

Starting *A* Home-Based Business

Alberta Economic Development and Tourism

Foreword

Starting a Home-Based Business is designed to help you explore the possibility of starting your own home-based business.

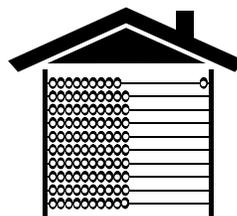
It is one of a series of guides which has been developed and published by Alberta Economic Development & Tourism (ED&T) to assist small business owner/operators in Alberta. The other guides are the following:

- Starting a Small Business
- Marketing for Small Business
- Managing a Small Business
- Recordkeeping for Small Business
- Financial Planning for Small Business

These guides are available at all ED&T offices listed in the back of this publication.

After reading this guide, and before launching your business, you may wish to consult with an accountant, lawyer, business mentor, business management consultant, educational institution, government agency, business or other association suitable to your type of business. Also, check to see if there is a home-based business association in your area that can assist you.

Various federal, provincial and municipal agencies also provide counselling and advice on starting a home-based business. Please check for services in your area.



This Small Business Series is supported by Western Economic Diversification Canada (WD), the federal department responsible for leading and coordinating federal economic activities in western Canada. The business guides are available through WD's network of business services listed in the back of this publication.

Alberta Treasury Branches has also supported the production of this guide series. The guides are available at any of the Treasury Branch locations listed in the back of this publication.

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Introduction

So you're thinking about starting a home-based business? If so, you're not alone. Filled with hopes, dreams, optimism and energy — not to mention great ideas — thousands of Albertans start home-based businesses each year.

There are three main factors driving this trend to home-based businesses:

Quality of Life - Many Albertans believe that becoming their own boss will improve their quality of life. They want to spend more time with their families, pursue other interests, or get away from the daily grind of commuting and working out of an office every day.

Economic Necessity - As both the public and private sectors continue to restructure, many Albertans are looking for new and creative ways of earning an income that supports themselves and their families.

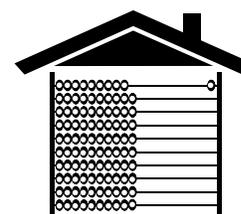
Technological Improvements - Advances in computer and communications technology have made the home a more feasible, practical, efficient and affordable place to do business.

A home-based business is the best option for many people and may be just right for you. However, as with any life-style or business decision, there are advantages and disadvantages to operating a home-based business.

Advantages and Disadvantages of a Home-based Business

Advantages	Disadvantages
Be your own boss	Must be a “jack of all trades”
Spend more time with family	May be distracted by family
Set your own work hours	Need to manage time carefully
Escape bureaucracy or office politics	May feel isolated
Have freedom to set your own business goals and direction	Will lose the structure and direction of a big business
Work in relaxed environment of your home	Have to work harder to develop business image
Avoid commuting to a commercial location	Will have limited visibility in a residential location

Launching a successful home-based business requires solid preparation. This guide is designed to help you start out right, so your business has the right foundation on which to build, grow and prosper.



Where to Go for Advice and Assistance

Getting sound advice before you start your business can save you a lot of time and energy, because it helps you avoid many of the pitfalls and mistakes caused by inexperience. Good advice gives your new business the best possible chance to succeed.

Sources of Assistance

Alberta Economic Development and Tourism - This provincial government department provides a wide range of home-based business information.

Alberta Agriculture, Food and Rural Development - This provincial department provides counselling assistance to farm-based businesses.

Alberta Opportunity Company - This provincial crown corporation, with offices located throughout the province, provides counselling advice, loan guarantees and equity financing to small businesses.

Community Futures - This regionally-based service provides business loans and counselling.

Business Development Bank of Canada - Along with expertise and advice to small business, this federal agency also provides financial backing. Counselling Assistance to Small Enterprises (CASE) is a special program within this agency.

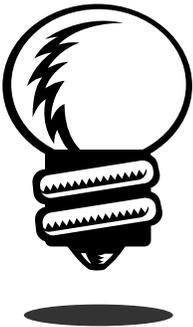
Other federal, provincial and municipal departments and economic development agencies - Check for programs and counselling services in your local and regional areas.

Various educational institutions provide business-related courses.

Community Resources and Business Associations

There are also many resources within your community which you can use for assistance, support and encouragement. Here are some suggestions:

- Look for an experienced and skilled mentor who may be willing to advise you on business matters
- Seek out the advice of other home-based business people in your community
- Join the local Chamber of Commerce
- Join the local home-based business association
- Ask your local librarian or bookstore manager to help you identify and locate useful business publications



ONE: Is a Home-based Business Right for Me?

Personal Challenges of a Home Base

Not everyone is suited to the life style of a home-based businessperson. While there are many life style benefits to working at home, there are also many personal challenges requiring a unique set of skills and abilities. These challenges include the following:

Work is always there. For many people, going to work is a break from the responsibilities, obligations and routines of their home lives. At the same time, going home from work allows them to leave the pressures and headaches of work behind. For home-based business people, the challenge is to find a way to get a break from both sets of responsibilities without leaving home.

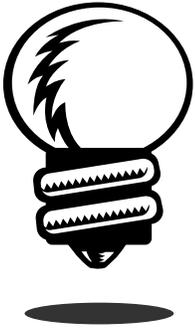
Working Too Much. Home-based businesspeople must resist the temptation to work day and night. If you devote all your time to your business, other parts of your life will suffer, including your relationships with family and friends. Working too much also increases stress and leads to burnout, ultimately causing your business to suffer as well. Finding the proper balance between your business life and your personal life requires discipline and organization.

Being Productive While “at Work”. Many home-based businesspeople have to struggle to prevent business time and energy from being used up doing daily household activities. Sometimes it is too easy to avoid a difficult business problem by washing the dishes or mowing the lawn. Others say they feel too comfortable and relaxed at home, or they are too easily distracted by kids, neighbors, phone calls from friends, television or radio. Again, the challenge is to find the proper balance between your business and personal lives.

Overcoming a Feeling of Isolation. As a home-based businessperson, you will likely have fewer opportunities to meet and consult with colleagues and clients to share ideas and to gain from their energy and enthusiasm. Working alone requires self discipline to keep yourself motivated and focused.

Family Relations

Starting a home-based business is a major adjustment, not just for you, but for your whole family. Always remember that your place of residence is a family home first and a place of business second. Making it work will require patience and understanding from everyone.



Don't assume family support. Do the following:

- Sit down with your family and have an open, honest discussion about your plans
- Find out what your family really thinks about your business idea
- Ask for and verify that you have the support of all family members
- Explain to family members what it will mean to their lives if you operate a business from the family home

Ask yourself how involved other family members will be in your business. Will you expect them to answer the phone, take messages and greet clients? Will you hire them on a part-time basis? You will need to clarify these issues before proceeding with your business venture.

Home-based Entrepreneurship Checklist

Do you wonder if you have what it takes to run your own home-based business?
Do you wonder if getting into a business is a good move for you?

Starting a home-based business is not just about changing careers; it's also about changing life-styles and attitudes. Before you start, it's important to consider what kind of person you are, what your personal and career goals are and if you're suited for the challenges, the uncertainties and, ultimately, the rewards of an entrepreneurial life.

The following quiz should help you decide. It's divided into eight categories of eight statements each, for a total of 64. Simply answer with a "yes" or a "no", depending on whether you agree or disagree with each statement.

A. Business Skills, Attitude and Experience.

This section will help you assess your understanding of what the life of a home-based business owner/operator is like and whether you have the skills, attitude and experience to be successful.



- | | Yes | No |
|--|--------------------------|--------------------------|
| 1. I have previously been involved in a small or home-based business. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. I have learned about running a business from close relatives or friends who are, or were, in business for themselves. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. The goals I set for my new business will be realistic and achievable. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. As a kid I had a paper route, sold lemonade or ice cream, and/or was always looking for ways to make money. | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. My work experience will help me in my new business. | <input type="checkbox"/> | <input type="checkbox"/> |

- 6. I understand the basics of business, including financing, recordkeeping, sales and marketing.
- 7. I have personal and business contacts I can turn to for advice.
- 8. I am well-organized, and I manage my time well.



B. Overall Health and Stress Management

Starting and operating a home-based business is a tremendous personal responsibility. This section will help you determine if you're physically and psychologically suited to handle the hard work, the stress, the triumphs and the disappointments.

- | | Yes | No |
|--|--------------------------|--------------------------|
| 1. I have a lot of energy and drive. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. I rarely get uptight in stressful situations. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. I see mistakes more as an opportunity than as a failure, and I don't worry unduly about the consequences of my decisions. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. I can work long hours for extended periods of time. | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. I'm in good health, and I take care of myself. | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. I thrive on pressure. I don't see problems; I see challenges. | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. I can manage several projects at one time. | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. I don't panic easily. I'm calm in a crisis situation. | <input type="checkbox"/> | <input type="checkbox"/> |

C. Confidence, Optimism and Self-reliance

Home-based business owner/operators must be confident in their abilities, self-reliant enough to go their own way when necessary, and optimistic that they will succeed. This section will help you determine if you have these characteristics.

- | | Yes | No |
|---|--------------------------|--------------------------|
| 1. I believe in myself and feel that my performance will determine whether I will succeed or fail. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. I like being independent, and I can count on myself to get things done. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. I enjoy making decisions and solving tough problems. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. The future holds great promise. I'm a positive thinker, and I can envision my business succeeding. | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. What I think of myself is more important to me than what others think of me. | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. I have the courage to try new things. | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. I see myself as strong and in control, and I don't hesitate to express my ideas. | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. I think asking questions shows confidence and intelligence. | <input type="checkbox"/> | <input type="checkbox"/> |



D. People Skills

Home-based business owners must interact with other people to be successful. This section will help you determine if you have the skills to effectively manage, lead, persuade and communicate with others.

- | | Yes | No |
|--|--------------------------|--------------------------|
| 1. I get along with all kinds of people. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. I like to get people's feedback on how I'm doing, and I don't hesitate to ask for help. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. I communicate well with people, and they believe what I'm saying. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. I get people talking, thinking, and relating. | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. I can manage people, including hiring, firing and supervising them. | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. I can delegate tasks and responsibilities to others. | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. I am a good judge of people's character. | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. I'm a good listener. | <input type="checkbox"/> | <input type="checkbox"/> |

E. Determination, Dedication and Perseverance

Successful home-based business owners aren't easily discouraged, and they don't give up easily. When things get tough, they tend to work even harder. This section will help you assess if you have the determination and the perseverance to succeed.

