The Creative Saskatchewan Regulations

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Chapter C-43.12 Reg 1 (effective July 2, 2013) as amended by Saskatchewan Regulations 68/2015, 42/2021 and 32/2022.

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 C-43.12 REG 1

The Creative Saskatchewan Act

PART I Preliminary Matters

Title

- 1 These regulations may be cited as *The Creative Saskatchewan Regulations*. Interpretation
 - **2**(1) In these regulations:
 - (a) "Act" means The Creative Saskatchewan Act;
 - (a.1) "commercial use" means created, prepared, or done for saleability or profit;
 - (b) "creative industry association" means an association or entity that:
 - (i) is incorporated;
 - (ii) satisfies the agency that it is recognized as representing one sector of the creative industry in Saskatchewan;
 - (iii) has among its purposes the promotion of the interests of its members and the provision of services to its members;
 - (c) "eligible applicant" means:
 - (i) with respect to a corporation, a corporation:
 - (A) that is incorporated or continued pursuant to an Act or is registered pursuant to an Act to carry on business in Saskatchewan;
 - (B) the majority of whose outstanding voting shares are owned by Saskatchewan residents;
 - (C) that has a permanent establishment in Saskatchewan; and
 - (D) subject to subsection (2), that filed an income tax return respecting income earned in Saskatchewan for its taxation year preceding the year in which it applies for financial assistance pursuant to these regulations;
 - (ii) with respect to an individual, an individual who:
 - (A) is a Canadian Citizen or a permanent resident as defined in the *Immigration and Refugee Protection Act* (Canada); and
 - (B) has filed a personal income tax return as a resident of Saskatchewan in the year preceding the year in which the individual applies for financial assistance pursuant to these regulations;

- (d) "eligible project" means a project that:
 - (i) is, in the opinion of the agency, suitable for commercial use in one or any combination of the following creative industry sectors:
 - (A) music and sound recording;
 - (B) screen-based media;
 - (C) visual arts and craft;
 - (D) publishing;
 - (E) live performing arts;
 - (F) any other creative industry sector approved by the minister;
 - (ii) has a demonstrable economic and cultural benefit to Saskatchewan;
 - (iii) with respect to screen-based media, has content that:
 - (A) is intended for television, cinema, video or digital delivery; and
 - (B) consists of a combination of at least two of text, sound, and images; and
 - (iv) may include projects related to one or any combination of the following:
 - (A) the development and production of commercial creative content;
 - (B) the development of commercially-ready creative products for markets, including export markets;
 - (C) the development of either or both of business capacity and skills in the creative industry;
 - (D) research and development to further the growth of the creative industry;
- (d.1) **"permanent establishment"** means a permanent establishment as defined in the *Income Tax Regulations* (Canada);
- (e) "recipient" means an applicant whose application for financial assistance has been approved pursuant to section 7 or 7.1;
- (f) "screen-based media" means audio-visual creative content including film, television, animation, visual effects, games and other interactive and digital media.
- (2) Paragraph (1)(c)(i)(D) does not apply to a corporation that is incorporated, continued or registered pursuant to *The Non-profit Corporations Act, 1995*.

 $5~\mathrm{Jly}~2013~\mathrm{cC}\text{-}43.12~\mathrm{s2};~31~\mathrm{Jly}~2015~\mathrm{SR}~68/2015~\mathrm{s3};~30~\mathrm{Apr}~2021~\mathrm{SR}~42/2021~\mathrm{s2}.$

PART II Nomination to Board

Nominating committee and notifying the minister

- **3**(1) For the purpose of subsection 12(4) of the Act, the board shall establish a nominating committee.
- (2) The nominating committee is to be composed of the following persons:
 - (a) two members appointed by the board;
 - (b) one non-voting representative appointed by the minister;
 - (c) three persons from the creative industry appointed by the board after consultations that the board considers appropriate with creative industry associations.
- (3) The board shall appoint as chairperson of the nominating committee one of the members mentioned in clause (2)(a).
- (4) The nominating committee shall:
 - (a) develop a plan and process for nominating candidates to the board;
 - (b) develop selection criteria for potential members;
 - (c) solicit and receive nominations from the creative industry;
 - (d) review nominations to satisfy itself that nominees:
 - (i) are able to carry out their duties as members honestly, in good faith and in the best interests of the agency; and
 - (ii) are not and will not be in any conflict of interest respecting the agency; and
 - (e) within the period requested by the agency, provide the agency with a list of at least three nominees for each vacant position.
- (5) The board shall cause the names of the nominating committee and the manner in which the nominating committee may be contacted to be made public in any manner that the board is satisfied will draw that information to the attention of the public.
- (6) Within the period requested by the minister, the agency shall provide the minister with a list of at least three nominees for each vacant position.

