

The Industrial Incentive Program Regulations

Repealed

by Saskatchewan Regulations 40/98 (effective May 13, 1998).

Formerly

Chapter I-4.1 Reg 1 (effective April 1, 1984)
as amended by Saskatchewan Regulations
126/84, 49/85, 25/86, 42/86 and 60/86.

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER I-4.1 REG 1

The Industrial Incentive Program Act

Title

1 These regulations may be cited as *The Industrial Incentive Program Regulations*.

Interpretation

2(1) In these regulations:

- (a) **“Act”** means *The Industrial Incentive Program Act*;
- (b) **“corporation”** means a corporation that is incorporated, continued or registered pursuant to *The Business Corporations Act* or *The Co-operatives Act*;
- (c) **“employer”** means an individual, partnership, corporation, association or other body that:
 - (i) in the opinion of the minister, carries on business in Saskatchewan;
 - (ii) is liable to pay tax pursuant to *The Income Tax Act*; and
 - (iii) is registered pursuant to *The Business Names Registration Act*, *The Business Corporations Act* or *The Co-operatives Act*;
- (d) **“pre-program employee complement”** means the number of an eligible applicant’s employment positions offering full-time employment one month prior to the date that commercial production commences;
- (e) **“program period”** means the period commencing April 1, 1984 and ending April 30, 1990;
- (f) **“seasonal employment”** means employment that is of less than 12 continuous months duration but is a normal annual recurrence for that type of business.

(2) In these regulations and for the purposes of the Act:

- (a) **“capital outlay”** includes the direct costs to an eligible applicant of:
 - (i) design engineering, site preparation and construction of buildings or facilities used for manufacturing or processing;
 - (ii) leasing or purchasing and installing machinery or equipment; and
 - (iii) insurance on all or any of the items described in subclauses (i) and (ii) during any construction as computed in accordance with generally accepted accounting principles;

but does not include:

- (iv) the cost of purchasing real property;

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- (v) the leasing of production space;
 - (vi) costs related to assets that, according to generally accepted accounting principles, would normally be considered a charge against income in the year in which they were acquired;
 - (vii) the cost of any motor vehicle unless the vehicle is used primarily on the manufacturing or processing site or between two or more manufacturing or processing sites;
 - (viii) goodwill;
 - (ix) the cost of any asset to the extent that it exceeds the book value of the asset; or
 - (x) professional fees, other than professional fees included in design or engineering costs mentioned in subclause (i);
- (b) **“eligible employment position”** means an employment position that:
- (i) is a new position;
 - (ii) is engaged on a manufacturing or processing site;
 - (iii) does not replace or displace an existing employment position;
 - (iv) offers full-time employment; and
 - (v) provides employment for:
 - (A) a continuous period of at least 12 months; or
 - (B) in the case of seasonal employment, a continuous period of at least four months for each seasonal employment position;
- (c) **“full-time employment”** means:
- (i) with respect to the month prior to the program period, 140 hours in that month;
 - (ii) with respect to the program period, an average of 140 hours per month;
- (d) **“manufacturing and processing”** means:
- (a) an operation in which goods, products, commodities or wares are created, fabricated, refined or made marketable as classified *Division E* of; or
 - (b) an operation within the meaning of *Division A-0161 “mushrooms”* of; the *Manufacturing Industries Standard Industrial Classifications*, as amended from time to time, as compiled by Statistics Canada.

Criteria for approval eligibility

3(1) For the purposes of clause 4(b) and subsection 5(1) of the Act, the minister shall not approve an application unless the minister is satisfied that the eligible applicant:

- (a) is an employer;
 - (b) has not made any material commitment to make and has not made any capital outlays, which are the subject of his application, prior to submission of his application, other than those material commitments to make capital outlays that were, in the opinion of the minister, reasonably required to be made before the application was submitted;
 - (c) will commence commercial production within 12 months after approval;
 - (d) will establish, within six months of commercial production, eligible employment positions; and
 - (e) is, in the case of acquisition of a dormant existing manufacturing facility, acquiring a facility:
 - (i) that has been out of production for a period of at least six months;
 - (ii) the investors in which are persons other than the previous owners; and
 - (iii) the operation of which has not been terminated for the purpose of receiving all or any part of a payment pursuant to the Act.
- (2) Subclauses (1)(e)(i) and (ii) do not apply to the acquisition of a facility pursuant to a judicial sale or to a proceeding related to the realization of a security interest in the facility.

8 Jne 84 CI-4.1 Reg 1 s3; 19 Oct 84 SR 126/84
s2; 27 Mar 86 SR 25/86 s2.

Criteria for payment eligibility

4(1) For the purposes of subsection 5(2) of the Act, where an eligible applicant:

- (a) has had his application approved by the minister pursuant to subsection 5(1) of the Act; and
 - (b) wishes to receive a payment for an eligible employment position;
- he shall apply to the minister, on or before March 31, 1987, on any form that the minister may supply.

(2) For the purposes of subsection 5(2) of the Act, the minister shall not make a payment to an eligible applicant unless the eligible applicant has satisfied the minister that:

- (a) his pre-program employee complement is not less than the number of employment positions offering full-time employment he had when he applied to the minister to receive a payment pursuant to the Act;

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- (b) each eligible employment position:
 - (i) has been in existence for at least 12 consecutive months during the program period or in the case of seasonal employment the cumulative employment represents the equivalent of at least 12 person months; and
 - (ii) has not been vacant for more than 30 working days or in the case of seasonal employment each position has not been vacant for more than 10 working days; and
- (c) during that part of the program period for which he is applying, the number of his employment positions offering full-time employment has been equal to or greater than the sum of:
 - (i) his pre-program employee complement; and
 - (ii) the number of eligible employment positions with respect to which he is applying for the payment.

8 Jne 84 cI-4.1 Reg 1 s4; 14 Jne 85 SR 49/85 s4;
9 May 86 SR 42/86 s4.

Required records

5 An eligible applicant, whose application has been approved by the minister pursuant to subsection 5(1) of the Act, shall maintain, separate and distinct from the accounts and records of his existing operation:

- (a) a chart of accounts of capital outlays; and
- (b) a record of eligible employment positions.

8 Jne 84 cI-4.1 Reg 1 s5.