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The Business License Program

The City of Saskatoon Community Services Department Business License Program licenses all businesses operating from a fixed address within Saskatoon. This includes all home based businesses and all businesses operating from commercial and industrial locations.



Photo Credit: Irene Sosulski

The Business License program processes over 6,000 new business license applications and license renewals annually. This publication provides a summary of business activity in Saskatoon including information on:

- New businesses,
- Commercial/Industrial Businesses (those operating in traditional business areas, including employment information),
- Home Based Businesses (those operating in residential areas),
- The new On-line Business Directory Initiative, and
- Other business information about the City of Saskatoon.

Quick Facts:

- Saskatoon has averaged 549 new licensed businesses per year over the last four years.
- The Service and Retail Sectors contain the greatest number of licensed businesses in Saskatoon, and employ the greatest number of people.
- The proportion of home based businesses in Saskatoon as a percentage of total licensed businesses continues to grow.
- Business employment in Saskatoon is concentrated in two main areas, the North Industrial Area and the Downtown.

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**Check out page 8 for important information regarding the upcoming
 On-line Business Directory!**

New Businesses

Since 1998, Saskatoon has seen a consistent number of new businesses, both commercial and home based, opening each year (see Table 1). Map 1 identifies the number of new licensed businesses that have opened over the last four years by area of the City. This map illustrates a number of points:

1) In absolute terms, the largest number of new businesses opened in the Core Neighbourhood Area, with an average of 95 per year over the past four years. This area contains the Broadway and Riversdale Business Areas, as well as a large residential component where numerous home

based businesses open every year.

2) The Northwest Industrial area is the largest single industrial/commercial area in the City. Not surprisingly this area attracted the largest number of new commercial/industrial businesses over the past four years (an average of 69 per year).

3) While the Northwest Industrial area has not attracted the largest number of new businesses, the businesses in this area are generally larger and employ more people. Refer to pages 4 through 6 for further information on employment.

4) Business growth in the Downtown (CBD) has increased steadily over the past two years, with 48 new businesses in 2000 and 72 in 2001.

Commercial/Industrial Based Businesses

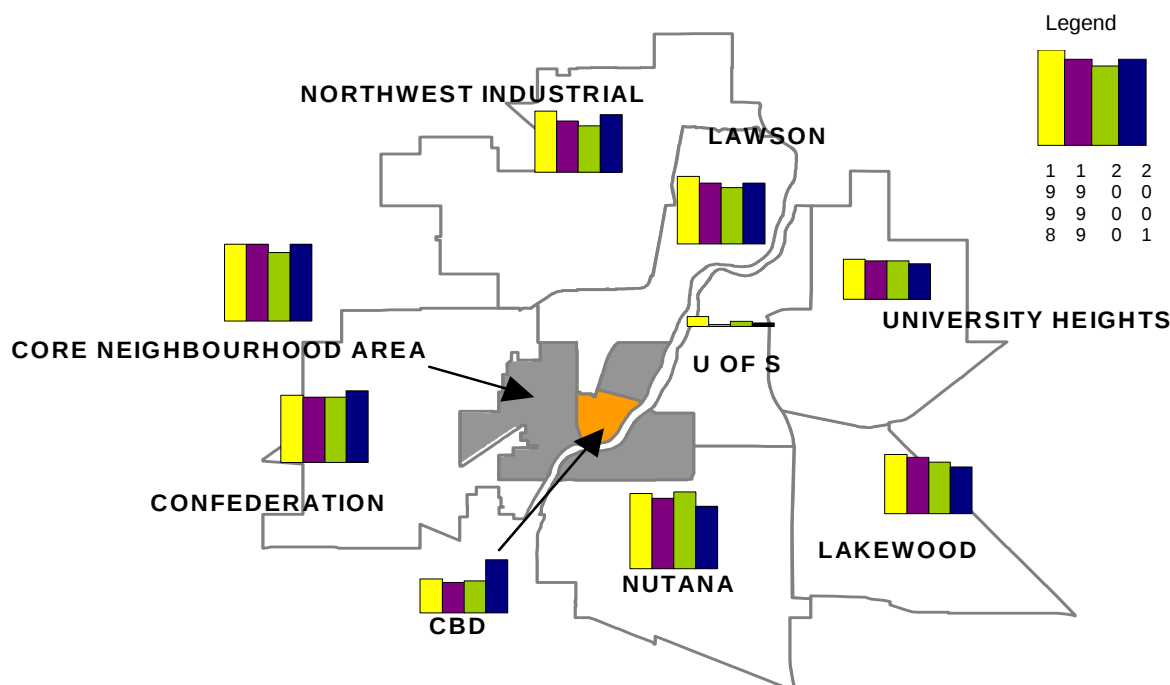
Figure 2 illustrates the composition of new commercial/industrial based businesses by type over the last four years. New Service Sector businesses were the most numerous, with an average of 120 per year from 1998 to 2001. New Retail Sector businesses were next with an average of 79 per year over the same period. In comparison there were

