

The *Patent Act* also requires the PMPRB to monitor and report annually on the ratio of R&D expenditures to revenues for each patentee, and for the patented pharmaceutical industry as a whole. For individual patentees, this calculation includes all revenues from Canadian sales of medicines, including revenues from licensing agreements.

Less Litigation

The Canadian business environment is significantly less litigious than that of the United States. In general, the Canadian legal system does not promote the use of legal means to receive compensation for medical malpractice.

A study in the *New England Journal of Medicine* indicates that Canadian physicians are one fifth as likely to be sued as their counterparts in the United States. (Coyte et al. 1991-1 324: 89-93).

III.5 A QUALITY WORK FORCE AND COMPARABLE LABOUR COSTS

Work Force

Canada is rich in its availability of highly talented research professionals. Canadian physicians and hospitals are considered to be among the best in the world. The greatest growth area for new jobs has been in medical R&D in Canada. In this field alone, employment rose by 192 per cent or 1 773 new positions between 1987 and 1994.

Canada offers the highly skilled, educated work force demanded by knowledge-based, R&D-intensive industries. Canada's educational system, one of the world's finest, provides top-quality graduates to industry. Canada has 53 universities that award bachelor's degrees in the sciences as well as 26 universities that offer masters and doctoral degrees in the sciences and/or engineering. Because of this well-developed educational infrastructure, Canada is able to maintain a relatively high percentage of graduates in science and technology compared to the United States and other G-7 countries. In a recent survey, Canada ranked first among G-7 countries in per capita post-secondary education enrolment.

The following table provides a breakdown of graduates from Canadian universities and colleges in the fields of engineering, sciences and the health professions.

Discipline	B.Sc./B. Eng.	M.Sc./M. Eng.	Ph.D	Total
Engineering/Applied Science	8 309	2 111	552	10 972
Biological Sciences	7 722	993	397	9 112
Mathematics	6 580	1 301	615	8 496
Health Professionals	7 778	1 399	400	9 577
Total	30 389	5 804	1 964	38 157

Source: Statistics Canada, 1995

Labour Costs

Professional and labour costs in Canada compare favourably with other countries. Between 1993 and 1994, Canada's labour costs decreased by 2.1 per cent and wage settlements, in the