- | | Yes | No |
|--|--------------------------|--------------------------|
| 1. I'm a doer more than a planner. I like to make things happen. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. I am willing to sometimes put my work before socializing with family and friends. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. I'm willing to take a drop in income to launch my new business. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. I work on things until they're done or solved. I'm not a quitter. | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. I believe in working hard to get ahead. | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. If I don't have the answer, I go out and get it. | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. I set goals, including long-term goals, and I'm not satisfied until I meet them. | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. I don't try to avoid difficult problems or situations, I tackle them head on. | <input type="checkbox"/> | <input type="checkbox"/> |

F. Creativity and Innovation

Home-based business owners are problem solvers and innovators. Tough challenges bring out their creative best. This section will help you assess your creative potential.



- | | Yes | No |
|--|--------------------------|--------------------------|
| 1. I'm a problem solver, always looking for new and innovative ways of doing things. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. I'm at my best when facing a challenge that requires me to use all of my personal resources. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. I can usually find creative solutions when others can't. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. I get bored when I'm not challenged and when I'm doing the same thing over and over. | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. I like to continually learn new things. | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Change doesn't frighten me. I look at change as an opportunity to try new things. | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. I'm not satisfied with doing something a certain way just because that's the way it's always been done. | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. I can usually find more than one solution to a problem. | <input type="checkbox"/> | <input type="checkbox"/> |

G. Lifestyle, Family and Personal Finances

Opening a home-based business is not just a business decision; it's also a life-style decision that will impact on all aspects of your life. This section will help you determine if you have your personal house in order.

- | | Yes | No |
|---|--------------------------|--------------------------|
| 1. My family supports my plan to start a home-based business. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. My family accepts that the business will encroach on family space. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. My family accepts that I will be working long and hard hours to launch my new business, taking time away from them. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. My family understands and accepts that, at least in the short term, I likely won't be bringing home a regular paycheck. | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. I will be able to maintain a personal and family life, as well as run a business. | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. My family life is stable enough to withstand even a business failure. | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. I am realistic about family finances and living expenses and have alternate sources of income/savings for living expenses until the business is established. | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. My business goals are compatible with my family and lifestyle goals. | <input type="checkbox"/> | <input type="checkbox"/> |



H. Reality and Risks

Successful entrepreneurs are dreamers with common sense. They are not just risk takers, and they set realistic business goals. This section will help you decide if you can successfully balance risks with reality.

	Yes	No
1. I set realistic goals and work to achieve them.	<input type="checkbox"/>	<input type="checkbox"/>
2. I'm a realistic thinker and planner.	<input type="checkbox"/>	<input type="checkbox"/>
3. I balance enthusiasm with caution.	<input type="checkbox"/>	<input type="checkbox"/>
4. I'm constantly re-evaluating and adjusting my goals.	<input type="checkbox"/>	<input type="checkbox"/>
5. I seek out and am open to sound advice and assistance.	<input type="checkbox"/>	<input type="checkbox"/>
6. I am not a gambler. I will take moderate, acceptable risks to help my business succeed.	<input type="checkbox"/>	<input type="checkbox"/>
7. When I make a mistake, I admit it and make the appropriate changes.	<input type="checkbox"/>	<input type="checkbox"/>
8. I understand my strengths and weaknesses.	<input type="checkbox"/>	<input type="checkbox"/>

Assessing Your Results

The more "yes" answers you gave, the more likely you are suited to the life of a home-based businessperson. In addition, looking at your answers in each section will help you assess your entrepreneurial strengths and weaknesses. You can then develop strategies to take advantage of your strengths and compensate for your weaknesses.

Checklist Summary

1. Based on the above checklist, my entrepreneurial strengths are:



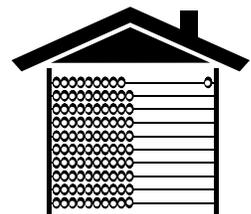
2. My entrepreneurial deficits are:

3. I will manage my deficit areas by doing the following: (developing skills, hiring expertise, etc.)

4. Conclusion: I feel ready to meet the demands of owning and operating a home-based business:

Definitely Yes

I need to assess this further



TWO: What Business is Right for Me?

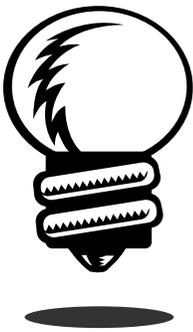
Now that you've completed the self evaluation section of this guide and are convinced that you have what it takes to be a home-based business owner and operator, your next decision is a crucial and fundamental one: you must decide what business to be in.

Finding Business Ideas

If you do not already have an idea for your home-based business, there are many sources you can go to and many methods you can use in order to generate business ideas.

Write your ideas in a notebook or on an ideas board. This will allow you to easily track and compare them. Carry a small notepad with you wherever you go, so you can jot down new ideas. Then transfer them to your notebook to expand on them later.

You can generate business ideas from the following:



- Your previous or current employment
- Family, friends and relatives
- Market, social, business or technological trends
- A product or service need you've identified through personal experience
- Your hobby or leisure activities, including travel
- General interest newspapers and magazines
- Business publications, including magazines, newsletters, trade publications, and books available in the business sections of both libraries and book stores
- Trade shows and conventions
- The Yellow Pages

Types of Business Opportunities

There are many types of business opportunities that are suitable for a home base and many ways of categorizing them. However, most small business opportunities fall into one of three major categories: retail, manufacturing or service.

The following is a list of questions which might help you to discover new ideas or approaches to developing small business opportunities.

1. What product could I purchase the manufacturing rights for?
2. What product could I assemble, recondition, rebuild or re-manufacture into another product?
3. What product or service could I supply to another producer?
4. What product or service could I offer to gain a small percentage of a large market?
5. How can I add value to existing products or services?
6. What products and/or services could I combine?
7. What lifestyle or fashion trends in society provide a product or service opportunity?
8. What recreational or leisure trends provide a product or service opportunity?
9. What successful products or services could I imitate?
10. What products or services could I market and/or sell?
11. What products could I distribute and/or sell wholesale?
12. What products could I import/export?
13. What types of events could I plan, promote or publicize?
14. What expertise do I have that I could market as a consulting or information service?
15. What skills and expertise could I teach to others?
16. How could I help existing businesses access important information?
17. What existing business, franchise, or distributorship could I buy and operate?



Developing Your Business Ideas

Your potential customers or clients are always looking for “value added” in the products and services they purchase. Once you’ve started developing business ideas, look at each opportunity from different angles, always looking for ways of adding value that will *set your product or service apart from that of your competitors*.

Example:

Greta Green believes that opening a landscaping business to service upper-middle class homes in a new housing development is a good business opportunity. But she is not alone in this assessment and will face stiff competition in this new market.

How could she improve her chances of success by providing landscaping services that are more convenient and flexible, less expensive, or more accessible to customers?

What Business is Right for Me?

What other products or services could she offer to complement her landscaping service? She could combine her landscaping services with general repair, housekeeping or babysitting services?

As an added service to her customers, she could sell gardening tools or sell and install lawn sprinkler systems. She could find and sell products that have added features or accessories and are:

- cleaner, safer or easier to use
- more durable and easier to replace or repair
- more efficient and functional
- lighter or stronger
- less costly
- more easily stored

Every business idea will come with its own set of questions and opportunities to add value and make your product or service more attractive to customers.

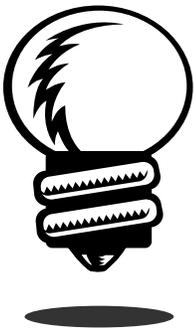
Reality Check: Evaluating A Business Opportunity

Now that you've gone through the process of finding and developing ideas for possible home-based business ventures, it's time to narrow down the list to a few key ideas that have the best business potential. Remember that a business idea is NOT a business opportunity until it is evaluated objectively and judged to be feasible.

Keep your list of ideas to be analyzed to a minimum of two and a maximum of five potential business opportunities at any one time. Seriously considering and developing too many potential business opportunities all at once will cause confusion and spread your time, energy and focus too thin. At the same time, if you focus too early on only one business idea, you are more likely to become personally and emotionally attached to it, and you will lose your objectivity.

Testing the feasibility of your top business ideas involves time and effort to collect key information. At this stage, most of your research efforts should focus on answering this key question: is there a market for my product or service? To help you answer this question, you can do the following:

- Conduct market surveys
- Conduct focus groups and brain-storming sessions
- Conduct personal and telephone interviews with potential customers
- Monitor your competitors, including talking to their customers if you can
- Test the market with your product or service



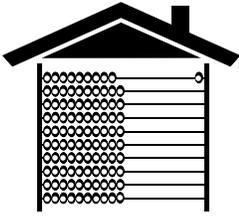
- Produce sample products or prototypes
- Talk to consultants and advisors
- Talk to retailers, distributors, agents and brokers
- Read market research reports, industry trade books, magazines and journals
- Refer to industry associations and Statistics Canada data
- Refer to ED&T's *Marketing for Small Business*

Once you've finished your preliminary research, complete the following questionnaire for each of your key business ideas. This questionnaire is designed to help you test objectively and compare the feasibility of each of your key business ideas. Note: you won't have exact, detailed answers to all of the questions at this stage.

Business Feasibility Questionnaire

1. What exactly is the nature of the business, and what exactly am I selling?
2. Is this business a good match for my skills and experience?
3. Who are my customers and what are their buying habits?
4. Who are my competitors?
5. Why will customers buy my product or service instead of my competitor's product or service?
6. What is the size of the market, and what do I estimate will be my market share?
7. Manufacturing or service business: how many orders or contracts can I have already in place when I launch the business?
8. Retail business: how soon after I launch the business can I expect sales revenue?
9. Who will sell and/or distribute my product or service?
10. Can I produce the product or deliver the service at a competitive price?
11. How much product can I produce, or how many customers can I serve, in the first year of operation?
12. Can I find skilled employees to work for me?
13. What are the projected start-up costs and annual operating costs?
14. How much money will I need to borrow to start and operate the business?
15. Can I obtain the money to finance this business venture, and what is the level of financial risk?
16. Will the projected profits from the business meet my personal and family's needs?