Table 1

New Businesses, 1998-2001

1998	546
1999	512
2000	613
2001	526
Total	2,197

Map 1
New Businesses by Suburban Development Area, 1998 - 2001



Development Services Branch, February 2002

New Businesses (continued)

fewer new businesses in Building/Transportation, Manufacturing and Wholesale Sectors.

Home Based Businesses

Figure 1 compares the number of new licensed home based businesses in Saskatoon over the last four years, to the corresponding number of new licensed commercial/industrial based businesses. On average, there were 315 new home based businesses licensed per year, compared to 235 new commercial/industrial based businesses.

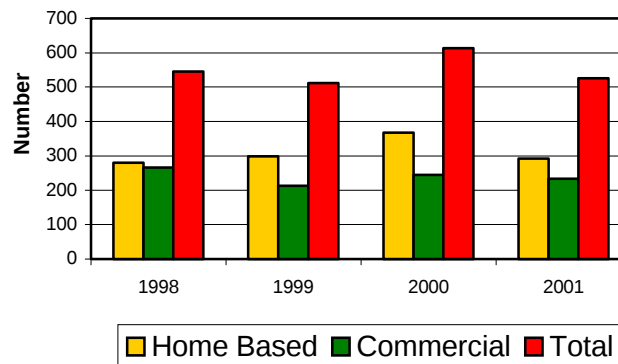
Home based businesses are typically service-

oriented. As Figure 2 indicates, the Business/Professional Services group attracts the highest number of new businesses. Such activities include computer consultants, financial advisors and offices of other professionals such as engineers. A relatively con-

sistent number of businesses in both the building/construction and personal/household service sectors also open every year. Building and construction services include home builders and tradespersons. The personal and household services sector is

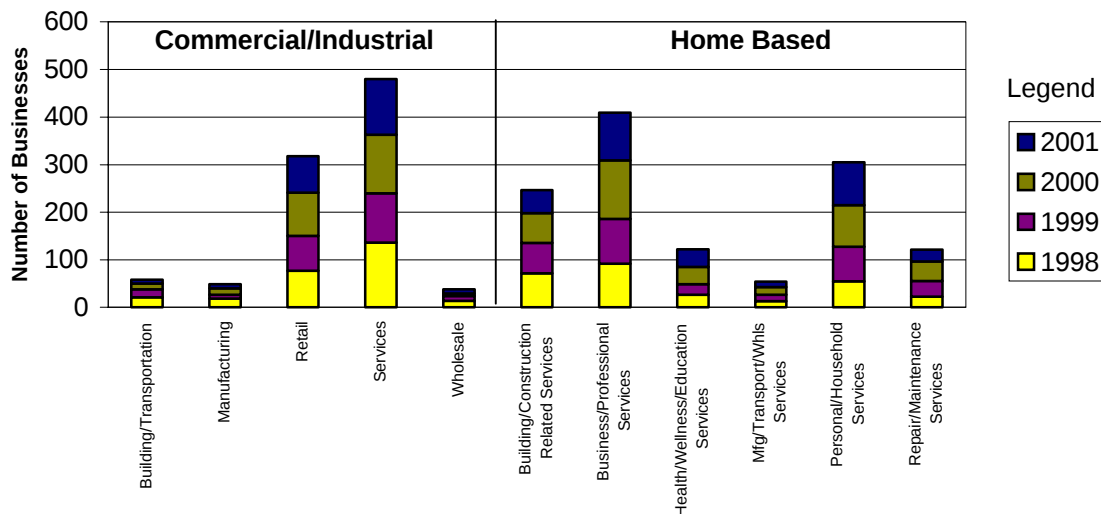
much broader as it includes services such as massage therapists, janitors and home crafts.

