

Saskatchewan franchise legislation coming into force June 30, 2026



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Authors: Andraya Frith, Dominic Mochrie, Christine Jackson, Dorsa Eshtehardian, Alice
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Key takeaways

- Saskatchewan has enacted franchise legislation that will come into force on June 30, 2026.
- The Franchise Disclosure Amendment Regulations introduced on October 8, 2025, clarify key definitions and audit standards for franchisors.
- Definitions for "earnings projection" and "officer" align Saskatchewan with other provinces' franchise laws.
- Franchisors have until June 30, 2026, to update their template Canadian franchise disclosure document to comply with Saskatchewan's legislation.
- Franchisors may continue relying on a single national template with Saskatchewan-specific adjustments for compliance.

As written in a previous Osler <u>Update</u>, Saskatchewan recently became the seventh Canadian province to enact franchise legislation, joining Alberta, Ontario, Prince Edward Island, New Brunswick, Manitoba and British Columbia. On April 25, 2025, the *Saskatchewan Gazette* published *The Franchise Disclosure Regulations*, S.R. 29/2025 (the Regulations) under *The Franchise Disclosure Act*, S.S. 2024, c. 13 (the Act), establishing the framework for the province's first franchise-specific disclosure regime.

On October 8, 2025, the Minister of Justice and Attorney General introduced amendments to the Regulations through *The Franchise Disclosure Amendment Regulations, 2025* (the Amendment Regulations). The <u>Amendment Regulations</u> provide important clarifications for franchisors as Saskatchewan moves toward implementing the legislation. Both the Act and Regulations have been approved by Cabinet to come into force on June 30, 2026.

Overview of the Amendment Regulations

A notable change introduced through the Amendment Regulations is the addition of



definitions for "earnings projection" and "officer", aligning Saskatchewan's framework with similar definitions in other provincial franchise legislation. "Earnings projection" captures any information provided by or on behalf of the franchisor, directly or indirectly, from which a specific level or range of actual or potential sales, costs, income, revenue or profits from franchises or businesses of the franchisor or of the franchisor's affiliate of the same type as the franchise being offered can easily be ascertained. This is consistent with definitions used in British Columbia, Manitoba, Prince Edward Island and New Brunswick. The definition of "officer" follows the approach adopted in British Columbia, Alberta and Manitoba, as it is intentionally broad, extending beyond formal corporate titles to include any individual who performs functions or acts in a capacity similar to those of an officer.

Similar to Ontario, the Amendment Regulations clarify the audit standards applicable to a franchisor's financial statements, confirming that financial statements prepared in accordance with the standards of the Auditing Standards Board of the American Institute of Certified Public Accountants or the Public Company Accounting Oversight Board of the United States are acceptable.

The Amendment Regulations further clarify that, subject to narrow exemptions, the financial statements of the franchisor must be prepared in accordance with the generally accepted accounting principles of the jurisdiction in which the franchisor is based in (rather than the jurisdiction of the franchise, as previously specified in the Regulations).

Implications for franchisors and next steps

The June 30, 2026, effective date provides franchisors with a reasonable period of time to update their existing national franchise disclosure document template for compliance with the Saskatchewan legislation. As many franchisors have a calendar fiscal year end such that certain information must be updated immediately on January 1st of each year (i.e., information about advertising fund spend, lists of terminated franchisees, etc.), some efficiencies will be gained by updating their national franchise disclosure document template for compliance with Saskatchewan at the same time as they make their annual updates. Other franchisors may choose to update their national disclosure document template closer to the June 30, 2026, in-force date.

Given the substantial alignment between the Regulations (and Amendment Regulations) and the franchise disclosure legislation in other Canadian jurisdictions, franchisors may continue to rely on a single national disclosure template, with the necessary Saskatchewan-specific adjustments. With the coming-into-force date now confirmed, franchisors should prepare to update their template Canadian franchise disclosure document in the upcoming months to ensure a timely and compliant transition once the legislation takes effect in June 2026.

For support updating your franchise disclosure documentation, please contact a member of the <u>Osler Franchise Group</u>.