



July 2013

# Inter-Municipal Business Licensing Reference Guide

## Contents

INTRODUCTION.....	3
PURPOSE OF THIS GUIDE.....	4
BACKGROUND/CONTEXT.....	4
I.    Saskatchewan Municipal Legislation and Business Licensing.....	4
II.   Recent Amendments to Municipal Legislation.....	4
III.  New West Partnership Trade Agreement.....	5
IV.  Extra-provincial Business Registration.....	6
V.    Canadian Federation of Independent Business.....	6
VI.  Saskatchewan Plan for Growth.....	7
BENEFITS.....	7
•    A Note on Fees.....	8
COMMON MISCONCEPTIONS.....	8
ADMINISTRATION.....	9
INTER-MUNICIPAL BUSINESS LICENSING APPROACHES IN OTHER JURISDICTIONS.....	10
i.    British Columbia.....	10
ii.   Alberta.....	12
iii.  Yukon.....	13
GETTING STARTED.....	14
Step 1  Decide which municipalities will participate.....	14
Step 2  Decide which businesses will be eligible for an Inter-Municipal Business License.....	14
Step 3  Define the scope of the Inter-Municipal Business Licensing agreement.....	15
SAMPLE BYLAWS.....	16
APPENDICES.....	16

## INTER-MUNICIPAL BUSINESS LICENSING: REFERENCE GUIDE

### INTRODUCTION

An Inter-Municipal Business Licence (IMBL) enables business or certain types of businesses to operate across multiple municipalities without having to purchase individual business licences for each municipality.

Recent amendments to Saskatchewan's municipal legislation enable municipalities to develop IMBL arrangements with other municipalities, including those in other provincial jurisdictions. By working with municipalities and stakeholders, the province is making it easier to do business in Saskatchewan with this voluntary and innovative approach.

While arrangements can be tailored to suit specific municipal needs an IMBL allows municipalities to:

1. Alleviate requirements for multiple business licences that are usually necessary for a business to operate in more than one municipality. Instead, a business may be issued an inter-municipal business licence from its home municipality that will allow it to legally operate across participating municipalities and jurisdictions.
2. Address compliance and cost recovery issues and other terms and conditions associated with the administration and issuance of business licences through a collaborative framework with other municipal partners.

Municipalities may either choose to recognize business licences from other participating municipalities or issue a separate inter-municipal version that will be valid within those participating municipalities.

Government's intent is to encourage municipalities to reconcile their respective licensing regimes. Its intent is to also support the province's trade and [labour mobility agreement commitments](#) and the [extra-provincial business registration](#) option introduced in 2012. Local municipalities retain all revenue generated from the sales of an IMBL while compliance with local bylaws is streamlined or unchanged for businesses.

The potential benefits of an Inter-Municipal Business Licence based on experiences in other jurisdictions include:

- **For municipal governments:** increased revenue, increased licensing compliance, reduced administrative burdens/cost, reduced business licence application processing, improved information flow between local governments, and an increased ability to monitor compliance.
- **For business:** saves time and money by purchasing one Inter-Municipal Business Licence instead of multiple permits, reduced administrative burden and enables businesses to operate where their services are needed.
- **For residents:** increased choice in service providers and increased consumer confidence in service providers.

## PURPOSE OF THIS GUIDE

This document is intended to provide information for municipalities and stakeholder associations interested in the concept of Inter-Municipal Business Licensing. It provides the background and context to IMBL in Saskatchewan, relevant legislation, benefits and misconceptions about IMBL, IMBL experiences and arrangements in place in other provinces/territories and some direction for municipalities to begin implementation.

Key reference materials and additional information can be found by following the hyperlinks in the online version of this document or in the Appendices in the hard copy version.

## BACKGROUND/CONTEXT

The enabling of inter-municipal business licensing in Saskatchewan has evolved from a number of developments over recent years which focused on establishing Saskatchewan as an economically vibrant and competitive province.