Figure 1
New Business Licenses by Type, 1998-2001



“Although the number of new businesses fluctuates from year to year, business growth in the City remains consistent.”

Figure 2
New Businesses by Type, 1998 - 2001



Development Services Branch, February 2002

Commercial / Industrial Businesses

Saskatoon has shown a stable level of commercial/industrial activity for 2001, with a total of 4,949 commercial/industrial based businesses being licensed. This is down just 3% from the corresponding number for 2000 (5,119), which is a strong showing given the economic challenges faced by Canada and the world in 2001. Overall, the figures for 2001 represent a stable level of business activity, consistent with the previous three years. (Refer to Table 6)

The largest area of commercial activity continues to be the service sector, accounting for nearly half of all commercial businesses. The majority of businesses found in the service sector include: accounting, personal service trades, architects/engineers, computer-related services, physicians and medical-related services and restaurants. (Refer to Table 2)

Employing over 22,000 peo-

ple, many full-time, the service sector employs an average of ten people for each business. This is in contrast to the manufacturing industry where there are fewer businesses, but the ratio of employment is more than twenty to one, almost all of which are full time. The retail sector continues to have the highest percentage of part-time employment (45%). (Refer to Table 4)

The wholesale and manufacturing sectors account for the largest median floor area, meaning that businesses in this sector typically require larger spaces to operate than those in the service or retail sector. (Refer to Table 3)

The majority of commercial/industrial businesses in Saskatoon are located in one of three distinct commercial areas: the Core Area, the Industrial Areas, and along busy arterial streets. Businesses in these areas account for 61% of all commercial/

industrial businesses. From these, the bulk of commercial/industrial businesses and employment can be found in one of three commercial nodes: the Central Business District, the North Industrial, and 8th Street East.

Central Business District

Nearly 20% of Saskatoon's 5,000 commercial businesses can be found clustered in the City's Central Business District (see Map 2). 950 commercial businesses and over 9,200 jobs (17%), mostly service and retail, are located here. As shown in Table 5, the majority of employment in the Central Business District is full time. Not included in these figures are the employment for government agencies.

North Industrial

The majority of industrial businesses in Saskatoon are located in six industrial areas north of Circle Drive. In particular, these include the

North Industrial, Airport Industrial, Hudson Bay Industrial, and Marquis Industrial.

Businesses locating in industrial areas account for 38% of all commercial/industrial businesses, including 28% of all commercial businesses being found in the industrial areas north of Circle Drive. Employment for this area is high as well with 34% of the City's total employment located within these areas. The composition of businesses by the five different sectors appears to be evenly distributed.