Comparing your questionnaire results for each of your key business ideas should help you decide which one is right for you and which one has the highest likelihood of success.

For more detailed information on key areas that will affect and determine the feasibility of your potential business, refer to ED&T's *Marketing for Small Business* and *Financial Planning for Small Business*.

THREE: Just for Home-based Business

Is Home the Best Place for Your Business?

Not all small businesses are suited to a home location. For example, many retail and manufacturing businesses may not be feasible, due to zoning regulations, space requirements, and concerns expressed by your neighbors.

Once you've made a personal and family decision that a home base is right for you, assess whether or not your home is the best location for the business you have in mind.

Zoning Bylaws

Zoning bylaws regulate how land can be used within a city, municipality or regional district. The three main kinds of zones are residential, commercial and industrial.

Because a home-based business cannot operate legally without zoning clearance, be sure to review local zoning bylaws early in your business planning process. Start at City Hall, or the Planning Department in your municipality, and be prepared to explain what kind of business activity will be conducted in your home. Request a copy of the bylaws and any other information related to home-based businesses from your municipal office.

If your proposed business does not meet current zoning bylaws, you can apply for rezoning. Keep in mind that your business must not adversely affect the neighborhood.

Bylaws vary from jurisdiction to jurisdiction. They may place restrictions on home-based businesses in any or all of the following areas:

- The number of non-resident employees working on-site
- The number of business visits to the property per day
- The amount of pedestrian and vehicular traffic the business creates and the number of public parking spaces used by the business
- The size and nature of business identification plaques and other signage
- Mechanical or electrical equipment that creates external noise or visible and audible interference with electronic equipment in adjacent dwellings

In addition, building regulations and codes may restrict changes to the size and nature of any existing buildings on your residential property.

Getting Along with Neighbours

Aside from official bylaws and other regulations, you should also be sensitive to the concerns and possible objections of your neighbors. Remember, you are opening a business in a residential area, and you want to respect the essential character of the neighborhood.

For home-based businesses, having a good relationship with your neighbors is part of maintaining a positive working environment. Put yourself in your neighbor's place and consider what you would be most concerned about. These concerns might include:

- Increased traffic and lack of parking
- Strangers in the neighbourhood
- Increased noise, particularly in the evenings or on weekends
- Equipment and materials spread over the property

Also remember that your business will have a positive effect on the neighborhood. Your presence in the community during the workday will add to the overall security of the community.

Planning Your Work Space

When working at home, you may face family and personal interruptions as well as overlapping home and business responsibilities. Therefore, the design and layout of your work space takes on added importance.

If possible, set aside a separate space in your home for your business activities. This has several practical as well as psychological benefits, including the following:

1. You will know when you are *at work* and when you're not. This should help you establish boundaries between your business life and home life.
2. Your family will know when you are at work and when you're not and will be more likely to respect your work needs.
3. You will be less distracted by family activities and the comforts of home, such as the television, radio, easy chairs, and food.
4. You will have better security and control over your business material and information. For example, important business documents are less likely to get misplaced or mixed up with personal and family material. See also *Business Insurance*.

Work Space Planner

When planning your work space and deciding if the business you have in mind is suitable to a home environment, consider the following factors:



1. How much space do you need and where in the home can you find this space?
2. How separate is your workspace from daily family activities?
3. Will household noise or activity pose problems?
4. What is the nature of the space you require? For example, will it be for office and administration, production and storage, product display, meeting with clients?
5. Do you have any special temperature or humidity requirements?
6. Are renovations or reconstruction needed? Will this involve upgrading or changing power, plumbing or wiring? Will building permits be required?
7. Do you have a separate business telephone line (required by your telephone company), and does it handle business functions (call forwarding, call waiting, conference calling)?
8. Do you require any additional business phone lines?
9. Do you require a cellular phone, an answering machine or an answering service?
10. Will you require a computer and a printer? What software packages (such as word processing, bookkeeping and accounting) will you require?
11. Will you need a modem for your computer?
12. What other office equipment (e.g. calculator, cash register, photocopier or fax machine) do you need?
13. What office furniture do you require, and is it suitable for meeting with clients?
14. Will clients regularly come to your home, and is your work space accessible, convenient and comfortable for them?
15. What fixtures do you require, such as display cases, storage racks, and assembly tables?
16. Do you require production equipment?

How Will You Project the Right Image?

Developing a professional image is particularly challenging for home-based business operators. Often they have to overcome the perception that their business is not a serious, reliable venture. You need to let your clients, family and friends know what to expect from you as a home-based business operator. For example, setting business hours and communicating them to everyone tells (a) clients that you are running a normal business (and don't appreciate calls at 11 pm) and (b) friends that you are not available for social chats during the business day.

Business Visibility:

Commercial businesses have the advantage of openly demonstrating their image to customers through their storefronts, signs and promotions. Home-based businesses don't have this opportunity. The public must learn about your business, and form an opinion about it, through business cards, ads, letters, promotional literature, telephone and personal contact.

A home-based business' lack of visibility means that you have to work harder to make a positive first impression. Your personal appearance, your vehicle (with your business name and logo, clearly visible), and your workspace are also important elements of your image.

Bylaw restrictions may limit the number of customer visits to your home each day. Therefore, marketing your product or service may be particularly challenging for home-based businesses. For information on direct and indirect methods of selling your product or service, refer to ED&T's *Marketing for Small Business*.

Business Name:

An effective business name:

- Is easy to pronounce, spell, and remember
- Relates to your product or service
- Creates a mental image of the attributes and benefits of the product or service

For example, **Little Handfuls DayHome** quickly identifies the service provided with a name that is easy to remember, pronounce, and spell.

Business card:

Your business card should incorporate:

- Effective graphics— use creativity to be distinctive
- Quality paper and print that are consistent with your business image
- Your first and last name
- Appropriate credentials (professional designation, university degrees etc.)
- “Suite” instead of “apartment”
- The word “Canada” in address if appropriate
- Recycled paper

Little Handfuls DayHome

Jane Smith

Monday - Fridays

123 Ash Street, Smallville, AB. T1A 2B3

Telephone: (403) 123-4567

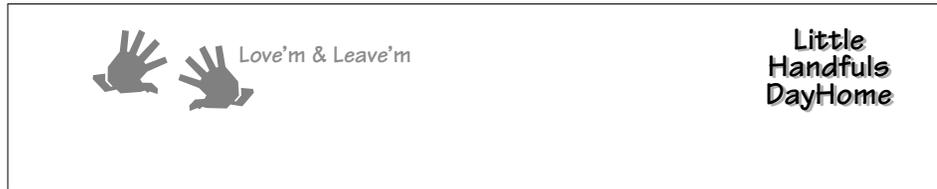
Which card is more effective?



Letterhead, brochures and other print material:

A Letterhead should:

- Have a common element which links all print materials
- Look good when copied or faxed



Brochures should:

- Use colour, pictures, or drawings that are consistent with your product/service and its selling price
- Use lots of white space and don't overwhelm with detail
- Sell solutions and benefits, not just your name
- Create credibility— identify your expertise, state your mission, state any written guarantee, verify bonding or accreditation, provide testimonials

Telephone Etiquette:

- Have a separate business line
- Coach family members so that they answer the business line in a professional and courteous manner
- Do not answer the phone when you are likely to be interrupted by family concerns
- Use an answering machine and record a business-like message, or use a professional answering service
- Treat family interruptions as you would any business interruptions— don't overreact
- Use a portable phone— walk away from family disruptions

Client Visits:

- Make sure clients have a place to park close to your home business
- Have a comfortable, functional meeting room set aside, so that you can conduct your meeting in a business-like fashion, free from family distractions and interruptions, preferably close to your business entrance
- Dress as you would for a business meeting in a traditional office. Your dress should reflect the image of your company and its product or service

For more complete information on creating a positive, professional image for your home-based business, also refer to ED&T's *Marketing for Small Business*.

Home-based Image Checklist

	Yes	No
• I have effective business cards, letterhead, logo, and brochures	<input type="checkbox"/>	<input type="checkbox"/>
• All my written material has been properly edited	<input type="checkbox"/>	<input type="checkbox"/>
• I dress appropriately for my kind of business	<input type="checkbox"/>	<input type="checkbox"/>
• I am well organized and follow through on all commitments made	<input type="checkbox"/>	<input type="checkbox"/>
• I provide outstanding service which exceeds both the service of my store-front competitors and the expectations of my customers	<input type="checkbox"/>	<input type="checkbox"/>
• I guarantee the quality of my work and attend to problems immediately without hesitation	<input type="checkbox"/>	<input type="checkbox"/>
• I participate in community activities to demonstrate commitment and reliability	<input type="checkbox"/>	<input type="checkbox"/>
• I utilize every opportunity to promote the image of my business	<input type="checkbox"/>	<input type="checkbox"/>



Strategic Partnerships

To overcome both the perception and the reality that your home-based business is too small to take on major projects, develop strategic partnerships with other businesses. For example, a writer might team up with other writers, a graphic designer, and a printer in order to bid on the writing and producing of a major publication; or an electrician may team up with a construction contractor and a plumber to bid on or complete a construction project.

Establishing partnerships with larger, well-respected and more established companies not only increases the size and scope of the work you can do, it lends instant credibility to your home-based business.

From Homefront to Storefront?

Just as it is difficult to know whether or not you should start and operate a business from a home base, it is difficult to know when it is time to “graduate” to commercial space.

When deciding whether your business has outgrown its home base and could be more effectively and efficiently run from a more traditional business location, consider the following:

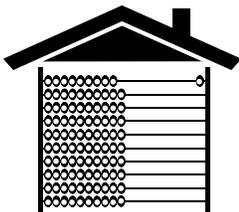


1. Are you and your family happy that you are operating the business from home? If you're not sure how they feel, ask them.
2. Do you want to move? Just because your business could grow and expand doesn't mean it must grow and expand.
3. Will your business suffer if you maintain the status quo and don't take advantage of expansion opportunities? Might this lead to a competitive disadvantage for your business?
4. Can you afford the additional expenses and potential business disruption of moving to a commercial or industrial location?
5. How would moving to a new location affect your relationship with your customers and suppliers? If you're not sure, ask them.
6. How would a move to a commercial or industrial location affect your employees?
7. What advice are you receiving from your lender, bookkeeper, accountant, real estate agent, and business consultant or mentor?