### i. Saskatchewan Municipal Legislation and Business Licensing

In Saskatchewan, municipalities have broad latitude by statute to license business activity as they deem appropriate according to section 8 of *The Municipalities Act*, *The Cities Act* and *The Northern Municipalities Act, 2010*. Specifically regarding business, clause 8(1) (h) of each Act states:

*8(1) A municipality has a general power to pass any bylaws for the purposes of the municipality that it considers expedient in relation to the following matters respecting the municipality...*

*(h) businesses, business activities and persons engaged in business;*

The above represents a key area of jurisdiction and bylaw making authority provided to cities and municipalities which gives local governments broad power to regulate and licence. While the above legislation did not prohibit IMBL arrangements or agreements, the common issuance of permits or mutual recognition of licences would involve a city/municipality delegating all or a part of its regulatory role and authority to the other municipality issuing a licence without deciding the matter itself. As a result, the Ministry of Government Relations' legal advice recommended that IMBL would benefit from having clear statutory authority.

### ii. Recent Amendments to Municipal Legislation

To clearly enable voluntary Inter-Municipal Business Licensing agreements and arrangements, amendments to [The Municipalities Act](#), [The Cities Act](#) and [The Northern Municipalities Act, 2010](#) were introduced in the provincial Legislature in fall 2012 and received Royal Assent in spring 2013 (Bills [73](#), [74](#) and [75](#) of 2012).

These amendments are enabling (versus prescriptive) and provide authority for cities and municipalities to establish by agreement and bylaw, a common framework for business licences. Arrangements may be established between or among municipalities, including those in other jurisdictions, to allow business or specific types of businesses to operate across the participating jurisdictions by purchasing a single licence.

The amendments, now in force, added a new clause 8(3)(c)(ix) to the three municipal Acts:

**8(3) Without restricting the generality of subsection (1), a power to pass bylaws given by this Act is to be interpreted as including the power to do any or all of the following:**

**(c) provide for a system of licences, inspections, permits or approvals, including any or all of the following:**

***“(ix) establishing or adopting an intermunicipal system of licences, inspections, permits or approvals with another municipality, including a municipal government in another province or territory, and recognizing a licence, inspection, permit or approval issued by another municipality in whole or in part or subject to any terms or conditions that the city/municipality making the bylaw considers appropriate”.***

This legislation supports [The Miscellaneous Business Statutes Amendment Act, 2011](#) which allows businesses that register and report as a corporation in Saskatchewan to operate in Alberta and British Columbia without incorporating in either of those provinces which supports the New West Partnership Trade Agreement.

### **iii. New West Partnership Trade Agreement**

On July 1, 2010, Saskatchewan, Alberta, and British Columbia signed the [New West Partnership Trade Agreement \(NWPTA\)](#) which commits to full mutual recognition or reconciliation of rules that hinder the free movement of goods, services, investment and people within Canada.

The NWPTA does not require municipalities to adopt IMBL arrangements or prevent municipalities from requiring licences for different classes of businesses. Under provisions in the NWPTA, the provinces commit to encouraging reconciliation of municipal business licensing regimes. Article 11 (1) (a) and (b) of the NWPTA state [note that the term ‘parties’ refers to the governments of British Columbia, Alberta, and Saskatchewan]:

- (a) *“Parties shall reconcile their business registration and reporting requirements so that an enterprise meeting such requirements of one Party shall be deemed to have met those of all other Parties”.*
- (b) *“Parties and their municipal governments shall consider options to provide for the reconciliation of municipal business licences. Until such time as the matter is resolved, subparagraph (a) will not apply to municipal business licences.”*

The amendments to the municipal Acts support this objective by putting sufficient legislative authority in place to enable IMBL arrangements. Municipalities have both the autonomy and authority to decide and choose to alter their business licensing regimes to achieve this objective.

#### iv. Extra-provincial Business Registration

As part of its commitment under the NWPTA the Government of Saskatchewan introduced [The Miscellaneous Business Statutes Amendment Act, 2011](#) under which businesses registering as a corporation no longer need to register separately in each of the three provinces. When registering in one province under the “extra-provincial” option the corporation is registered in all three provinces and any extra fees are waived. Additionally, businesses registered as “extra-provincial” need only file one annual return in their province of origin.