8th Street East

Commercial activity along Saskatoon's main arterial streets continues to account for a significant portion of overall commercial activity. These arterial areas include 8th Street, 20th Street, 22nd Street, 33rd Street, Broadway Avenue, Central Avenue, and Idylwyld Drive. Accounting for nearly a quarter of all commercially

Table 2
Commercial/Industrial
Businesses, 2001

Building/Transport	424
Manufacturing	356
Retail	1,502
Service	2,312
Wholesale	355
Total	4,949

Table 3
Commercial/Industrial
Median Square Metres, 2001

Building/Transport	279
Manufacturing	418
Retail	192
Service	107
Wholesale	471
Overall Median	118

Table 4
Commercial/Industrial Employment, 2001

	Total	Full Time	Part Time	Average # of Employees per Business
Building/Transport	5,511	4,384	1,127	13
Manufacturing	7,926	7,250	676	22
Retail	14,249	7,829	6,420	9
Service	22,597	13,976	8,621	10
Wholesale	4,047	3,331	716	11
Total	54,330	36,770	17,560	11

Commercial / Industrial Business (continued)

licensed businesses, most businesses found along Saskatoon's main arterials are service or retail oriented.

Of the seven arterial areas examined, 8th Street East is the most dominant in terms of both employment and the number of commercial businesses. 8th Street East accounts for nearly 10% of all commercial businesses and 11% of total employment in Saskatoon. As with the other arterial areas, the majority of businesses locating along 8th Street East are service or retail oriented with very few being manufacturing, wholesale, or building/transport.

Table 5
Employment Distribution for Major Employment Areas

Neighbourhood	Full-time	Part-time	Total	%*
Central Business District	6,042	3,213	9,255	17%
North Industrial	6,172	1,625	7,797	14%
Hudson Bay Industrial	3,567	659	4,226	8%
Airport Industrial	2,763	799	3,562	7%
8th Street East	1,527	1,466	2,933	5%
Confederation Suburban Centre	754	1,047	1,801	3%
All Other Areas (combined)	15,945	8,751	24,756	46%
City of Saskatoon	36,770	17,560	54,330	