Before making this decision, you will want to do a new business plan (presuming you have done one for your home-based business) which factors in completely new costs and cashflow projections. You will also need to address new issues including where to locate and whether to rent or purchase space. For further information on these topics, see *Choosing a Business Location* and *Renting or Purchasing Facilities* in *ED&T's Starting a Small Business*.

There are costs associated with moving which you need to consider including:

- the move itself
- printing new business cards and stationery
- leasehold improvements in rented space or
- capital and renovation costs in purchased space
- two to three months lease deposit on leased space
- any additional equipment or furnishings
- any additional inventory
- signage
- any recruitment costs for additional staff
- promotion and advertising costs (do I now need a Yellow Pages ad?)
- any "Grand Opening" expenses



As there are greater expenses associated with a storefront, you will want to time the move to slightly precede any peak demand. For example, if Little Handfuls DayHome decides to become a full-service daycare centre, it would target a pre-fall opening. Also, if your business is best promoted through the Yellow Pages, you will want to have your new location and telephone known and submitted before their publication deadline.

FOUR: Getting Started

Now that you've decided what business you're going to pursue, it's time to make some decisions on the structure and legal requirements of your new business.

Deciding on a Business Structure

There are three main types of business structures recognized in Canadian law: sole proprietorship, partnership, and limited company (corporation). There are advantages and disadvantages to each type of business structure. The type of structure you choose will depend on the needs of your particular business and will have a fundamental affect on how you do business.

1. Sole Proprietorship

A sole proprietorship is a business that is owned and operated by one person. It is the simplest form of business organization.

Individuals who operate a business under a name other than their own are required to register with Corporate Registry by completing the form "Declaration of Trade Name". It should be noted that registering a trade name does not give you any right of ownership of the name.

(The address and phone number of Corporate Registry, along with other important contacts, are listed in Appendix A of this guide.)

Advantages and Disadvantages of a Sole Proprietorship:

Advantages:	Disadvantages:
Easy and inexpensive to set up	Owner liable for all business debts and obligations, including any acts committed by employees
Directly controlled by the owner/operator	Management base narrow (success dependent on expertise of proprietor); the business dies when the sole proprietor goes out of business
Flexible and adaptable	Can be limited to ideas and creativity of one person
Some business losses may be deducted from other income	All business income is taxed as personal income (can be advantage or disadvantage)
Wages paid to a spouse are deductible from business income	



2. Partnership

A partnership is a slightly more complex method of starting a business. It is a legally-binding business relationship in which each partner takes responsibility and becomes liable for the actions of the other partners.

There is one exception: as a limited partner, your liability to the business or its creditors is limited to the amount you invest in the business. To remain a limited partner (as opposed to a general partner), you must not be involved in the company's management or act on behalf of the company.

The name of your new business, plus the names of all partners— including limited partners— must be registered with Corporate Registry. Complete the form “Declaration of Partnership”. This process tells the public who owns the business.

Advantages and Disadvantages of a Partnership:



Advantages:	Disadvantages:
Easy and inexpensive to set up	Each partner is personally liable for all debts
Flexible: new partners can be easily added	Each partner responsible for business actions of other partners
Few formal regulations	Profits are personally taxable
Partners provide mutual support and a variety of skills	Decision-making requires group agreement which takes more time and may result in conflict
Partners provide more sources of capital	
Risk is shared	

To avoid future misunderstandings and disagreements, it is highly recommended that prospective business partners have a written partnership agreement. It is also recommended that a lawyer draw up this agreement. It should include the following:

- Name of the partnership, names and addresses of the partners, and the starting date for the partnership
- The type of business to be done and the business objectives
- The name of the person who will keep the partnership's financial and other records
- The capital investment of each partner and how profits and losses will be shared
- Responsibilities and duties of each partner
- Terms (and dates, if applicable) for ending the partnership

- Procedures for making decisions and handling disputes
- Special conditions, such as limitations on any partners acting as an agent of the partnership
- Procedures for a partner to leave and for adding new partners
- Provisions for the death, bankruptcy or retirement of a partner

3. Limited Companies (Corporations)

A company may be incorporated as a public or private corporation. A *public* company can raise capital by selling shares to the public. This can be a complicated, time-consuming and expensive procedure which includes filing a prospectus with the Alberta Securities Commission.

A *private* company can have up to 50 shareholders, but it cannot sell shares to the public. It is much easier to set up and administer than a public company. The vast majority of new small business corporations are private.

Companies may be incorporated either federally under the Canada Business Corporations Act or provincially under the Business Corporations Act. A company incorporated federally must also register in Alberta to do business. A company incorporated in Alberta and wishing to expand into other provinces must register as an extra-provincial company with the equivalent of Corporate Registry in those provinces.

Although it is possible to incorporate on your own, it is advisable to seek legal counsel. For further information about incorporation, contact Corporate Registry.

Advantages and Disadvantages of Incorporating:

Advantages	Disadvantages
Owners aren't personally liable for the debts, obligations or acts of the company	It is expensive and complicated to incorporate
The company continues to exist, independent of individual shareholders	Additional paperwork, recordkeeping, and regular reporting to government
As income increases, so do the tax advantages of incorporation	Financial institutions may ask for personal guarantees on business loans
Capital may be easier to raise and loans may be easier to obtain	If the net income is low, you may actually pay more taxes
Funds can be raised by selling shares, with little affect on the management of the business	Less privacy: shareholders entitled to know the annual income and debts of the business



Note: If you decide to incorporate, you must use “Limited”, “Ltd.”, “Incorporated”, “Inc.”, or “Corporation” in your business name.

4. Business Cooperative

A business cooperative is a special type of corporation. The initial capital for a business cooperative is raised by member shares, and personal liability is limited to the value of each member's shares. All members have one vote, regardless of the value of their shares.

All cooperatives must be incorporated and contain the word "cooperative" in their name. For more information, contact Corporate Registry.

Buying an Existing Business

The decision to buy an existing business may be one of the most important decisions you will ever make, so don't rush into it. Take time to obtain as much information about the business as possible.

The only true method of evaluating the worth of a business (and the price you are willing to pay for it) is to review its financial records (for at least the previous three years) and then to ascertain its profit potential. Carefully review the company's balance sheets, income statements, tax returns, sales and purchase orders, and bank deposits.

You should never buy a business without consulting with a lawyer and an accountant. Written agreements should cover all necessary aspects, including what assets are to be purchased, what liabilities are to be assumed, and when the sale will be complete.

Before buying a business, consider the following:

1. Why is the present owner selling the business?
2. What kind of reputation does the business currently have in the marketplace? What "good will" does it have?
3. Is the present owner planning to open a new business in direct competition with you?
4. Did the present owner make it easy, or difficult, for you to look at the company's financial records? Who prepared the financial statements? Have they been audited?
5. Have company sales and net profits been increasing or decreasing?
6. Is the market for the company's product or service increasing or decreasing?
7. Is the type and size of the business compatible with your interests, talents and personality?
8. Can you adequately finance both the purchase of the business and the day-to-day operations?
9. What is the market value and the replacement value of the company's tangible assets, including inventory, furniture, building, land leases and accounts receivable?



10. How collectable are the accounts receivable? (The older they are, the less likely that they can be collected.)
11. What is the value of intangible assets, such as company “good will” and image, customer lists, relations with suppliers, trademarks and copyrights, skilled personnel?
12. What company liabilities, including liens, mortgages, unpaid bills and back taxes, will you be responsible for?
13. Are current employees effective and efficient in their jobs, and what is the state of employer-employee relations?
14. Will the projected return on your investment and hard work be worth it, or would you be better off finding another way to invest your money and your time?

This is by no means an exhaustive list of questions. For more advice and information on buying a business, call any branch office of ED&T.

Buying a Franchise

Buying a franchise is one way of going into business for yourself, but with the support, expertise, reputation, and consumer recognition of an established company behind you.

A franchise is a licence granted to a franchisee to sell a particular product or service in a given area. Franchising has grown from traditional businesses, such as automobile dealerships and service stations, to fast food outlets, correspondence schools, photocopying services, cleaning services, income tax services, photo studios and many other retail and service sector businesses.

Before you buy a franchise, do some research and shop around. You should never enter into a franchise agreement without consulting with a lawyer and an accountant. In Alberta, all franchises for sale must register with the Alberta Securities Commission. Check with the commission to see if the franchisor is registered and what the company’s future plans are.

Before buying a franchise, consider the following:

1. How long has the company been in business, and what kind of reputation does it have?
2. Does the company have a solid credit rating and a sound financial base?
3. Does the company have a good relationship with its current franchisees, and are they making a reasonable profit?
4. Is the market for the company’s products increasing or decreasing?



5. Does the territory you've been given have a reasonable size, and is it protected from encroachment by other franchises?
6. Was the franchisor forthcoming in providing all relevant information and business records?
7. What does your franchise fee pay for? The possible options are: use of the company name and trademark; unique operating methods, special recipes, use of patents; initial and ongoing training and advice; assistance in selecting a location; help to secure financing; expertise in starting a business.
8. What additional, ongoing fees will the franchisor charge you? These may include providing inventory, business services (such as accounting), lease payments on facilities, and advertising. If the franchisor provides funding, there will also be loan payments.
9. Are you required to spend a percentage of your sales for local advertising?
10. What stipulations does the franchise contract place on your business operations, such as hours of work, employee relations (such as hiring and firing), products sold, recipes and recordkeeping methods?
11. What rights does the franchisor have to terminate the contract?
12. What restrictions are in place if you wish to sell the franchise?
13. Is the type and size of the business compatible with your interests, skills and personality?
14. Will the projected return on your investment be worth it, compared to other methods of investing your money?

This is not an exhaustive list of things to consider before buying a franchise. For more advice and information on purchasing a franchise, contact any office of ED&T.

Protecting Your Ideas, Designs and Products

Anything unique that you invent, design or create in your business is known as intellectual property. Your intellectual property can be protected from competitors for a limited period of time. This protection falls into one of the following categories: patents, trademarks, copyright, industrial design, integrated circuit topographies, and plant breeders' rights.

1. Patents

A patent is a legal right— issued under the Patent Act of Canada for up to 20 years—to the ownership of an invention that is innovative, new and useful. A patent attorney or agent can help you file a patent application.

