

Manufacturing Industries



Saskatchewan's manufacturers have achieved many world firsts – from satellite communications technology to roadside scales for the trucking industry.

Our Competitive Edge

- Approximately 28,000 employees and \$16 billion in manufacturing shipments in 2017
- The Saskatchewan Manufacturing Centre of Excellence helps Saskatchewan manufacturers increase their productivity and innovation plus further develop a skilled labour force
- Early adopters of state-of-the-art manufacturing technologies and equipment
- Recognized as worldwide leaders in precision dryland farming technology
- Canadian Light Source cutting-edge technology for micro-electrical-mechanical (MEMS) and advanced materials coatings and finishes
- Innovative manufacturers collaborating to build leading-edge, made-in-Saskatchewan, technology like:
 - Continuous mining equipment used in the potash industry
 - Remote-controlled underground mining equipment at the McArthur River uranium mine
- We produce a wide range of manufactured goods, the majority of which are exported out of the province to markets across Canada and around the world
- Products that are internationally recognized include:
 - Flour goods and bakery mixes
 - Beef, pork and chicken products
 - Jams, jellies and other preserves
 - High-quality lumber
 - Specialty vehicles such as ambulances, highway trailers, recreation vehicles and automotive accessories
 - Agricultural equipment
 - Mining and industrial equipment
 - Satellite and landline communications technology
 - CATV and wireless telecom products
 - Contract manufacturing services for telecommunications, satellite, military and aviation markets

Innovation and Opportunity in Dynamic Subsectors

Food and Beverage Processing

- Our \$4.2-billion food and beverage processing industry includes almost 300 processors and 4,100 employees and produces flour products, meat products, fruit-based products, certified organic foods, specialty foods and nutraceuticals
- The industry produces 30% of our total manufacturing and processing output

Machinery, Transportation and Industrial Equipment

- 15,000 people in this manufacturing cluster represented approximately one-third of the total manufacturing shipments in 2016
- A diverse range of about 300 companies with complementary industrial processes and capabilities work together to produce world-class products
- A world-class steel mill in the province provides high-quality supply to the local industry

Chemical Manufacturing

- Chemicals produced and used here and around the world include fertilizers and herbicides, as well as chemicals for extracting and processing natural resources

Forestry Products

- Key forest products include lumber, pulp, plywood, oriented strand board, treated timbers and posts, log homes, cabinets, millwork and flooring

New and Emerging Sectors

- Saskatchewan's aerospace and defence companies have proven themselves to be world-class suppliers to international space agencies as well as aerospace and defence contractors
- From pickup truck lids and front-end steel grilles to specialized military vehicles, our manufacturers are expanding into the specialty automotive and automotive accessory industry

The Investment Climate

- The 2016 KPMG study, comparing business costs in over 100 cities and 10 countries around the world, found Saskatchewan cities are very cost competitive in areas like research and development (R&D), as well as in manufacturing industries such as chemicals, electronics, metal components, aerospace and agri-foods

- With the strengthening U.S. dollar, Saskatchewan operations enjoy a cost advantage of approximately 15% on average compared to U.S. cities in the Midwest region (*KPMG Competitive Alternatives, 2016*)

Government committed to growth

- Offers programs to encourage the development and commercialization of new technologies
- Invests in education, training and research infrastructure

The Bottom Line

- The Corporate Income Tax rate for manufacturers in Saskatchewan can be as low as 10%.
- A 6% refundable tax credit is available for investment in manufacturing and processing equipment and facilities.
- The Saskatchewan Commercial Innovation Incentive offers eligible corporations a reduction of the provincial Corporate Income Tax rate to 6% for a period of 10 years or 15 years depending on where the R&D takes place.
- Saskatchewan offers a 10% refundable provincial income tax credit for scientific research and development expenditures. For Saskatchewan Canadian-controlled private corporations, the credit is refundable on the first \$1 million of qualifying annual expenditures. In all other cases, it is non-refundable.
- Manufacturing and Processing Exporter Tax Incentives provide non-refundable tax credits to eligible exporting companies that increase their number of employees. If eligible, the company will receive a \$3,000 tax credit for each production level job created or a \$10,000 tax credit for each head office job created.

For more information, contact:

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