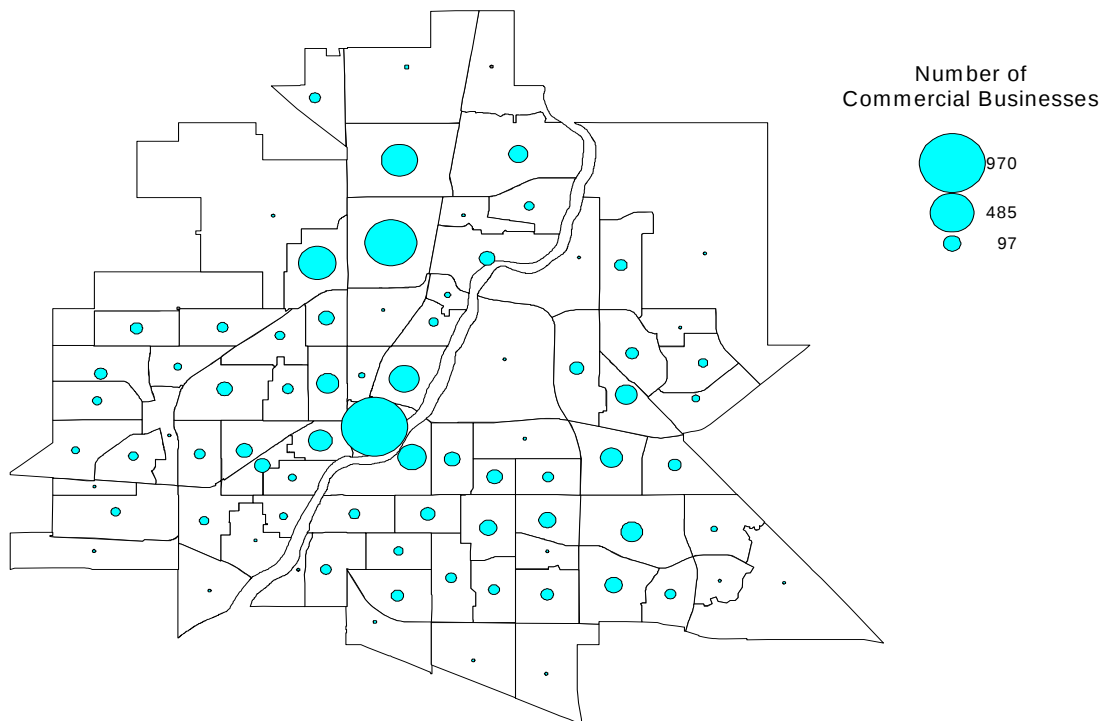
* Percentage of Total Employment

Table 6

Commercial Businesses, 1998-2001

1998	5,151
1999	5,140
2000	5,119
2001	4,949

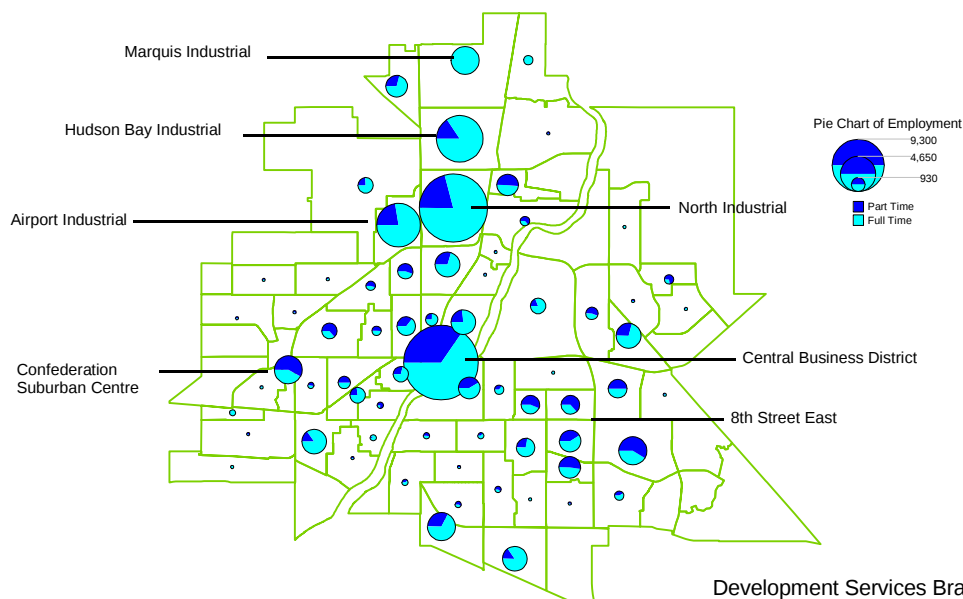
Map 2
Number of Commercial Businesses by Neighbourhood, 2001



Development Services Branch,
February 2002

Commercial / Industrial Business (continued)

Map 3
Business Employment Distribution by Neighbourhood, 2001



“...the bulk of commercial businesses and business employment can be found in one of three commercial nodes: the Central Business District, the North Industrial, and 8th Street East”.

Home Based Businesses

The home based business sector continues to play a prominent role in Saskatoon's economy. There were 1,585 licensed home based businesses in Saskatoon at the end of 2001, up slightly from the previous year's total of 1,575. Home based businesses now account for over 24% of the total number