JOINT SASKATCHEWAN, ALBERTA AND BRITISH COLUMBIA NEWS RELEASE - JUNE 27, 2012

### NEW WEST PARTNERSHIP STREAMLINES BUSINESS REGISTRATION ACROSS THE WEST

*Businesses across Western Canada will find it easier to operate throughout the region under New West Partnership rules that take effect July 1.*

*The New West Partnership Trade Agreement is a far-reaching economic partnership between the provinces of Alberta, British Columbia and Saskatchewan, designed to foster prosperity for our people through meaningful interprovincial collaboration. Under the agreement, businesses registering as a corporation will no longer need to register separately in each of the three jurisdictions as extra-provincial registration will be facilitated by the home province.*

*Corporations will be asked to provide additional information to their home province to have their extra-provincial registration take effect in the remaining jurisdictions. No additional fees will be required for extra-provincial registration in the two other provinces. The partnership removes the need for corporations to file their annual filing requirement in all three provinces. Instead, corporations will now be able to file once in their home province.*

*"Through collaboration with Alberta and British Columbia, we are facilitating greater ease for Saskatchewan businesses to expand to new markets and attract international investors," Saskatchewan Minister responsible for Information Services Corporation Don McMorris said. "The New West Partnership will make Saskatchewan and our neighbours the most competitive and attractive place to do business in North America."*

*"When Alberta businesses thrive, Albertans thrive," Service Alberta Minister Manmeet Bhullar said. "Reducing red tape and creating a more open and competitive marketplace with British Columbia and Saskatchewan will help Alberta business expand their markets and attract new clients. These actions help secure our province's economic prosperity."*

*"Through the BC Jobs Plan, our government is aggressively targeting new investment that will create jobs for British Columbians," British Columbia Minister of Jobs, Tourism and Innovation Pat Bell said. "By working with Saskatchewan and Alberta through the New West Partnership, we can help break down barriers and needless red tape, signalling that the West is open for business. That will not only benefit B.C., but will provide opportunities across our provinces."*

*For more information, visit the New West Partnership at [www.newwestpartnership.ca](http://www.newwestpartnership.ca).*

#### v. Canadian Federation of Independent Business Recommendation

In 2007, a Canadian Federation of Independent Business (CFIB) survey among selected municipalities in the Western Provinces showed:

*"most municipalities have multiple bylaws governing business licences, while others use a single bylaw. In some municipalities any inspections that are needed to obtain a business licence are included in the original application, while in others they must be dealt with separately. Further, some jurisdictions handle them separately through occupancy permits. Some municipalities charge common licence fees, while others have a wide range of fees. Differences also exist in the timing of licence renewals and the ways through which an individual can apply for and pay for a business licence."*

In other words, business licensing across municipalities and jurisdictions can vary in great degrees, making it more difficult to attract and conduct business. As part of the report, close to one-quarter of all CFIB members indicated that business licences were the most burdensome municipal regulation behind property taxes, building and renovation permits and property assessments. The CFIB went on to recommend that provincial and territorial governments work together with municipal leaders to promote regional Inter-Municipal Business Licences and explore the creation of province and territory-wide Inter-Municipal Business Licences and that municipalities should maintain the practice of having “home” licences.

#### **vi. Saskatchewan Plan for Growth**

The *Saskatchewan Plan for Growth* sets out the Government of Saskatchewan’s vision and plan for economic growth. The plan identifies the principles, goals and actions which need to be undertaken to become a province of 1.2 million people by 2020; capture the opportunities and reap the benefits and rewards that come from growth; and meet and manage the challenges associated with growth in order to improve the quality of life for everyone who calls Saskatchewan home.

As part of this plan, the province is dedicated to streamline regulations by removing red tape. Red tape creates unnecessary regulatory burdens on businesses in terms of time, costs and resources. It is important for government to reduce the administrative burden on business and to foster growth and competitiveness. Through a multi-year rolling strategy government will:

- Review all regulations for impacts and costs.
- Reduce red tape that creates barriers to growth.
- Complete one-stop online business services and ensure all forms for business can be completed and submitted online, along with payment, if required.
- Implement a new online permitting system, in conjunction with municipalities, for overweight transportation loads.

Also as part of the Growth Plan, the Government of Saskatchewan commits to continue to work through the New West Partnership to reduce inter-provincial barriers to economic growth in Saskatchewan.

The enabling of IMBL is intended to support these objectives by ensuring municipal governments have the ability and authority to develop their own arrangements to reduce red tape and streamline the regulations that affect business. Inter-Municipal Business Licensing is consistent with these measures.

#### **BENEFITS**

Inter-Municipal licences can be an effective tool for enhancing existing municipal markets by attracting a wider range of business services. Inter-Municipal licensing is also ideal where municipalities are located in relatively close proximity; share or offer similar services; maintain similar regulatory schemes; or where there is a relatively high demand for trades and services that are difficult to meet. By synchronizing business licence regulations, municipalities create an advantage over other municipalities and areas where multiple business licences are required.