2. Trademarks

A trademark is a distinguishing word, mark, symbol, logo or other design used to identify your product or service, and is yours to use exclusively. A trademark can be registered for 15 years and then renewed.

3. Copyright

Everyone automatically has exclusive rights to reproduce or copy their own written, dramatic, musical or artistic works. Copyright ensures that they cannot be copied by others without permission. For written works, copyright lasts for the life of the author plus 50 years. For sound recordings and photographs, copyright lasts for exactly 50 years.

For added protection, you may want to apply to *register* your work. Without registration, you may find it difficult to prove ownership.

4. Industrial Design

The original or unique shape, pattern or ornamentation of an article can be protected for five years, with one five-year extension possible. To register a design, you must submit a drawing and description to the federal Commissioner of Patents.

For further information protecting your original ideas and designs, contact Industry Canada. See *Appendix A* for contact information.

Licences and Permits

Business regulations exist at all three levels of government. This whole area is under review and changing rapidly in order to simplify and reduce regulations and to provide easier access for business. To assist you, the latest available contact information is provided in *Appendix A*.

Municipal Licences and Regulations

Regulations vary throughout the province. For information regarding business licences, regulations, and planning requirements in your community, contact the municipal offices in the city, town, village or rural municipality where your business will be located.

In Edmonton and Calgary, all businesses are required to conform to city zoning or land use requirements. In Edmonton, contact the Planning and Development Department for zoning approval and the Licence Section, Finance Department for business licences. In Calgary, contact the Planning and Building Department for zoning approval and the Licence Division for business licences.

Provincial Licences and Regulations

Provincial licence requirements may include examinations, bonding, zoning approvals, fire safety inspections, on-highway permits, trade qualifications, or trust provisions. In addition, provincial legislation requires certain types of businesses to obtain special licences. For more information, contact Municipal Affairs, Housing and Consumer Affairs.

Tradespeople

Most tradespeople require a journeyman's certificate or must be in an apprenticeship program. For more information on trades, contact Alberta Advanced Education and Career Development.

Environment and General Safety

Any industry withdrawing water from a natural source or emitting waste materials into water or the atmosphere requires licences and/or permits to operate. Contact Alberta Environmental Protection for more information.

A number of licences and permits are required for products and services which could affect the safety of Albertans. Contact Alberta Labour for more information.

Federal Licences and Regulations

The federal government has wide licensing powers in the areas of agriculture, manufacturing, fishing, importing/exporting, communications and interprovincial and international transportation. Contact the appropriate federal department for more information on the regulations that affect your business and the licences you may need to obtain. See Appendix A for areas of licensing requiring federal government approval.

Packaging, Labelling and Bar Codes

Labelling and packaging requirements will depend on the type of product you are selling. Pre-packaged food products, for example, must include the following information— in French and English— on the label:

- Name of the product
- Net quantity in metric units of measure
- Name and principle place of business of the manufacturer or the person/company for whom the product was manufactured

Other labelling requirements fall under the federal Precious Metals Marketing Act, the Hazardous Products Act and the Textile Labelling Act. Contact Industry Canada for more information.

Weights and Measures

All equipment that weighs or measures products (such as scales and pumps) must be inspected and approved. Federal inspectors of the Weights and Measures Branch inspect all new equipment when it is operational, but before it is used commercially. Inspectors also make unscheduled checks to ensure that equipment is accurate.

For more information, contact Industry Canada. See *Appendix A* for contact information.

Employer Responsibilities

Payroll Deductions

Federal law requires that, as an employer, you must collect Unemployment Insurance premiums, Canada Pension Plan contributions and personal income tax on behalf of the government. The cost of Unemployment Insurance premiums and Canada Pension Plan contributions are shared by the employer and the employee. When hiring personnel, you must contact Revenue Canada to obtain an employer's account number and appropriate forms.

Revenue Canada Taxation provides free, easy-to-follow instructions regarding remittance procedures and amounts to be deducted from employees' wages. All new employers are encouraged to obtain this information package.

If you hire people on contract, you are not responsible for collecting payroll deductions nor for paying the employer portion. Revenue Canada has strict guidelines for who does and does not qualify as an employee. Self-employed people who want to participate in the Canada Pension Plan are responsible for both employer and employee contributions, and they must remit taxes in quarterly installments.

Contact Revenue Canada and the Unemployment Insurance Commission for more information and assistance. See *Appendix A* for contact information.

Health Care Insurance Premiums

All employers with five or more employees, including owners and partners, are required to form an employee group for payroll deductions of medicare premiums. For further information, contact Alberta Health. See *Appendix A* for contact information.

Workers' Compensation Payments

Most industries in Alberta are covered by the Workers' Compensation Act. Under the act, workers are compensated when they are injured at work.

Employers must contribute funds on behalf of their employees to the Workers' Compensation Board. Payment amounts are assessed based on the employer's payroll and at a rate determined by the type of industry. For complete information regarding your responsibilities as an employer under the act, contact the Workers' Compensation Board. See *Appendix A* for contact information.

Provincial Employment Standards

All employers are responsible for adhering to provincial employment standards. In Alberta, these standards are administered by the Employment Standards Branch of Alberta Labour. The standards deal with matters such as:



- Minimum wages
- Wages for students under 18 years of age
- Hours of work
- Overtime pay
- Vacation pay and holiday pay
- Days of Rest
- Termination of employment
- Employing adolescents and young people
- Statement of earnings and deductions
- Maternity and adoption leave
- Farm labourers and domestic workers

For more information on your obligations and responsibilities as an employer, contact the Employment Standards Branch of Alberta Labour. See *Appendix A* for contact information.

Federal Labour Standards

Although most small businesses must comply with the Alberta Employment Standards Act, there are a few small businesses which fall under the Canadian Labour Code.

These include:

- Interprovincial highway transportation
- Telephone, telegraph and cable systems
- Interprovincial pipelines
- Radio and television broadcasting
- Air transport
- Grain elevators
- Flour and feed mills, feed warehouses and seed cleaning plants

For more information, contact Labour Canada. See *Appendix A* for contact information.

Unions and Employee Associations

For information on the formation of unions and employee associations, and to know your rights and responsibilities as an employer, contact the Alberta Labour Relations Board.

For information regarding labour/management arbitration, conciliation or mediation, contact Alberta Labour.

Occupational Health and Safety

As an employer, you are responsible under the Occupational Health and Safety Act to do everything possible to protect the health and safety of your workers and to prevent workplace injury and illness.

For complete information concerning health and safety education, consultation and advice, contact Alberta Labour.

Taxes, Tax Planning and Recordkeeping

The three levels of government in Canada (federal, provincial and municipal) have distinct responsibilities and taxing authority. Unless you are a tax expert, sorting through tax regulations can be confusing and time consuming. We recommend that you consult a professional accountant. One way of finding a good accountant is by asking other small business owners for recommendations.

A professional accountant can do the following:

- Make sure your business is set up to meet all tax regulations and requirements
- Make sure you are claiming all eligible tax deductions and expenses
- Help you set up a simple, effective recordkeeping system for tax purposes
- Serve as your agent in negotiations with Revenue Canada
- Save you time, so that you can focus on the income-generating aspects of your business



Income Taxes

Taxes on Sole Proprietorships and Partnerships

Sole proprietorships and partnerships can deduct the same expenses from taxable income as corporations can. These expenses must relate to the generation of business income. However, your business income, or share of the business income in a partnership, is taxed as personal income.

You must pay quarterly tax installments based on either an estimate of your tax payable for the year or on the tax paid the previous year. For more information, to obtain tax guides, or to open an installment account, contact Revenue Canada.

Corporate Taxes

Corporate income tax rates vary depending on the type of business and its net income. A lower small business tax rate applies to the first \$200,000 of business income earned by Canadian corporations. Also, manufacturing and processing corporations qualify for a special tax rate on certain income.

Different forms of income, such as interest, royalties, income from foreign subsidiaries, capital gains and dividends, are treated differently, making corporate business taxes complicated and constantly changing. The following are a few tax tips to remember:



1. Depending on when you start operations, your corporation may have a taxation year other than the calendar year.
2. Corporate taxes must be paid by monthly installment, based on either a tax payable estimate for the year or the tax paid the previous year.
3. You should open a corporate tax installment account with Revenue Canada as soon as your business operations begin.
4. Corporate residents in Alberta must submit income tax returns separately to the federal and provincial governments.
5. Corporate assets such as buildings, vehicles and equipment are not deducted from income in the same way as other expenses.
6. Profits and losses may be offset over a seven year period; business losses may be carried back one year or carried forward five years when calculating taxable income.

The latest tax rates and Alberta Corporation Income Tax forms are available from Alberta Treasury. See Appendix A for contact information.

Taxes and Your Home-based Business

According to the Canadian Income Tax Act, all the money you spend for the purpose of gaining or producing income can be deducted from your business income. If your home is your principal place of business, you can deduct a percentage of home expenses equal to the percentage of floor space in your home you use exclusively for business.

Deductible home expenses include:

- Heat, light, water, and business phone
- Rent or mortgage *interest* (not principle payments)
- Home maintenance
- Insurance
- Property taxes
- Business assessment (if your municipality charges a business tax)



A portion of your vehicle expenses can also be deducted from your business income. You can deduct the percentage of your vehicle expenses which equates to the business useage of the vehicle.

Deductible vehicle expenses include:

- Loan interest or leasing costs (limited amounts may apply)
- Gasoline and oil
- Maintenance, business insurance and licence fees
- Depreciation

Check with Revenue Canada and with your accountant for more information and advice on allowable home-based business deductions.

Goods and Services Tax (GST)

The federal government has passed on to the business community the responsibility to collect and remit the GST. Alberta business owners must register for the GST if total revenues are over \$30,000 in four consecutive quarters.

Those with less than \$30,000 revenue may register, but can de-register if they find the added paperwork too much. The benefit of registering for the GST is that it allows business owners a credit to recover the GST they paid on goods or services.

For more information, contact the GST branch of Revenue Canada, or consult with your accountant. See Appendix A for contact information.

Excise Tax

This tax is applied to the selling price of certain goods, such as jewellery, cigarettes, tobacco, wines and watches which are manufactured or produced in Canada. Manufacturers and producers of excisable goods must operate under an excise tax if sale revenues exceed \$50,000 annually.

For more information on the Excise Tax, contact Revenue Canada Customs and Excise.

