

INTERMUNICIPAL MOBILE BUSINESS LICENCE (2013)

At the 2006 Union of British Columbia Municipalities (UBCM) Convention, Premier Gordon Campbell challenged local governments to develop a single business licence framework, becoming the first jurisdiction in Canada where businesses can operate freely anywhere in their province. The Ministry of Small Business and Revenue was charged with leading the Single Business Licence Initiative and was working closely with UBCM, the Ministry of Community Services, and key stakeholders to develop a model that streamlines business licensing processes while retaining municipalities' powers to set local standards for businesses operating within their jurisdictions.

It is important to note that with the exception of the Premiers Task Force on Community Opportunities, all the recommendations on this issue, including recommendations by the BC Chamber, CFIB and other business organizations, have called for a single business licence program for the entire province. However, these calls were met with resistance from certain local governments. This resistance was typified by a resolution presented to the Union of BC Municipalities in 2007 which expressed concern over loss of revenue, loss of autonomy, and ultimately over municipalities ability to govern. While this recommendation did not become official policy of UBCM it clearly demonstrated a level of resistance to the concept of a single business licence within local government.

Following the strength of opposition expressed by local government, the province moved away from the introduction of a single business licence, and began to promote regional Mobile Business Licence (MBL) programs. While the Chamber has expressed concern over the lack of focus regarding a single business licence for all of B.C., we recognise the fact that a MBL would still represent a significant improvement on the current situation. The MBL allows mobile businesses (e.g. contractors, trades businesses, photographers and caterers etc.) to operate across participating municipalities in which they operate. Mobile businesses still purchase a business licence for their main location but instead of obtaining multiple licences for outlying municipalities, only one licence is needed. Municipal governments in the participating areas benefit by lowered administration costs and increased revenue due to higher compliance as a result of more cost effective and streamlined licensing process.

Beginning on January 1, 2008 the Okanagan-Similkameen region introduced a successful 12month MBL pilot project in seventeen communities. At the end of the pilot the 17 municipalities had realised an increase in revenue of \$205,000. On January 1, 2013 nine municipalities in the Fraser Valley launched a one year pilot. Additionally, three municipalities in the Tri-Cities area have launched a regional MBL program and another six municipalities in the lower mainland (Vancouver, Richmond, Burnaby, Surrey, Delta and New Westminster) are currently evaluating the implementation of a pilot program in the near future. With the successful launch of this final region, nearly every municipality in the lower mainland would be part of a MBL program; leading to the likelihood of one inter-municipal business license that would cover the entire region. The success of these pilot projects builds on evidence in other jurisdiction in the province that have shown the benefits of such a model. Prior to the pilot projects in the Lower Mainland, intermunicipal business licence agreements existed in: Victoria Capital Region, Cowichan Valley, North Okanagan, North-West Vancouver, Courtenay-Comox, and the Trail Region.

To date all of the MBL projects have been a resounding success and several local municipalities bordering the pilot projects have adopted the MBL model too, thereby increasing the existing boundaries within which businesses can operate under one licence. In the absence of a single provincial business licence, implementing regional programs could be a more streamlined and cost-effective way for municipal governments in all of BC to operate in the short-term, and pave the way for the eventual goal a one Province wide MBL.

Conclusion

The benefits to local governments, business, and residents of a MBL model have been supported by the feedback and financial success of the Okanagan-Similkameen, Fraser Valley, and other MBL programs already in place. Yet despite these clear benefits, we have failed to see other regions in the province introduce similar programs. This is unacceptable and increases costs for local governments and for businesses; ultimately resulting in higher costs for the taxpayers in the community.

The Chamber believes that the benefits of a MBL program have been demonstrated in the numerous pilot projects and early concerns of loss of revenue and autonomy have been negated. Therefore, even in the absence of support from local governments, the provincial government has a responsibility to act in the interests of business and residents and set a clear timeframe for regions to develop a MBL, with any failure to meet this timeframe resulting in the imposition of a MBL. The Chamber also believes that the introduction of regional MBL programs is only an interim step towards the original stated goal, which is a single, province wide licensing program for all business.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. proactively conduct data/revenue analysis's for municipalities in defined regions to assist with implementation and merging of existing Mobile Business License programs;

2. develop clear timeframes for defined regions to introduce Mobile Business Licence programs;

3. work with local municipal governments to standardize terminology and procedures used when implementing Mobile Business Licence Programs; and

4. recognize that Mobile Business Licence programs are an interim step and that the provincial government develop a plan, including timelines, for the introduction of a Single Provincial Business Licence program.