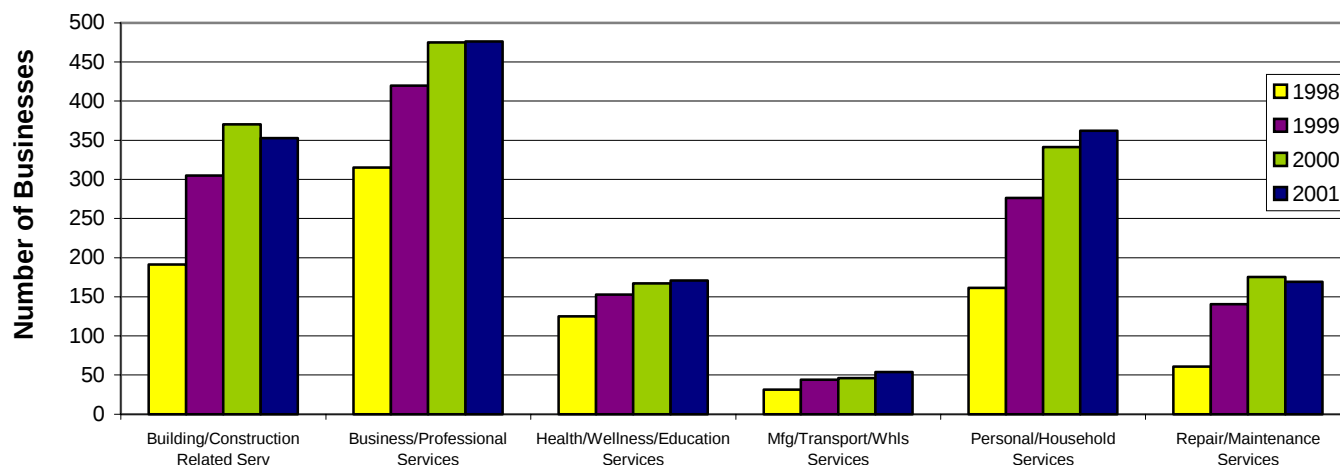
of licensed businesses in Saskatoon compared to only 11% of the total number of businesses in 1997. Statistics Canada has estimated that one in four Canadian households participates in some form of home based business. Since 1998, there has been a significant increase in the

number of licensed home based businesses in Saskatoon. Some of this growth is attributed to an increase in the number of home based businesses and some to existing businesses obtaining a Business License. (See Table 7)

Several factors are responsi-

ble for the increase in the home based sector. First, technological advances in personal computers, office equipment, high speed internet connectivity and communication now make it easier for home based businesses to compete on a local or global scale. Sec-

Figure 5
Home-based Businesses by Business Sector, 1998-2001



Development Services Branch, February 2002

Business Retention

As businesses renew their licenses every year, it is possible to determine the duration that new businesses stay open. On average, 76% of new businesses remain in operation at least one year. Of those, 85% remain in operation for a second year. Approximately 90% of the remaining businesses stay in operation in subsequent years. This data indicates that if businesses remain viable for their first few years of operation the success rate significantly increases. This issue will be further examined in the fall issue of the Business Profile.

On-Line Business Directory

The City of Saskatoon Community Services Department, the Saskatoon and District Chamber of Commerce, the Saskatoon Regional Economic Development Authority and the North Saskatoon Business Association, are working together to create an On-line Business Directory for all licensed businesses in the City. This proposal will also promote internet readiness for Saskatoon's businesses community. The City's Business License Program became involved as a means to provide value added services to all Business License holders, particularly those businesses which do not have an internet strategy currently in place.

In order that all licensed businesses be given the opportunity to participate, the City will be mailing out consent forms this spring.

Frequently Asked Questions

If I'm not a member of the Chamber, the NSBA or SREDA can I still participate?

Yes.

Can my business association or business district be one of the partners in this project?

Yes. Each of the partner organizations must have a member on the committee which will administer the project. Also, each partner organization must sign a confidentiality agreement regarding the master data set. If you are interested please contact Saskatoon and District Chamber of Commerce at 244-2151.

If I consent to being on the list, will my business information be sold to a third party?

No. Any business organization participating in this project must sign a confidentiality agreement.

When will the directory be up and running?

Fall 2002.

What information will be available to potential customers? Do I need a website?

Your address, phone and fax numbers, email address and as well as a potential link to a website. No, you do not need a website.

How would the public access this information?

The public will be able to access this information through one of the partner organization's websites.

What will the information look like?

The user will be able to submit a query for information on your business or a category of businesses. Check out the Winton-Salem Chamber website (www.winstonsalem.com) which contains a sample on-line business directory.

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