Customs Duties

All imported goods are subject to customs clearance, which might involve the payment of customs duties and taxes. Because the system is complex, with many regulations and requirements, you may choose to use a customs broker. Contact your nearest Canada Customs Office for more information.

Municipal Taxes

Business owners pay property taxes at the municipal level. Some municipalities also collect local business tax. For more information, contact the local municipal authority or council in the area your business is located.

Keeping Business Records

From time to time, a business can expect to have its books and records audited by various provincial and federal authorities.

All business records and supporting documents, such as sales receipts, invoices, contracts, bank statements and cancelled cheques, must be kept for a minimum of six years, even if tax and payroll audits have been completed. Some records must be kept indefinitely, such as the minute book of meetings for an incorporated company, share records, general and private ledgers, special contracts and agreements.

For more information on recordkeeping, refer to ED&T's *Recordkeeping for Small Business*, contact Revenue Canada or consult with your accountant.

Your Insurance Needs

Businesses with assets should have business insurance. Think seriously about the type and amount of insurance that your business requires, then work with a knowledgeable insurance broker, preferably one who has experience insuring your type of business. Ask business associates and acquaintances for the names of reliable brokers. It pays to obtain competing quotes. Sometimes the rates are negotiable.

The following is a list of several types of insurance you may want to consider:

1. Property insurance covers damage or loss to the premises, equipment and inventory because of fire, explosion, wind, riot, smoke, theft, etc.
2. Liability insurance covers claims of bodily injury or property damage sustained by customers or others either on your business premises or during business-related activity.
3. Business interruption insurance compensates for revenue lost during a temporary halt in business caused by (for example) fire, theft or water damage.
4. Disability insurance supplies you with an income if you are sick or injured and cannot operate your business.
5. Business owner's life insurance (or partnership insurance) ensures that if one partner dies, the other will have the funds to purchase the business.
6. Automobile insurance covers physical damage and personal liability for company-owned vehicles or vehicles used for business.
7. Fidelity bonds guarantee against loss from embezzlement by employees having access to cash receipts or other company funds.
8. Performance bonds ensure clients that contractors will complete a particular job satisfactorily.



Insurance and Home-based Business

Home-based business, just like any other business, requires insurance protection. The following will highlight several issues for consideration.

Home and tenant policies DO NOT cover business activities. They are specifically excluded under any such policy in Alberta. This includes both property and liability risk for activities in the home and in other locations while carrying out business activities.

You can ask to extend your home or tenant insurance coverage to include your business property and activities, but there is some risk of not having the correct forms and wording. For example, the extension may not cover liability risk when carrying out business away from home. Your needs may be better met by using a separate insurance broker for your home-based business.

Make sure your insurance covers:

- Comprehensive General Liability— minimum \$1,000,000
- Stock and Equipment coverage— all risk, commercial property floater
- Business Interruption— this may be an important security for unanticipated emergencies



- Broad Form Money and Securities coverage— for Dishonesty, Disappearance and Destruction Insurance
- Computers— several forms available
- Automobile Insurance— changed from personal to business
- Professional Liability— e.g. for Planners, Engineers, Architects, Environmental Consultants, Safety Code Consultants etc.— make sure coverage is in place
- Bid, Performance, Labor and Material Bonds— for construction businesses

When you go to see your insurance broker, take the Executive Summary of your Business Plan to help the broker understand your business insurance requirements. Also, take a complete list of any stock and equipment that will require insurance coverage.

To keep your insurance costs manageable, ask your broker about monthly or quarterly payment programs. Also, your Home Business Association may provide access to reduced-cost group insurance coverage.

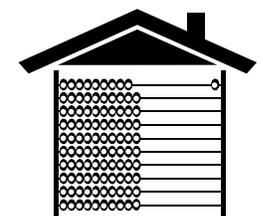
Example startup: Edna's Bakery

- Step 1: Edna registered her business as a proprietorship with Corporate Registry
- Step 2: After choosing a location, Edna went to City Hall to obtain zoning approval to build an addition for her bakery
- Step 3: About the same time, Edna got a business licence from the City
- Step 4: Because she wanted to run a food preparation business, Edna also contacted the Local Board of Health and Health Protection (Government of Canada)
- Step 5: After setting up her bookkeeping system with her accountant, Edna went to Revenue Canada, Business Window to obtain a business number that will apply to GST, corporate taxation, and source deductions (tax, CPP, UIC) for planned staff.
- Step 6: Workers Compensation was the last stop to register her business for coverage

Start-up Checklist

Before you start your business, make sure you have addressed the following legal requirements, regulations and technicalities:

	Yes	No
1. Have you decided on a business structure?	<input type="checkbox"/>	<input type="checkbox"/>
2. Whether starting a corporation, proprietorship or partnership, have you completed a name search and registered your name with Corporate Registry?	<input type="checkbox"/>	<input type="checkbox"/>
3. If buying an existing business or franchise, have you researched thoroughly and received professional advice?	<input type="checkbox"/>	<input type="checkbox"/>
4. Have you protected your intellectual property through the use of patents, trademarks, copyrights and industrial design registration?	<input type="checkbox"/>	<input type="checkbox"/>
5. Have you contacted the local zoning and licencing authority in your city, town or municipality in order to obtain all appropriate development permits and business licences?	<input type="checkbox"/>	<input type="checkbox"/>
6. Have you obtained all necessary provincial and federal licences and permits, including any special licences required for specific businesses?	<input type="checkbox"/>	<input type="checkbox"/>
7. Have you obtained the advice of a lawyer or real estate broker before signing any lease agreements?	<input type="checkbox"/>	<input type="checkbox"/>
8. Have you contacted Revenue Canada in order to obtain an employer's account number for Unemployment Insurance, Canada Pension Plan and income tax deductions?	<input type="checkbox"/>	<input type="checkbox"/>
9. Have you contacted Revenue Canada in order to open an installment account to pay income taxes?	<input type="checkbox"/>	<input type="checkbox"/>
10. If hiring employees, have you registered with the Workers' Compensation Board?	<input type="checkbox"/>	<input type="checkbox"/>
11. If you will have a staff of five or more, have you registered with Alberta Health Care for group deductions of medicare premiums?	<input type="checkbox"/>	<input type="checkbox"/>
12. Have you contacted the Employment Standards Branch of Alberta Labour and the federal Department of Labour to ensure that you comply with all pertinent labour regulations?	<input type="checkbox"/>	<input type="checkbox"/>
13. Have you registered for the Goods and Services Tax (GST)?	<input type="checkbox"/>	<input type="checkbox"/>
14. If you are a manufacturer, have you contacted Revenue Canada, Customs and Excise regarding the payment of excise tax?	<input type="checkbox"/>	<input type="checkbox"/>
15. If you plan to import products, have you contacted Canada Customs?	<input type="checkbox"/>	<input type="checkbox"/>
16. Have you consulted with a knowledgeable insurance broker on the types and the amounts of insurance you will need for your business?	<input type="checkbox"/>	<input type="checkbox"/>



If you have any additional questions or concerns, contact your local office of Economic Development and Tourism.

FIVE: Your Business Plan

You've assessed your suitability for the life of a small business owner/operator. You've identified and evaluated several business ideas and decided which one is right for you. You've also completed your preliminary research and made some decisions on how your business will be structured and how it will operate. It's time to clearly articulate and describe your planned business venture by completing a business plan.

A business plan is a written document that describes all aspects of your business venture, including:



- who you are
- where you are located
- your basic product or service
- how you will produce and market it
- who your customers are
- who your competition is
- how you will finance the business

In short, it outlines comprehensively yet concisely what your business objectives are and how you will achieve them within a budget.

Why Do a Business Plan?

Developing a comprehensive business plan involves a lot of research and hard work, but the resulting benefits to you and your new business are well worth the effort. Your business plan is the most important business document you will ever prepare.

A business plan:

1. Helps you evaluate your business idea and make a final decision on whether or not to proceed with the business venture.
2. Helps you improve your chance of business success by setting out realistic goals and financial projections against which you can measure actual performance.
3. Helps you obtain financing. Investors and lenders will use it to assess the viability of your proposed business venture. Financial institutions generally require a detailed business plan before they will even consider lending you money.

The Key Elements of a Business Plan

While not all elements of the business plan will be applicable to all types of small business and to your particular situation, it is important that your business plan be as comprehensive as possible without being so lengthy that no one will read it. The suggested maximum length is 20-25 pages. The body of your business plan should contain the following elements.

Part A: Background Information

1. Company and Industry Details

In this section you will describe the start up and current status of your business, and describe the industry in which your business will operate. Include the following:

- A brief history of the company, including a start-up report if your company is already in operation
- The legal status of the company (Is it a sole proprietorship, partnership or corporation?)
- Date of incorporation (if applicable)
- Names and addresses of the owners and what percentage of the company they own
- Company goals and basic strategies for achieving these goals
- The major characteristics and the size of the industry
- Industry trends. Where will the industry be, and where will your business be in five years? In ten years?



2. Products and Services

For potential investors and lenders, this is a key part of your business plan. Describe in detail the products and services you plan to sell. Include the following:

- A thorough description of your product or service and an honest assessment of its strengths and weaknesses in relation to its competitors
- The stage of development your product is in. Are prototypes, working models or finished products available?



