. Lower costs not only lessen the strain on our healthcare system and affordability of healthcare, but it also allows women to spend their money, time and energy in other parts of the economy.

2. **Productivity**
   Over half of the health burden on the female population is during their prime working years. In Canada, PMS and menopause are key contributors to over nine days lost per woman per year representing 2.2% in lost GDP output and over $3.3B in depressed wages for women dealing with these symptoms. With an investment in women's options for PMS and menopause (among other conditions causing loss of work and disability), Canada could allow 685,000 women to re-enter the workforce in full time positions. An investment into Femtech is not only a pathway for more women in industry, due to 90% of Femtech management being female, but is also a driver for

workplace equity by addressing women's health impacts on workforce retention and advancement.

3. **Health Outcomes and Quality of Life**
   With new innovative treatments, diagnostics, management tools, solutions and research entering the Canadian market, we can save lives and improve the quality of life of millions of women living in poor health in Canada. Women in Canada spend 25% more time in poor health than men, leading to 75M years of lost life and early death[13]. Investing in their health care means direct output in the care we deliver, meaning fewer earlier deaths, fewer health conditions and fewer unhealthy women entering our healthcare system.

4. **Stronger Communities**
   Women are the staples of every household, representing 50% of the workforce, 40% as the primary source of income for their family, and 75% of the decision-making and spending regarding healthcare decisions in their family. Additionally, unhealthy women struggle to keep others healthy when 66% of women in Canada make up the primary family caregivers. This means that investment into women's health directly impacts the elderly, children and partners in an intergenerational household who rely on their support, income and decision-making.

Summary

Femtech Canada is recommending the Canadian government make a transformational investment of $100M to catalyze Canada's growing femtech cluster.

These funds would be used to (1) renew the CIHR National Women's Health Research Initiative,(2) advance the creation and commercialization of innovation through Femtech Canada programming, (3) invest in a national investment fund for women's health innovation and (4) update the 1999 Canadian Women's Health Strategy. Unlocking an anticipated $350M in private sector investment over four years, the Government's investment will support over 250 companies, create over 500 new jobs, mobilize $50M in exports and domestic sales, and support the creation of 100 pieces of new R&D.

Canada is only as strong as its women that drive its workforce, its leadership, their families, and communities. We urge the government to commit $100M in the 2025 budget to reinforce Canada's position as a global leader in women's health innovation and contribute to Prime Minister Carney's priorities for one Canadian economy, lowering costs and attracting talent. We believe an investment in the social and economic opportunities in women's health will improve health outcomes for women across Canada, allow us to become a world leader in innovation and research, and to drive company creation, investment and global exports of a next generation of innovative products and services.

[13] McKinsey (2024) Closing the Women's Health Gap: A $1 trillion opportunity to improve lives and economies. Retrieved from https://www.mckinsey.com/mhi/our-insights/closing-the-womens-health-gap-a-1-trillion-dollar-opportunity-to-improve-lives-and-economies

Thank you for considering this important initiative. We look forward to the opportunity to discuss this proposal further and to work together to make Canada a global leader in women's health innovation.

Sincerely,

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