Experiences and arrangements in place among municipalities in other provincial and territorial jurisdictions suggest IMBL offers several potential benefits for businesses, municipalities and residents including:

- Lower costs of conducting or expanding businesses.
- Increased revenue to recover the cost of business licensing for municipalities.
- Increased revenue for businesses.
- Reduced administration costs for municipalities.
- Provides a consistent regulatory framework for businesses and municipalities.
- Increases compliance levels due to a single regulatory framework.
- Increases available services for remote areas and municipalities.
- More effective administration.
- Increases the choice of service providers.
- Increases consumer confidence in service providers.

### **A Note on Fees**

The Supreme Court of Canada has ruled (*Eurig Estate*, 1998) that fees of any kind (i.e. permit, licence, approval, etc.) must bear some relationship to the costs of the service or regulatory activity being provided by a government unless otherwise provided for in legislation. This is opposed to a “tax” which needs bear no relationship to the cost of a service or activity but which also must be specifically provided for in legislation. This is not a new limitation and it applies to municipalities in all provinces including those that have developed IMBL arrangements.

Subsection 8(4) in both *The Cities Act* and *The Municipalities Act* and subsection 8(5) in *The Northern Municipalities Act, 2010* include this limitation as part of the areas of jurisdiction and bylaw making authority for municipalities – namely, that fees cannot exceed the costs to the municipality of administration and enforcement. This is to ensure consistency with the Supreme Court of Canada ruling and to ensure such licence fees would not be open to legal challenge by virtue of being considered to be an unauthorized tax. At the same time, municipalities are given considerable flexibility in determining the costs of administration and enforcement for the purpose of ensuring licence, permit and approval fees bear some relation to these.

### **COMMON MISCONCEPTIONS**

Some common misconceptions with or questions about the concept and practice of Inter-Municipal Business Licensing include:

- **Mandatory vs. Optional:** *Is Inter-Municipal Business Licensing mandatory for municipalities in Saskatchewan and other jurisdictions in Western Canada?*
  - Inter-Municipal Business Licensing is completely voluntary for municipalities. It offers an innovative approach which enables Saskatchewan businesses to operate across multiple jurisdictions more easily and to be more competitive.



- **Reduced Revenue:** *Will establishing an Inter-Municipal Business Licence reduce business licence revenue for a municipality and make it more difficult to recover costs associated with administering business licences?*
  - Although revenue may shift within a region, municipal revenue has increased among participating local governments with the sale of an IMBL at premium over a regular business licence or a transient/non-resident licence. This may also be enhanced by reduced costs of administration where businesses purchase their licence in other municipalities. The next section of this document (Table 1 and chart below) provides a summary of the financial results of British Columbia’s Mobile Business Licence Pilot Project.
  
- **Complex Administration:** *Won’t administration of an Inter-Municipal Business Licence be overly complex and too difficult for municipalities with limited capacity?*
  - Administration of an Inter-Municipal licence does not necessarily need to differ substantially from a regular business licence. Municipalities can make it as simple as checking off a box on the registration form or enacting a bylaw for the mutual recognition of a licence issued by another municipality.
  
- **Non-Compliance:** *Will businesses comply?*
  - Compliance levels actually increase among municipalities with IMBL as businesses find it easier to purchase a single Inter-Municipal licence than having to purchase additional licences for all the municipalities in which they conduct business.
  
- **Higher Costs to Business:** *Won’t business costs increase due to the need to purchase an additional licence?*
  - Business costs are actually reduced as purchasing a single Inter-Municipal Business Licence enables the businesses to conduct business in multiple municipalities without having to purchase separate licences for each municipality. This also enables the business to extend services and expand much more easily.

## ADMINISTRATION

Administering Inter-Municipal Business Licences can mirror the administration of regular business licences. Municipalities that develop and participate in an IMBL program can agree to define roles/responsibilities for each municipality; the licence fees to be charged; and any revenue sharing, enforcement, eligible types of businesses and other terms and conditions in granting an IMBL. The IMBL amendments to *The Municipalities Act*, *The Cities Act* and *The Northern Municipalities Act, 2010* are not prescriptive in this regard. They allow municipalities to work out and agree to their own arrangements. The unique circumstances and situation of each municipality can be reflected and addressed according to predetermined arrangements.

Licences can be issued by any participating municipality as long as the municipality issuing the licence confirms a licence in the 'home' municipality for that business. Separate licences would be sold for each business if an applicant operates more than one business.