5 Jly 2013 cC-43.12 s3.

Nominations from the creative industry

- 4(1) For the purposes of clause 3(4)(c), any creative industry association and any other person involved in the creative industry in Saskatchewan may submit a nomination in writing to the nominating committee.
- (2) A nomination pursuant to subsection (1) must:
 - (a) include with the nomination a written outline of the experience and qualifications of the person being nominated; and
 - (b) include with the nomination any letters of support from the creative industry association or person making the nomination that the board may require.

5 Jly 2013 cC-43.12 s4.

PART III Financial Assistance

Applications for financial assistance

- **5**(1) An eligible applicant may apply for financial assistance for a proposed project in the form of a grant, loan or equity investment by submitting an application to the agency that is in the form required by the agency.
- (2) Every application for financial assistance must contain:
 - (a) a description of:
 - (i) the proposed project; and
 - (ii) the form of financial assistance being applied for;
 - (b) a business plan for the proposed project that is the subject of the application, including a proposed budget; and
 - (c) any additional information the agency may require to satisfy itself that:
 - (i) the applicant is an eligible applicant and is financially solvent; and
 - (ii) the proposed project is an eligible project.
- (3) A creative industry association may apply for financial assistance for a proposed project on behalf of one or more of its members who are eligible applicants.
- (4) On receipt of an application pursuant to this section, the agency may request that the applicant provide any further information that the agency may reasonably require.

 $5~\mathrm{Jly}~2013~\mathrm{cC\text{-}}43.12~\mathrm{s}5;~31~\mathrm{Jly}~2015~\mathrm{SR}~68/2015$ $^{\mathrm{s}4}$

Adjudication panels

- **6**(1) The agency may establish one or more adjudication panels to assist the agency in determining whether or not to approve applications pursuant to these regulations.
- (2) On receipt of an application pursuant to section 5 or 7.1, the agency may refer the application to an appropriate adjudication panel.
- (3) An adjudication panel to which an application is referred pursuant to subsection (2) shall review the application and provide any comments and recommendations to the agency within the period requested by the agency.

 $5~\mathrm{Jly}~2013~\mathrm{cC\text{-}}43.12~\mathrm{s6};~31~\mathrm{Jly}~2015~\mathrm{SR}~68/2015~\mathrm{s5}$

Approval of applications

- 7(1) Subject to section 8, on receipt of an application pursuant to section 5 and on receiving any recommendations from an adjudication panel that the agency may request pursuant to section 6, the agency may:
 - (a) approve the application if the agency is satisfied that:
 - (i) the applicant:
 - (A) is an eligible applicant;
 - (B) is capable of successfully completing the project proposed in the application; and
 - (C) is not in contravention of these regulations or the terms or conditions imposed on any financial assistance previously provided to the applicant;
 - (ii) the proposed project that is the subject of the application:
 - (A) is an eligible project;
 - (B) is feasible;
 - (C) is commercially viable; and
 - (D) will provide recognition to the agency for its assistance in the project;
 - (iii) the agency has sufficient funds to provide the financial assistance requested in the application;
 - (iv) in the case of an application for financial assistance in the form of an equity investment, the equity investment will not be used to retire any debt of the applicant; and
 - (v) it is otherwise appropriate to approve the application; or
 - (b) refuse to approve the application.
- (2) The agency shall provide the applicant with written notice of its decision as soon as is practicable after reaching its decision.

