

Program Overview

The **Capital Investment and Training Rebate** program provides eligible small and medium size manufacturing and logistics companies in wealth-creating, export-driven sectors of the economy with up to \$5,000 per new job based on direct capital investment and training expenditures related to the expansion or establishment of a business where two or more new jobs are created.

Features and Benefits of the Program for Business:

- A job creation incentive that provides funding support to expanding businesses based on direct capital and training costs associated with business expansion or start-up, up to \$5,000 per employee.
- Start-up or expand operations quickly with a skilled, custom-trained workforce.
- Training programs developed with this funding can be utilized for future training needs.
- Improve your bottom line, increase productivity, lower employee turnover, and reduce downtime.
- Direct payment to the business owner based on review of supporting financial documentation and master payroll information to verify workforce expansion.

Objective

To incent small and medium size enterprises (SMEs) to create and train over 2,000 new jobs in central and northern British Columbia by 2013.

Program Eligibility

Eligible Organizations

- For-profit, registered corporations.
 - Must be locating or expanding business within the Northern Development Initiative Trust region of central and northern British Columbia. [See Northern Development's regional map online.](#)
 - Must produce manufactured products that are exportable beyond central and northern BC or expand the logistics and warehousing infrastructure in central and northern BC for exportable manufactured products.
 - Must be a non-publicly traded company classified as a small or medium size enterprise (SME) defined as having 500 or less employees within the organization or group of companies.
 - Must operate within a wealth-creating, export-driven sector of the economy including, but not limited to, manufacturing, resource extraction, associated logistics. [See the complete list of eligible sectors for this rebate online.](#)

Job Creation

- Must be creating at least two (2) net new, permanent, full-time (35+ hours/wk) positions that will be located within the Northern Development Initiative Trust region of central or northern BC, paying at least \$35,000/yr.
- For existing central and northern BC businesses expanding or re-locating place of business from within the region, job creation is measured as new positions in addition to the number of positions at the prior or current location (net new employment positions).
- For business re-opening a facility that was previously closed, job creation is measured as net new positions created only when the former workforce was permanently severed. Re-hiring or replacement of employees that are laid-off is not considered eligible job creation.
- For new business start-ups, business owner(s) are not considered eligible new employee(s); ownership is not eligible for rebate of their own personal training costs.

Northern Development reserves the right to make special exceptions to eligibility requirements in order to support business locating or expanding within an economically distressed community.

Eligible Costs

Capital Investment

- Buildings and infrastructure.
- New or used machinery or equipment including direct shipping costs to production facility.
- Labour directly associated with installation of equipment.

Third-Party Training (only during first month of new employment)

- Tuition and/or third-party training provider costs.
- Rent or lease of training equipment.
- Rent of training facilities.
- Travel for new positions associated with training program attendance.

On-The-Job Training

- 50% of new employees' salary costs for the first month of employment.

Ineligible Costs

- In-house training provision and instructor salary time.
- Administration costs.
- GST and PST.
- Costs incurred prior to formal notification of rebate approval-in-principle from Northern Development.

About the Rebate

Rebate Calculation

May cover up to a maximum of \$5,000 per net new employee via combination of the following direct costs:

- 5% of eligible capital investment costs
- 100% of eligible third-party training costs.
- 50% of new employees' salary costs for the first month of employment.

Rebate Limit

- The rebate provides maximum funding of \$250,000 per business.

Rebate Terms

- An applying company can incur eligible capital investment and training costs once the application is formally approved-in-principle by Northern Development.
- A rebate can be claimed once the company has staffed the new eligible positions for a minimum of six (6) months and has incurred capital investment and third-party training costs. All approved-in-principle companies are provided with a Rebate Claim Guide to assist with filing a claim under the program.

Local Procurement Policy

Companies are required to provide Northern Development with a copy of its formal procurement policies enabling local and regionally-based suppliers to bid and be preferred, should they prove competitive in service and price for eligible capital equipment, goods, and services associated with the rebate application.

Application Assessment

Northern Development staff undertake comprehensive due diligence of each application received, which may include contacting relevant agencies and organizations as part of the review process.

Application Process

1. A representative of the company contacts Northern Development and downloads application materials, reviewing eligibility and fit with the mandate of the Capital Investment and Training Rebate. [See the program page online.](#)
2. The company representative completes and submits a completed application form, attaching all applicable required documentation, to Northern Development.
3. Northern Development staff work with the company regarding any refinements and review the application.
4. Northern Development approves-in-principle or declines the rebate application. In keeping with Northern Development's commitment to responsiveness, the applicant will be advised of a decision within two (2) weeks from receipt of a complete application.
5. The company proceeds with initiating all activities related to start-up or expansion of operations including capital investment, recruitment, and training.
6. The company meets the requirement of employing the new eligible positions for a minimum of six (6) months.
7. A company representative provides Northern Development with a complete set of reporting materials in order to claim the approved-in-principle rebate.
8. Northern Development issues a rebate cheque to the applicant within three (3) weeks of receipt, verification, and approval of a complete set of reporting materials from the company.

For program enquiries contact: **Northern Development Initiative Trust**
301-1268 Fifth Avenue, Prince George BC V2L 3L2 Canada
tel 250-561-2525
email info@northerndevlopment.bc.ca
<http://www.northerndevlopment.bc.ca/>