- Any patents, trademarks, copyrights, industrial designs, trade secrets and other technological advantages you might hold
- The technology you will use to produce your product or deliver your service
- Industry rules, regulations and restrictions under which you must operate your business
- The timelines for the introduction of your product or service

3. Management

A key ingredient of your potential business success is the strength of your management team. In this section, include the following:

- Your company's organization, including the work to be done by key management personnel
- Short biographies of key management personnel, including related business experience
- Management salaries and other compensation

4. Land, Buildings and Equipment

This section describes the physical requirements and details of your business operation. Include the following:

- The site you've chosen and the reason for choosing that location. Outline renovation costs to build an office or meeting space or to improve kitchen facilities etc.
- The amount of land you require, a site plan, and the costs of land and equipment, including installation services
- A list of all machinery and equipment, including costs, installation charges, and who the supplier will be



Environment (Green) Plan

Before you request a loan from your financial institution, be prepared to develop and present your environmental plan. Your lender may have specific forms to fill in, so be ready to describe the following:

- Historical use of the site, including any potential polluting chemicals etc.
- Your intended use of chemicals etc. and how you will minimize the risk of environmental pollution



5. Operations/Human Resources

In this section, describe your day-to-day business operations and how your product or service will be produced. Include the following:

- Work Flow—use diagrams, if applicable, to describe how you will produce your product, including what quality control measures you will use
- What inventory control methods you will use
- The availability, cost and credit terms of supplies and materials
- Your human resources plan, including staffing schedules and rates of pay
- Production schedule

Part B: Market Analysis and Planning

In this section, describe the market for your product or service, how you fit into that market and your plans for achieving a certain share of the market. Include the following:

- The total market and your target market
- The names, the market share, and your assessment of your competitors
- Your current and/or projected market share
- Your marketing advantages relative to your competitors
- Your pricing policy, including how you determine the cost of your products and services
- The size of your sales force, and how they will be paid (salary or commission)
- Your selling policy, including product price and what credit terms are available to buyers
- How you will distribute your product or service
- Your advertising and promotion plan
- Your planned customer service program
- How you will handle service problems and warranties



Part C: Financial Planning

1. Financial Plan

This is the nuts and bolts of your business plan. Investors and lenders will use the information in this section to evaluate the financial prospects for your business. Include the following:

- Start-up costs.
- Income statements and balance sheets for as long as the company has been in operation (if applicable)
- Financial projections for at least one year (three years if possible), including projected cash flows, income statements and balance sheets. Also include break-even charts, if applicable,
- Sources of funding, including friends, relatives, other private investors, lending institutions, credit from suppliers, government grants and loans
- Loan repayment schedules



2. Summary of Risks and Assumptions

In this section, you will list the critical assumptions you made when formulating this business plan. You will also identify major risks to the success of your business and indicate what steps you are taking to avoid or minimize these risks.

Appendix: References

This section will demonstrate to potential investors and lenders that you have had solid, professional business relationships in the past and that you're a good credit risk. Include the following:

- Banks or other financial institutions with whom you have had financial dealings
- Names of existing investors and/or lenders (if applicable)
- Names of accountants, lawyers or other professionals with whom you have had a business relationship
- Current business lawyers and accountants
- Personal Net Worth Statement

How to Present Your Written Business Plan

Because one of the main purposes of your business plan is to attract potential investors and lenders, your business plan should be as professional looking as possible. It should be typewritten and formatted in a neat, orderly and easy-to-use fashion. For more information on how to approach lenders and investors, refer to ED&T's *Financial Planning for Small Business*.

Besides the key elements in the body of your business plan (outlined above), your business plan should contain:

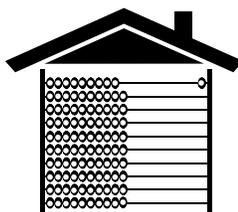
1. An *introductory letter* that includes: the name of the company, your reasons for writing the plan and presenting it to the reader, and the major features of the plan that may be of particular interest to the reader.
2. A *title page* listing the name, address and phone numbers for both you and your company, as well as the date the business plan was completed.
3. A *table of contents* listing the headings and subheadings contained in the business plan.
4. An *executive summary* designed to both interest and attract the reader and summarize the key highlights of the plan. This may be the most important part of your business plan because it may be the only part of the plan busy investors and bankers will read. Write the executive summary last, and make sure you include start-up costs, owner equity available, the investment required and any available security.
5. *Appendices* that explain or support the material in the body of your business plan. Appendix A should be a list of business references. Other appendices could include such things as resumes of key personnel, marketing surveys or consultant's reports, supporting technical or statistical data and copies of legal documents and contracts.



Finding Help to Complete Your Business Plan

There are many resources you can use to help you complete your business plan. Here are a few suggestions:

1. For the legal and/or technical aspects of your business plan, use the services of business consultants, accountants, lawyers, bankers and other professionals.
2. Refer to ED&T's small business guide series for more detailed information on such things as marketing, financial planning, managing, and recordkeeping.
3. Most business sections of libraries and book stores have examples of completed business plans.



APPENDIX A (Revised March 1997) **Licenses, Permits & Approvals**



Index

Register Your Business or Product

provincial registration— Alberta Municipal Affairs, Corporate Registry

federal registration— Industry Canada, Corporations Directorate

copyrights, patents, trademarks, industrial designs — Industry Canada, Canadian Intellectual Property Office

Business Licences

Local municipal office

Licences and Permits

adult and children's homes, day care centers— Alberta Family and Social Services

agribusiness enterprises including farm implement dealers and distributors, artificial insemination, poultry (hatchery, egg grading), livestock dealers, milk processing, seed cleaning etc.— Alberta Agriculture, Food and Rural Development

auction sales, automotive sales and service, cemeteries, collection agencies and collectors, charitable organizations and professional fund-raisers, direct sales, fuel oil wholesale and retail, pre-arranged funeral services and sales persons, mortgage brokers, retail home sales— Alberta Municipal Affairs, Housing and Consumer Affairs

boiler and pressure vessels, building and fire safety, electrical, elevator and fixed conveyances, plumbing and gas (where no municipal authority)— Alberta Labour, Technical and Safety Services

broker certificate, filing a prospectus before "going public" — Alberta Securities Commission

coal and oilsands mines, oil and gas drilling, gas plants, oil batteries, pipeline construction, power lines, sub stations, and utility rates— Alberta Energy and Utilities Board

commercial trucking and bus operation and oversized loads— Alberta Transportation and Utilities

food manufacturers: inspection of all provincially-registered businesses— Health Canada, Health Protection Branch

funeral services and funeral directors— Alberta Funeral Services Regulatory Board

guides, outfitters, dog trainers, taxidermists, tanners, furriers, fur buyers, traplines, commercial fishing, fish marketing, game and bird farms— Alberta Environmental Protection, Fisheries/Wildlife Management



insurance agents and adjustors— Alberta Insurance Council

labelling of raw or manufactured food products— Agriculture and Agri-food Canada

labelling and packaging of non-food products— Industry Canada, Consumer Products Directorate

liquor licences— Alberta Liquor Control Board

make, sell, or store food and drink— Regional Health Authority

private investigators, security agencies and guards, locksmiths— Alberta Justice

private vocational schools, private providers— Alberta Advanced Education and Career Development, Licensing and Certification Branch

real estate agents, salespersons, property managers— Alberta Real Estate Association

sawmills, timber cutting permits— Alberta Environmental Protection, Forest Management

trade certificates— Alberta Advanced Education and Career Development, Apprenticeship and Industry Training

waste emissions and water usage— Alberta Environmental Protection, Air and Water Approvals

zoning approval— Local municipal office

Taxation & GST

provincial corporate taxation— Alberta Treasury, Tax and Revenue Administration

federal taxation including corporate income tax, payroll deductions, import/export and GST— Revenue Canada, Business Windows

Employee Benefits

form an employee group for Alberta Health Care deductions— Alberta Health Care Insurance Plan

minimum wages, general holidays, terminations, vacations, rest periods, hours of work, overtime, maternity leave, etc.— Alberta Labour, Employment Standards

workers' compensation— Province of Alberta, Workers' Compensation Board

Municipal

For **business licences**, contact your local municipal office.

Calgary:
Licence Division
3rd floor, 800 MacLeod Trail S.E.
Calgary, AB. T2P 2M5
(403) 268-5521

Edmonton:
Licence Section
2nd floor Chancery Hall
3 Sir Winston Churchill Square
Edmonton, AB. T5J 2C3
(403) 496-5233



For **zoning approval**, contact your local municipal office.

Edmonton:
Planning and Development Department
Development and Inspection Services
2nd floor, Revillon Blvd.
10320- 102 Ave.
Edmonton, AB. T5J 4A1
(403) 496-8471

Calgary:
Planning and Building Department
4th floor, 800 MacLeod Trail S.E.
Calgary, AB. T2P 2M5
(403) 268-5351

Privately Managed

Alberta Energy and Utilities Board

For permits related to coal and oilsands mines, oil and gas drilling, gas plants, oil batteries, pipeline construction, power lines, sub stations and utility rates,

640- 5 Ave. S.W.
Calgary, AB. T2P 3G4
(403) 297-8311

Alberta Insurance Council

For licences for insurance agents and adjustors,

901 TD Tower, Edmonton Centre
Edmonton, AB. T5J 2Z1
(403) 421-4148

Alberta Real Estate Association

For licences for real estate agents, salespersons, property managers,

310, 2424 4 St. S.W.
Calgary, AB. T2S 2T4
(403) 228-6845



Alberta Funeral Services Regulatory Board

For licences for funeral directors and funeral services,

11810 Kingsway Ave.
Edmonton, AB. T5G 0X5
(403) 452-6130 (Edmonton)
1-800-563-4652

Regional Health Authority

For permits to make, sell, or store food and drink or for permits for public swimming pools, contact your Regional Health Authority.

Province of Alberta (Internet: <http://www.gov.ab.ca/govt.html>)

Advanced Education and Career Development

(Internet: <http://www.aecd.gov.ab.ca/>)

Apprenticeship and Industry Training

For trade certificates,

Edmonton:
7th floor, South Tower
7th Street Plaza, 10030 - 107 Street
Edmonton, AB. T5J 4X7
(403) 427-8517

Calgary:
7 floor, 855 - 8 Ave. S.W.
Calgary, AB. T2P 3P1
(403) 297-6457

Offices are also located in Bonnyville, Camrose, Fort McMurray, Grande Prairie, Hinton, Lethbridge, Lloydminster, Medicine Hat, Peace River, Pincher Creek, Red Deer, Slave Lake, Vermilion.

Licensing and Certification Branch

For private vocational schools, private providers (adult basic education, academic upgrading, English as a Second Language),

10th floor Commerce Place
10155 - 102 St.
Edmonton, AB. T5J 4L5
(403) 427-5609

Agriculture, Food and Rural Development

(Internet: <http://www.agric.gov.ab.ca/>)

Offices are located throughout the province.

For licences related to many agribusiness enterprises, including farm implement dealers and distributors, artificial insemination, poultry (hatchery, egg grading), livestock dealers, milk processing, seed cleaning, etc.,

Department Information

Telephone: (403) 427- 2727

Alberta Liquor Control Board

For liquor licences,

50 Corriveau Avenue
St. Albert, AB. T8N 3T5
(403) 458-4311



Alberta Securities Commission

For Broker Certificate, filing a prospectus before publicly offering common shares.