For additional administrative information, sample bylaws from other jurisdictions have been included and can be accessed through either the hyperlinks below or in the attached Appendices.

## **IMBL APPROACHES IN OTHER JURISDICTIONS**

Although Inter-Municipal licensing is a concept new to Saskatchewan the practice has been successful in a number of other jurisdictions. Saskatchewan is benefiting from the knowledge and experience gained in those jurisdictions.

### **i. British Columbia:**

Section 14 of the Community Charter provides for joint regulation by two or more municipalities that desire to use the same set of regulations and enforcement mechanisms.

On January 1, 2008, British Columbia launched its [Mobile Business Licence Pilot Project](#) in 17 municipalities in the Okanagan-Similkameen region. The project was an extension of the already successful inter-municipal licensing system in the North Okanagan. The [financial results](#) of the Okanagan-Similkameen Mobile Business Licence Pilot Project show a 64 per cent increase in compliance and an increase in licence sales revenue from \$361,472 in 2007 to \$566,723 in 2008. Moreover, every participating municipality saw an increase in revenue from business licence sales. This information is found in a table on the following page.

Interest in and uptake of Mobile Business Licence Agreements continues to grow. As of 2013, IMBL was in place in [53 municipalities](#) in eight different [regional agreements](#), with 19 participating local governments in the [Okanagan-Similkameen Region](#) alone. There is some variation among different Mobile Business Licence Agreements but typically, a mobile business located within one participating local government may purchase a Mobile Business Licence from the local government which allows them to operate in other participating communities, in addition to their basic Business Licence.

In the Okanagan-Similkameen region model, the cost of a Mobile Business Licence is \$150. It allows the mobile business to work in all participating local governments.

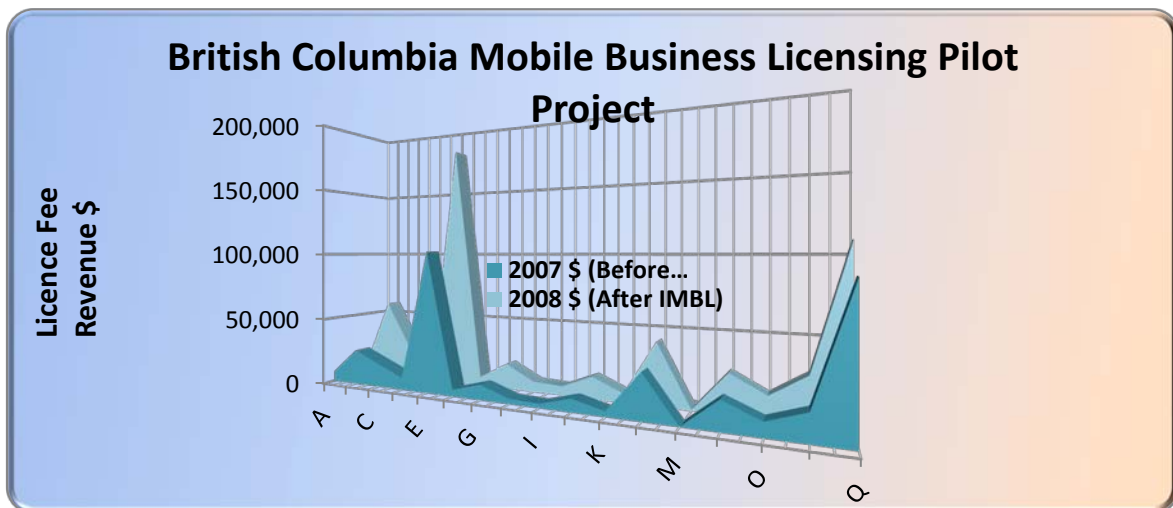
Local governments retain all revenue generated by the sale of Mobile Business Licences and businesses remain responsible for complying with the bylaws of each local government in which they operate. Enforcement remains the responsibility of the individual municipalities.

The table below summarizes the financial results of the Mobile Business Licence Pilot Project in the 17 municipalities of the Okanagan-Similkameen region in 2008.

