

Medical Devices



Canada's medical devices sector benefits from Canada's strengths in related technologies and disciplines and is geared to manufacturing quality devices meeting stringent international criteria.

Canada offers global medical device manufacturers tremendous opportunities in rapidly expanding domestic and international markets. With sales at \$5 billion annually, the medical device industry in Canada employs more than 35,000 highly skilled workers in as many as 1,500 facilities ranging in size from global manufacturers with international strategies to entrepreneurial small and medium-sized enterprises serving niche markets.⁴⁰ Core strengths of the Canadian medical devices sector include: the development of cardiovascular devices, including heart valves and cryoablation systems; medical imaging technologies together with archiving systems and intra-operative MRI; *in vitro* diagnostic tools that allow for the identification of HIV, cardiac markers, and cancer; dental implants and materials; and assistive devices and home care products.⁴¹

The sector also benefits from the advanced nature of related technologies and disciplines characteristic of the Canadian economic mosaic, including biotechnology, telecommunications, software and informatics, photonics, robotics, microelectronics, and the availability of advanced materials R&D facilities.

Major international players include Abbott Laboratories, which first came to Canada in 1931, and now employs 1,200 individuals at manufacturing and distribution centres across Canada, and McKesson, a world leader in medical imaging technology. Other major international firms include Baxter, 3M, Bard, St. Jude, Siemens, Sulzer, and Mitroflow.

Sector geared toward exports

Export destination countries represent major markets for Canadian device manufacturers. Canadian companies exported \$2.5 billion in medical devices in 2005. Exports of Canadian devices are strengthened by progressive Canadian regulations mandating that medical devices manufactured in Canada specifically for export do not require Canadian regulatory approval. This export provision has prompted foreign-owned companies to undertake export manufacturing from a Canadian base. In addition, NAFTA allows virtually unfettered access to the vast U.S. market. Canada's exports of medical devices increased at a compound annual growth rate of 10.5 percent from 2000 – 2005.⁴²



⁴⁰ Foreign Affairs and International Trade Canada. *Canada's Health Sector (Medical Device and Pharmaceuticals) Pre-Posting Sectoral Briefing*. May 2006. p. 3

⁴¹ Canada's Health Sector (Medical Device and Pharmaceuticals) Pre-Posting Sectoral Briefing May-June 2006. Slide 7.

⁴² Industry Canada. *Canada: Your Innovation Partner. Canadian Medical Devices Industry*. 2006. pp.2