 $5~\mathrm{Jly}~2013~\mathrm{cC}\text{-}43.12~\mathrm{s7};~31~\mathrm{Jly}~2015~\mathrm{SR}~68/2015$ $^{\circ}6$

Financial assistance for operations

- **7.1**(1) In this section, "operating and administrative costs", with respect to a creative industry association, means any expenses that the agency is satisfied are required for the creative industry association's ongoing operations and administration, including any of the following that the agency considers appropriate respecting the creative industry association:
 - (a) its salaries and benefit expenses;
 - (b) its advertising and marketing expenses;
 - (c) its expenses in providing advisory and support services for its members;
 - (d) its building and maintenance expenses;
 - (e) its utility expenses;
 - (f) any professional services fees incurred by it;
 - (g) its programming expenses;
 - (h) any other similar expenses.
- (2) A creative industry association may apply to the agency in writing for financial assistance to pay for its operating and administrative costs.
- (3) In its application, the creative industry association shall provide any information that the agency requires in order to decide whether or not to approve the application.
- (4) Subject to section 8, on receipt of an application pursuant to this section and on receiving any recommendations from an adjudication panel that the agency may request pursuant to section 6, the agency may:
 - (a) approve the application if:
 - (i) the creative industry association:
 - (A) satisfies the agency that the financial assistance applied for will be used to pay for its operating and administrative costs; and
 - (B) is not in contravention of these regulations or the terms or conditions imposed on any financial assistance previously provided to the creative industry association;
 - (ii) the agency is satisfied that it is appropriate and in the public interest to provide financial assistance to the creative industry association; and
 - (iii) the agency has sufficient funds to provide the financial assistance requested in the application; or
 - (b) refuse to approve the application if it is satisfied that the conditions in clause (a) are not met.
- (5) The agency shall provide the creative industry association with written notice of its decision as soon as is practicable after reaching its decision.

31 Jly 2015 SR 68/2015 s7.

Amount of financial assistance

- 8(1) Subject to subsection (2), the aggregate amount of financial assistance that the agency may approve for an applicant pursuant to sections 7 and 7.1 in a fiscal year from moneys granted to the agency by the minister or appropriated by the Legislature is not to exceed:
 - (a) \$750,000; or
 - (b) any greater amount that the Lieutenant Governor in Council may approve.
- (2) In the case of an applicant applying for a grant pursuant to the Feature Film and Television Production Grant Program established by the agency, the aggregate amount of financial assistance that the agency may approve for that applicant pursuant to sections 7 and 7.1 in a fiscal year from moneys granted to the agency by the minister or appropriated by the Legislature is not to exceed:
 - (a) \$5,000,000; or
 - (b) any greater amount that the Lieutenant Governor in Council may approve.

6 May 2022 SR 32/2022 s2.

Equity investments

- **9**(1) In the case of an application for financial assistance in the form of an equity investment that is approved by the agency, the agency may acquire by purchase or otherwise all or any of the following issued by the recipient:
 - (a) shares;
 - (b) bonds:
 - (c) debentures; or
 - (d) securities other than those mentioned in clauses (a) to (c).
- (2) If shares, bonds, debentures or other securities of a person have been acquired pursuant to subsection (1), the agency may, by a written instrument, appoint any person whom the agency considers appropriate to be its representative at any meeting of the shareholders, bondholders, debenture holders or other security holders of the issuer of the securities.
- (3) The person appointed pursuant to subsection (2) is entitled to exercise on behalf of the agency all the powers that the agency could exercise if it were an individual shareholder, bondholder, debenture holder or other security holder.
- (4) The agency may sell or otherwise dispose of any securities acquired by it pursuant to this section on any terms and conditions that the agency considers appropriate.

5 Jly 2013 cC-43.12 s9.

Loans

- **10**(1) Every recipient who receives financial assistance in the form of a loan shall repay the amount of the loan to the agency within:
 - (a) 10 years from the date on which the loan was made to the recipient; or
 - (b) any other period that does not exceed 10 years from the date on which the loan was made that the agency determines to be appropriate.