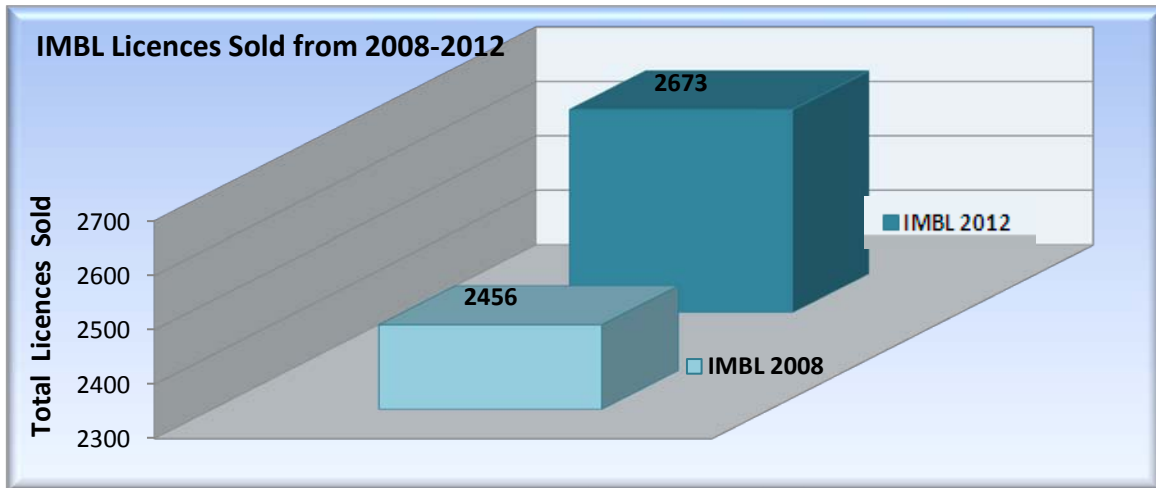
TABLE 1. . Okanagan-Similkameen Mobile Business Licence Pilot Project: [January – December 2008](#)

Municipality		POP. Census	Licenses Sold		Licence Fee Revenue (\$)		Change in Licenses Sold (#)	Change in Revenue (\$)	Change in Revenue (%)
			Non Res.	IMBL	Non- Res.	IMBL			
			2011	2007	2008	2007			
Armstrong	A	4,830	53	44	7,545	9,460	(9)	1,915	25%
West Kelowna	B	30,892	304	311	25,840	59,285	7	33,445	129%
Coldstream	C	10,314	91	97	17,375	24,250	6	6,875	40%
Enderby	D	2,932	60	64	9,000	12,800	4	3,800	42%
Kelowna	E	117,312	762	647	101,911	179,866	(115)	77,955	76%
Keremeos	F	1,330	62	72	4,960	6,660	10	1,700	34%
Lake Country	G	11,708	145	82	10,875	18,450	(63)	7,575	70%
Lumby	H	1,731	22	31	3,790	7,595	9	3,805	100%
Oliver	I	4,824	40	29	3,000	6,525	(11)	3,525	118%
Osoyoos	J	4,845	120	103	9,000	12,525	(17)	3,525	39%
Peachland	K	5,200	33	26	3,696	6,362	(7)	2,666	72%
Penticton	L	32,877	182	136	30,030	42,840	(46)	12,810	43%
Princeton	M	2,724	6	4	360	840	(2)	480	133%
Salmon Arm	N	17,464	182	233	18,750	26,625	51	7,875	42%
Spallumcheen	O	5,055	73	85	9,290	14,850	12	5,560	60%
Summerland	P	11,280	98	90	17,150	29,250	(8)	12,100	71%
Vernon	Q	38,150	485	402	88,900	108,540	(83)	19,640	22%
<b>Total</b>		-	<b>2,718</b>	<b>2,456</b>	<b>361,472</b>	<b>566,723</b>	<b>(262)</b>	<b>205,251</b>	<b>57%</b>

The graph below is based on the information from above table. It further illustrates how IMBL fees result in more effective cost recovery for IMBL licence fees when compared to regular business licence fee revenues.



Since 2008, IMBL sales in the Okanagan-Similkameen region have continued to increase within the region along with total revenue. The total sales from 2008 increased from 2,456 inter-municipal licences sold to 2,673 licences in 2012. This is shown in the chart below:



More information on British Columbia’s Mobile Business Licence Program can be obtained by contacting the Small Business Programs, Province of British Columbia at:

Small Business Programs  
Province of British Columbia  
(250) 387 0022  
Lynne.Tang@gov.bc.ca

**ii. Alberta:**

[Section 8](#) of *The Municipal Government Act* (MGA) gives municipalities in Alberta broad authority to license business activities, similar to Saskatchewan’s municipal legislation.

