## 6. A Strong Research and Development Community

Many international firms use Canada as a base for research, development and testing of new products and processes. The number of scientists and engineers working in research roles has continued to grow as a share of the Canadian labour force. Canada has encouraged international pharmaceuticals firms to locate research facilities here by granting the industry important improvements in patent protection in the domestic market. Canada is also home to research and product development facilities for such companies as IBM, Digital Equipment, Glaxo, and Amdahl, as well as for such Canadian-based multinationals as Northern Telecom and CAE.

An example of this R&D environment is the decision in 1993, by Swedish telecommunications giant L.M. Ericsson, to select Montreal as the site for an R&D mandate in cellular telephone technology. Among the factors that influenced Ericsson's decision were the availability and quality of engineers, the pool of specialized researchers working in the field of telecommunications in the Montreal area, and the calibre of companies likely to act as subcontractors. Another point in selling the Canadian location was the effective integration of federal and provincial assistance.

Growing Scientific Community
(scientists and engineers engaged in Research and Development per 1,000 employed persons)
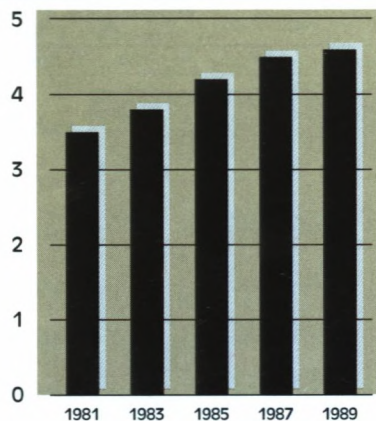
Source: Statistics Canada, Catalogue 88-002, Indicators for Science and Technology, Vol. 2, No. 4.