

Purchases of dental equipment and supplies remain relatively flat at US\$1.2 billion, with growth projected at 3 to 5 per cent annually.

X-ray apparatus and tube purchases are estimated at US\$3.7 billion, with annual growth projected at up to 5 per cent.

Purchases of electromedical equipment have topped US\$6 billion; annual growth is projected at 7 per cent.

Despite this success, the medical and dental instruments and supplies industries face challenges that may dampen their historic growth. These challenges include the costs of meeting new regulatory requirements to ensure product safety and effectiveness, changes in Medicare reimbursement plans, and pressure from hospitals to contain costs.

While healthcare reform may provide new markets for medical equipment suppliers, it also promises to add additional uncertainty to an already heavily regulated industry.

With an increasing emphasis on cost containment, medical device products that can demonstrate their efficiency in producing documentable outcomes, will have an distinct advantage in the U.S. market. Sectors of the medical industry that anticipate growth in excess of 20 per cent over the next five years include the following:

- outpatient care
- home healthcare
- ambulatory infusion services
- ambulatory surgery centres
- nursing home care
- managed care organizations
- medical waste management
- antivirals
- minimally invasive surgical devices
- laparoscopy products
- implantable defibrillators
- DNA probes
- coronary angioplasty products

The 1991, the total value of exports to the U.S. by the Canadian healthcare industry amounted to C\$107 million, about one-third of Canada's total production.