Though legislation is not explicit in its mention of “Inter-Municipal Business Licensing” the MGA does not preclude municipalities from establishing such a framework.

In Alberta, the three municipalities of Spruce Grove, Stony Plain and the county of Parkland have established a [Tri-Municipal Business Licence](#) that eliminates the need for separate licences in each of the participating municipalities. A resident business located in either Parkland County, Stony Plain or Spruce Grove is eligible for a Tri-Municipal Business licence at an extra cost of \$50.00 above regular business licence fees. This replaces the need for a separate licence in each of the three municipalities. The application simply involves the check of a box and can be found in the above link and the attached Appendices.

### iii. Yukon

In Yukon, section 247 of the *Municipal Act* gives municipalities broad latitude to license business activity as they deem appropriate.

In 1985, the Association of Yukon Communities instituted the idea of the Inter-Municipal Business Licence Program (IMBL) for reducing such licensing requirements. Those wishing to conduct business in more than one municipality have two choices:

1. Purchase a business licence in each municipality in which they wish to do business; or
2. Purchase a business licence in their "home" municipality and then purchase one Inter-Municipal Business Licence that would allow them to conduct business in any other municipality in the IMBL. In 2011, the Inter-Municipal Business Licence fee for any business was \$85.

The Inter-Municipal Business Licence can be purchased from any of the participating member municipalities as long as the municipality issuing the licence confirms a licence in the "home" municipality for that business. If an applicant maintains more than one business, a separate Inter-Municipal Business Licence must be purchased for each business. Businesses that are not resident in Yukon or do not have any employees in Yukon are ineligible for the licence.

Unlike other jurisdictions, the IMBL in Yukon is administered through the Association of Yukon Communities (AYC), a municipal association. The purpose of the Association is to further the establishment of responsible government at the community level and to provide a united approach to community ambitions. The Association consists of two staff members (the executive director and the executive assistant) who administer the IMBL. Their main role is to ensure the IMBL members submit reliable records and funds on time.

Municipalities voluntarily join the IMBL program and agree to defined roles of responsibility, standard licence fees and revenue sharing ratios. It is the responsibility of each municipality to enforce the purchase of the Inter-Municipal Business Licence and to forward the income received to the Association for distribution among participating parties. On December 31<sup>st</sup> of each year, the Association accordingly redistributes all the funds to the participating municipalities with the Association keeping a percentage for administration costs.

Yukon experiences reveal that the IMBL program has been a "win-win-win" situation for governments, business and consumers.

*"Municipalities have benefited as the program increases licensing compliance rates, businesses have benefited from a system that saves them both time and money, and consumers have benefited as contractors can work throughout the territory, providing them with greater choice and speeding up the completion of work projects."*

A copy of the Association of Yukon Communities' [IMBL Agreement](#) including a list of participating municipalities as well as the fee schedule for licences can be found by following the link or in the attached Appendices.

## GETTING STARTED

### Step 1. Decide which municipalities will participate.

Many municipalities in Saskatchewan geographically exist near one another - either directly adjacent or in close proximity. Within these areas, municipalities often see themselves as sharing a common community or a common market with shared interests and goals. Inter-Municipal Business Licensing is an ideal approach for these communities to support local businesses while promoting and increasing economic development within their municipality and region. Inter-Municipal Business Licensing may interest municipalities for several reasons, including but not limited to:

- Providing a business-friendly and predictable business and regulatory environment.
- Ensuring business licensing is efficient, effective and as cost-effective as possible for the municipality as well as the businesses requiring licences to operate.
- Assuring citizens that businesses are complying with municipal regulations and are properly licensed.

Groups of municipalities that have established an IMBL in other jurisdictions have benefited from starting with a Memorandum of Understanding (MOU) outlining the parties' expectations. The MOU can then be used as a basis from which each municipality outlines the key characteristics they would hope to see in any subsequent Inter-Municipal arrangement or bylaws.

### Step 2. Decide which businesses will be eligible for an IMBL.

Inter-Municipal licensing should be considered for businesses that maintain a degree of mobility in their operations. As a reminder to municipalities, Saskatchewan legislation has special business licence provisions for certain types of businesses as outlined in section 9 in each of the three municipal Acts. Inter-Municipal Business Licences for these types of business may require municipalities to establish or amend a bylaw regarding the issuing of these business licences.

