

Economic effects of research parks grow

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The economic effects of Saskatchewan's government-owned research parks reached \$592 million last year, says an economic modelling study released Friday.

Innovation Place is the operating name for the Saskatchewan Opportunities Corp., which manages research parks in Saskatoon and Regina. The organization also manages the Forestry Centre in Prince Albert.

According to the survey and study, there are 190 organizations with 3,700 employees at Innovation Place in both major cities, with eight new start-up companies moving into space owned by the parks last year.

Using a multiplier factor of two, which is a conservative figure for such a projection, the economic model of the spinoff effects suggest 7,100 jobs in Saskatchewan are attributable to the economic activity within the research parks.

About 71 per cent of the tenants at the parks have fewer than 10 employees, with 52 per cent having five or fewer.

By contrast, the giant British-owned consulting engineering company AMEC, heavily involved in potash and uranium mine expansion projects in Saskatchewan, moved in several hundred employees last year when it consolidated its Saskatoon office space at a new five-storey building at the Preston Avenue edge of the Saskatoon campus.

Innovation Place spokesperson Austin Beggs says space is again at a premium in Saskatoon's research park, with all the space in that five-storey office building now leased.

In Regina, some 70,000 square feet of new space is being completed this year, not counting the new Saskatchewan Health provincial laboratory, which is going up in a building owned by Saskatchewan Property Management.

Innovation Place contracted Insightrix Research Services Inc. to do the economic impact survey between December and January this winter. The study calculated the effects both within the cities in which the parks are located and on the province as a whole.

In Saskatoon, where the Innovation Place name was initially used in the early 1980s when the first buildings were constructed to the north of the main University of Saskatchewan campus, the net payroll of park tenants, plus the purchases made by the companies, totals \$172 million.

Using a multiplier factor of two, the study estimates the economic spinoffs in Saskatoon of the companies in the research park has resulted in the equivalent of 4,174 full-time employees in the city plus another 625 jobs elsewhere in Saskatchewan. Total contributions to the GDP, using the spending multiplier of 1.43, is \$245 million locally and \$336 million provincewide.

The economic model which calculates spending on local goods and services, plus the economic effect of the disposable income of employees, was developed at the University of Saskatchewan.

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