Edmonton:
19th floor 10025 Jasper Ave
Edmonton, AB. T5J 3Z5
(403) 427-5201

Calgary:
4th floor Alberta Stock Exchange Bldg.
300- 5 Ave S.W.
Calgary, AB. T2O 3C4
(403) 297-6454

Environmental Protection (Internet: <http://www.gov.ab.ca/dept/env.html>)

Air and Water Approvals

For waste emissions and water useage,

4th floor Oxbridge Place
9820 - 106 St.
Edmonton, AB. T5K 2J6
(403) 427-5883

Forest Management

For sawmills, timber cutting permits,
District offices located throughout the province or contact

7th floor Bramalea Building
9920 - 108 St.
Edmonton, AB. T5K 2M4
(403) 427-8474

Fisberies Management,

Wildlife Management

For licences for guides, outfitters, dog trainers, taxidermists, tanners, furriers, fur buyers, traplines, commercial fishing, fish marketing, game and bird farms, contact any district office located throughout the province.

Edmonton District: Main floor, North Tower, Petroleum Plaza
9945 - 108 St.
Edmonton, AB. T5K 2G6
(403) 427- 3574



Family and Social Services (Internet: <http://www.gov.ab.ca/dept/fss.html>)

For licensing of adult and children's homes, day care centers,

Grande Prairie (403) 538-5148	Red Deer (403) 340-5338	Medicine Hat (403) 529-3174
St. Paul (403) 645-6228	Calgary (403) 541-6400	
Edmonton (403) 427-0444	Lethbridge (403) 382-4275	

Health (Internet: <http://www.gov.ab.ca/dept/health.html>)

Alberta Health Care Insurance Plan

To form an employee group for Alberta Health Care deductions,

PO Box 1360
Edmonton, AB. T5J 2N3
(403) 422-1212

Justice (Internet: <http://www.gov.ab.ca/dept/just.html>)

For licences for private investigators, security agencies and guards, locksmiths,

Public Security Division
10th floor, J.E.Brownlee Bldg.
10365 - 97 St.
Edmonton, AB. T5J 3W7
(403) 427-3457

Labour (Internet: <http://www.gov.ab.ca/dept/lbr.html>)

Technical and Safety Services

For permits related to boiler and pressure vessels, building and fire safety, electrical, elevator and fixed conveyances, plumbing and gas where municipal authority does not exist.

Edmonton (403) 427-9063	Edson (403) 723-8201	Medicine Hat (403) 529-3520
Calgary (403) 297-5855	Ft. McMurray (403) 743-7205	Peace River (403) 624-6163
Camrose (403) 679-1214	Grand Prairie (403) 538-5243	Red Deer (403) 340-5157
Drumheller (403) 823-1688	Lethbridge (403) 381-5423	St. Paul (403) 645-6349
		Vermilion (403) 853-8144

Employment Standards

For information about minimum wages, general holidays, terminations, vacations, rest periods, hours of work, overtime, maternity leave, etc.,



Edmonton: (403) 427-3731	Lethbridge: (403) 381-5447	Edson: (403) 723-8201
Calgary: (403) 297-4339	Medicine Hat: (403) 529-3520	Vermilion: (403) 853-4142
Red Deer: (403) 340-5153	Peace River: (403) 624-6163	Grande Prairie (403) 538-5253
St. Paul: (403) 645-6360	Ft. McMurray (403) 743-7205	

Municipal Affairs (Internet: <http://www.gov.ab.ca/dept/ma.html>)

Housing and Consumer Affairs

For licencing of auction sales, automotive sales and service, cemeteries, collection agencies and collectors, charitable organizations and professional fund-raisers, direct sales, fuel oil wholesale and retail, pre-arranged funeral services and sales persons, mortgage brokers, retail home sales,

Edmonton: 3rd floor, Capilano Center 9945- 50 St. Edmonton, AB. T6A 0L4 (403) 427-4088	Calgary: 301 Center 70, 7015 - MacLeod Trail S. PO Box 5880 – Station A Calgary, AB. T2H 2M9 (403) 297-5700
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Corporate Registry: to register your company,

Edmonton: 8th floor, John E. Brownlee Bldg. 10365 - 97 St. Edmonton, AB. T5J 3W7 (403) 427- 2311 fax (403) 422-1091	Calgary: Main floor J.J. Bowlen Bldg. 620 - 7 Ave. S.W. Calgary, AB. T2P 0Y8 (403) 297- 3442 fax (403) 422-1091
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Mailing Address: PO Box 1007, Main Station,
Edmonton, AB. T5J 4W6

Transportation and Utilities (Internet: <http://www.gov.ab.ca/dept/tu.html>)

Transportation Safety and Carrier Services

For operating authority for commercial trucking and bus operations and for permits for oversized loads,



4th floor, Provincial Bldg.
4920 - 51 St.
Red Deer, AB. T4N 6K8
(403) 340-5260

Also, contact inspection stations and weigh scales for permits.

Roadside Planning Services

For permits to develop within 300 metres of a controlled highway or within 800 metres of an intersection with a controlled highway, contact Regional or District offices.

Southern Region Office, Lethbridge
(403) 381-5426
fax (403) 382-4412

Athabasca District Office
(403) 675-2624
fax (403) 675-5855

Calgary District Office
(403) 297-6364
fax (403) 297-7682

Grande Prairie District Office
(403) 538-5310
fax (403) 538-5384

Hanna District Office
(403) 854-5550
fax (403) 854-3086

Peace River District Office
(403) 624-6130
fax (403) 624-2440

Red Deer District Office
(403) 340-5200
fax (403) 340-4876

Edson District Office
(403) 723-8250
fax (403) 723-8387

Vermilion District Office
(403) 853-8178
fax (403) 853-8270

Stony Plain District Office
(403) 963-5711
fax (403) 963-7420

Treasury (Internet: <http://www.gov.ab.ca/dept/treas.html>)

Tax and Revenue Administration

For information about provincial corporate taxation,

Edmonton:
9811 - 109 St.
Edmonton, AB. T5K 2L5
(403) 427-0712
fax: (403) 427-5074

Calgary:
500, 620 - 7 Ave. S.W.
Calgary, AB. T2P 0Y8
(403) 297-5200
fax: (403) 297-5238

Elsewhere: 1-800-363-6296

Workers' Compensation Board

For enquiries, contact any of the following offices:

Edmonton:	9912 - 107 St. PO Box 2415 Edmonton, AB. T5J 2S5 (403) 427-1246 fax (403) 427-0398	Lethbridge:	220 - 4 St. S., Chancery Court Lethbridge, AB. T1J 4J7 (403) 381-5339 fax (403) 381-5764
Calgary:	300 - 6 Ave. S.E. Calgary, AB. T2G 0G5 (403) 297-6175 fax (403) 297-3424	Red Deer:	208 Centre Bldg. 5010 - 43 Street Red Deer, AB. T4N 6H2 (403) 340-5357 fax (403) 340-7786
Grande Prairie:	10022 - 102 Ave. Grande Prairie, AB. T8V 0Z7 (403) 538-5421 fax (403) 538-5689		



Government of Canada (Internet: <http://canada.gc.ca>)

Agriculture and Agri-food Canada (Internet: <http://www.agr.ca/>)

Food Production and Inspection

For labelling of raw or manufactured food products,

Edmonton:	Calgary:
#205, J.G.O'Donoghue Bldg.	102, 3650 - 36 St. N.W.
7000 - 113 St.	Calgary, AB. T2L 2L1
Edmonton, AB. T6H 5T6	(403) 299-7669
(403) 495-7287	fax (403) 221-3296
fax (403) 495-3359	

Health Canada (Internet: <http://www.hwc.ca/>)

Health Protection

For inspection of all provincially-registered food manufacturers,

Edmonton:	Calgary:
Suite 840, Canada Place	282, 220 - 4 Ave. S.E.
9700 Jasper Avenue	Calgary, AB. T2G 4X3
Edmonton, AB. T5J 4C3	(403) 292-4645
(403) 495-2626	

Industry Canada (Internet: <http://strategis.ic.gc.ca>)

Canadian Intellectual Property Office

For information about copyrights, patents, trademarks, industrial designs,

Edmonton:	Calgary:
Suite 540, Canada Place	Suite 510
9700 Jasper Ave.	639 - 5th Ave. S.W.
Edmonton, AB. T5J 4C3.	Calgary, AB. T2P 0M9
(403) 495-4782	(403) 292-5607



Consumer Products Directorate

For information about packaging and labelling of non-food products,

Edmonton:
10225 - 100 Ave.
Edmonton, AB. T5J 0A1
(403) 495-2485

Calgary:
Suite 400, 639 - 5th Ave S.W.
Calgary, AB. T2P 0M9
(403) 292-6173

Corporation Directorate

For information on federal incorporation under the Canada Business Corporations Act,

Edmonton:
Canada Business Information Centre
Suite 100, 10237 - 104 Street
Edmonton AB. T5J 1B1
(403) 422-7722
1-800-272-9675

Calgary:
Calgary Business Information Centre
Suite 250, 639 - 5th Ave. S.W.
Calgary, AB. T2P 2M5
(403) 221-7800

Revenue Canada (Internet: www.rc.gc.ca)

Business Windows

For one-stop access to all Revenue Canada services and business information including obtaining a single business number to be used for GST, payroll deductions, corporate income tax and import/export, 1-800-959-5525 (routed to closest office)

Edmonton:
10th floor, Canada Place
9700 - Jasper Ave.
Edmonton, AB. T5J 4C8
(403) 495-3200
fax (403) 495-4381

Calgary:
220 - 4th Ave. S.E.
Calgary, AB. T2G 0L1
(403) 221-8970
fax (403) 691-6676

Red Deer:
4996 - 49 Ave.
PO Bag 5013
Red Deer, AB. T4N 6A1
(403) 341-7047
fax (403) 341-7053

Lethbridge:
300, 704 - 4 Ave. S.
PO Bag 3009
Lethbridge, AB. T1J 4A9
(403) 382-3049
fax (403) 382-3052

Customs

Edmonton:
M6 Metropolitan Place
10303 - Jasper Ave.
Edmonton, AB. T5J 4H8
(403) 495-3400

Calgary:
Bay 32, 3033 - 34 Ave. N.E.
Calgary, AB. T1Y 6X2
(403) 292-4660