

## MANUFACTURING INDUSTRIES

### *Our Competitive Edge*

- 30,500 employees and \$10.9 billion in manufacturing shipments in 2010
- Three consortiums of manufacturers committed to implementing principles of lean enterprise and improving their productivity and competitiveness
- 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 together 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
  - Furniture, cabinets, millwork, flooring
  - 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*

#### **Food and Beverage Processing**

- Our \$2.5-billion food and beverage processing industry includes almost 300 processors and 5,000 employees
- The industry produces over 20% of our total manufacturing and processing output

#### **Machinery, Transportation and Industrial Equipment**

- 16,000 people in this manufacturing cluster represented one third of the total manufacturing shipments in 2010
- 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 resource

### **Wood Products**

- Key wood products include: Dimensional lumber, pulp, plywood, oriented strand board, treated posts, and secondary products, such as furniture, 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 defense 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 2010 KPMG study comparing business costs in more than 100 cities across Europe, Japan and North America finds Saskatchewan cities *very cost competitive* for manufacturing
- Access within a day's drive to 250,000 farm businesses in Canada and the U.S. Midwest

### **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% through our manufacturing and processing profits tax reduction
- The Corporate Capital Tax for businesses has been eliminated
- The 5% Investment Tax Credit for equipment purchased for manufacturing and processing is now a refundable tax credit
- 100% of eligible R&D expenses can be used against net income for the purpose of calculating federal tax credits
- 15% refundable provincial income tax credit for scientific research and development expenditures

### ***Want to know more? Contact:***

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Visit the Enterprise Saskatchewan website at [www.enterprisesaskatchewan.ca](http://www.enterprisesaskatchewan.ca) to learn more about our key economic sectors and detailed information on manufacturing capabilities in Saskatchewan.

**Disclaimer:** The information in this document is accurate as of July 2011; however the Government of Saskatchewan accepts no liability for any actions taken as a result of the information contained herein.