



Canadian Council of Independent Laboratories
Conseil canadien des laboratoires indépendants

FOR IMMEDIATE RELEASE

Here's Something Alberta Can Do to Improve Its Economy: A Recommendation from CCIL for Budget 2021

(February 22, 2021) – Here's one measure the Alberta government can implement in its upcoming Budget to advance its goals of diversifying its economy, removing barriers to investment, and ensuring that tax dollars are spent wisely:

End the funding to Innotech Alberta – at least \$106 million a year by conservative estimates – which it uses to provide services, many that are already commercially available.

Innotech Alberta (IA) was established to support applied research and innovation in the province. Instead, IA has largely become a tax-subsidized competitor to the private sector – offering the same routine testing services that existing businesses provide.

This misapplication of public funds has had terrible consequences. It has acted as a disincentive to private-sector investment in the province, held back business growth, and reduced job creation opportunities. It has also diverted precious tax dollars from legitimate research programs and wasted these resources on a duplication of services.

The Canadian Council of Independent Laboratories (CCIL) has discussed this issue with officials representing IA and the Minister of Jobs, Economy and Innovation. CCIL has also produced a detailed report that examines the costs of this wasteful and damaging public spending. An executive summary is posted on the CCIL website ([click here](#)), and the full report is available on request.

CCIL has presented its findings to the Alberta government, and is hopeful that the province will address this issue in its Budget on Thursday, February 25.

“It's a simple matter. By ensuring that public funds going to Innotech Alberta are applied only to real research and development, the province will be freeing private enterprise from unfair competition and putting tax dollars to work in building a more innovative and prosperous economy,” said CCIL President Tony Araujo.

“Every dollar that IA spends on duplicating the services of the private-sector laboratory testing industry is a dollar wasted – a dollar that could have been invested in the future of Alberta,” Araujo added.

According to the Conference Board of Canada, Alberta ranks 19th out of 26 jurisdictions for its poor record of innovation. The report can be seen here:

<https://www.conferenceboard.ca/hcp/Provincial/Innovation.aspx>

Refocusing IA – ensuring that its funding is used for legitimate research purposes – would be a good step in beginning to address this serious problem.

CCIL represents the independent, private-sector testing laboratories in Canada. Its members operate more than 400 laboratory facilities across the country, 89 of which are located in Alberta. These laboratories provide testing services for construction materials, manufactured goods, minerals, oil and gas, crops, food, air, water, soil and more.

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For further information or to arrange an interview, contact:

Megan Stephens
416-777-0368
megan@prpost.ca