Examples of potential IMBL business candidates, based on arrangements and bylaws in place in other jurisdictions, include the following:

<b>Contractor Services</b>		
Acoustics	Floor Layer	Metal Worker
Alterations	Furnace Repair	Oil Worker
Appliance Repair	Gardening	Painting
Blasting	Gas Fitter	Paving
Bricklayer	Glazing	Pest Control
Building	Handyman	Pipeline inspection
Building Mover	Hauling	Plumber
Bulldozing	Heating	Refrigeration
Cabinet Maker	Home Repair	Restoration
Carpenter	Inspection Service	Roofing

Carpet Cleaning	Insulation	Sand Blasting
Chimney Cleaner	Interior Decorator	Sanitary Engineer
Cleaning Service	Irrigation	Security Service
Concrete	Iron Worker	Sewer & Drains
Demolition	Janitorial	Shingling
Drilling	Landscaping/Land Clearing	Tile Setter
Drywall	Lathing	Tree removal
Electrical	Locksmith	Truck Driver
Excavating	Mechanical	Welding
<b>Other Services</b>		
Catering	Hair Stylist/Barber - mobile	Guide/Outfitter
Courier	Massage therapist	Towing Service
Driver/Limousine service	Mobile mechanic	Trucking service
Fuel dealer	Pet Sitting/Grooming - mobile	Yard work

### Step 3. Define the scope of the IMBL agreement.

Business licensing in Saskatchewan is regulatory in nature. Inter-Municipal licensing provides for participating jurisdictions to establish a common set of regulatory rules that also account for any unique circumstances existing in the individual municipalities. The planning stage for the development of an Inter-Municipal Business Licence should be based on a collective exploration of interests. Once these have been identified, consideration should be given to the following:

#### 1. Specific Rules

- Participating municipalities need to decide on a set of rules that will achieve the individual and collective goals for the IMBL. This includes rules regarding licence costs; types of businesses that will be eligible for an IMBL; what, if any procedures for an application that will be required for businesses; conditions a business must comply with; and what individual municipality's bylaws will look like and that they are all compatible.

#### 2. Governance

- Municipalities that decide to establish an IMBL should establish governance practices to ensure that differences between municipalities involved in the agreement do not affect the success of the IMBL.
- Agreements can and should address revenue sharing ratios based on the costs of administration and number of licences sold; enforcement mechanisms, who will be responsible for enforcement, enforcement cost-sharing and reimbursement for those communities undertaking the bulk of enforcement; timeframes for periodic reviews of the arrangements; dispute resolution processes; and withdrawal processes should dispute resolution fail. In some cases, municipalities have found it beneficial to establish an association committee to deal with these issues.

### 3. Administration

- Administration considerations should include discussions and agreements regarding what the IMBL will include (it may be as simple as checking off a box); agreements reflecting who will be responsible for collecting IMBL revenue; agreements reflecting who will be responsible for monitoring total IMBL sales and calculating expenses; agreements regarding when and how revenue ratios will be redistributed, including compensating areas that lose revenue from decreased sales of 'non-resident' licences; and descriptions of how individual municipal costs of administering the IMBL will be calculated and what those costs will be.

### **SAMPLE BYLAWS**

Several municipalities in other jurisdictions have already implemented Inter-Municipal licensing regimes. Listed below are sample bylaws that Saskatchewan municipalities may access for reference purposes when developing their own IMBL:

Bylaws:

- [Salmon Arm](#)
- [Saanich](#)
- [Vernon](#)
- [Kelowna](#)

Sample IMBL Association Agreement:

- [Yukon IMBL](#)

Sample Business Licence Application:

- [Parkland County, Alberta, Tri-Municipal Business Licence](#)

### **APPENDICES**

The following reference and information materials can be accessed via the hyperlinks (underlined text) in this document. They are attached as Appendices for the hard copy version of the document.

- British Columbia [Mobile Business Licence Pilot Project Summary](#) and [Financial Results](#)
- [Parkland County and Spruce Grove Alberta, Tri-Municipal Business Licence applications](#)
- [Yukon Inter-Municipal Business Licensing program information](#) and [Yukon IMBL Agreement](#),
- Sample Bylaws – BC Okanagan-Similkameen region municipalities
  - [Salmon Arm](#)
  - [Saanich](#)
  - [Vernon](#)
  - [Kelowna](#)