- (2) If a recipient is in default pursuant to this section, the entire balance of the loan together with accrued interest, if any, is a debt due and owing to the agency from the date of default without further demand or notice.
- (3) From the date of default, the amount remaining to be paid on the loan is subject to interest:
 - (a) at the rate of interest that is set out in the terms and conditions of the loan approval or as otherwise agreed to by the agency and the recipient; or
 - (b) if no interest rate has been agreed to by the agency and the recipient, at a floating rate of interest that is equal to the sum of:
 - (i) the prime lending rate of the bank holding Saskatchewan's general revenue fund; and
 - (ii) 2%.
- (4) A recipient is deemed to be in default if all or any of the following circumstances occur:
 - (a) the recipient defaults with respect to any payment of principal or interest;
 - (b) the recipient fails to submit to the agency any information required pursuant to these regulations or pursuant to any agreement between the agency and the recipient;
 - (c) the recipient breaches or fails to comply with these regulations or with any term or condition of the loan or an agreement with the agency;
 - (d) after giving the recipient an opportunity to be heard, the agency determines that the recipient knowingly made a false or misleading statement on the application for financial assistance or in any information or document provided to the agency pursuant to these regulations;
 - (e) any bankruptcy, receivership, reorganization, compromise, arrangement, insolvency or liquidation proceedings or any other actions by or for the benefit of creditors are instituted by or against the recipient.
- (5) The recipient shall immediately give the agency written notice of any event of default after the recipient becomes aware of that event of default.
- (6) If a recipient is in default:
 - (a) the principal amount of the loan, less any amount repaid pursuant to subsection (1), together with accrued interest, if any:
 - (i) is immediately due and payable to the agency; and
 - (ii) bears interest in accordance with subsection (3); and
 - (b) the agency may take any action authorized at law that it considers necessary:
 - (i) to effect collection of the principal and interest owing;
 - (ii) to obtain any additional security;
 - (iii) to realize on its security; or
 - (iv) to effect any compromise with, or grant any concession to, any recipient or to any other person to the extent that it considers advisable.

- (7) The agency may waive a recipient's default if the agency is satisfied that:
 - (a) one or more of the following apply:
 - (i) the default was due to circumstances beyond the control of the recipient and could not have been avoided by the exercise of due care;
 - (ii) the default is with respect to a minor matter that does not affect the proper operations of the recipient;
 - (iii) the recipient has proposed or agreed to other conditions that meet or exceed the matters with respect to which there is non-compliance;
 - (b) the recipient is otherwise substantially in compliance with these regulations; and
 - (c) it is not contrary to the public interest to waive compliance.

5 Jly 2013 cC-43.12 s10.

Terms and conditions

- **11**(1) The agency may impose any terms and conditions that the agency considers appropriate on financial assistance in addition to those imposed by these regulations.
- (2) No recipient who has received financial assistance shall fail to comply with any term or condition imposed on the recipient's financial assistance by these regulations or by the agency pursuant to subsection (1).

5 Jly 2013 cC-43.12 s11.

Agreement

- **12**(1) As a condition of receiving financial assistance pursuant to these regulations, a recipient shall enter into an agreement with the agency that requires the recipient to do all or any of the following:
 - (a) to keep and make available to the agency any records respecting the project that is the subject of the application;
 - (b) to do any other things that the agency may require for the purposes of these regulations.
- (2) Every recipient shall comply with the agreement that the recipient has entered into pursuant to this section.

5 Jly 2013 cC-43.12 s12.

Overpayment

- **13**(1) The agency may declare all or any payment of financial assistance made to a recipient pursuant to these regulations to be an overpayment if, in the opinion of the agency:
 - (a) the recipient has knowingly made a false or misleading statement with respect to a material fact on any form or in any information or document provided to the agency pursuant to these regulations;

- (b) the recipient has knowingly omitted to make a statement or to provide any information or document if that omission results in a statement with respect to a material fact being misleading;
- (c) the recipient has failed to comply with these regulations or the terms and conditions imposed by the agency on the recipient's financial assistance.
- (2) If the agency declares a payment of financial assistance to be an overpayment, the amount of the overpayment is deemed to be a debt due and owing to the agency and may be recovered from the recipient in any manner authorized pursuant to *The Financial Administration Act, 1993* or in any other manner authorized by law.

5 Jly 2013 cC-43.12 s13.

PART IV Coming into Force

Coming into force

- **14**(1) Subject to subsection (2), these regulations come into force on the day on which section 1 of *The Creative Saskatchewan Act* comes into force.
- (2) If these regulations are filed with the Registrar of Regulations after the day on which section 1 of *The Creative Saskatchewan Act* comes into force, these regulations come into force on the day on which they are filed with the Registrar of Regulations.

5 Jly 2013 cC-43.12 s14.