



# How To Start A Small Business In

**WAWA**



Economic  
Development  
Corporation  
of Wawa

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Economic Development Corporation of Wawa  
P.O. Box 63  
96 Broadway Avenue  
Wawa, ON P0S 1K0

Phone: 705.856.4419  
Fax: 705.856.2655

Web: [edcwawa.ca](http://edcwawa.ca)  
Email: [info@edcwawa.ca](mailto:info@edcwawa.ca)

## Disclaimer

This document is intended only as a guide for general business start up. It is strongly recommended that you contact each individual, ministry or government agency, to determine the guidelines and requirements for your particular type of business. The Wawa EDC has provided you with this information but is not responsible for any errors or misuse.



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## **Choose a Business Structure That Suits Your Needs**

Choosing a business structure is the first decision an entrepreneur has to make in establishing their business. A business needs to be structured so as to get the most out of its assets, while being able to capitalize on present and future opportunities. Here are a three common business structures and how they operate.

### **Sole proprietorship**

This structure is the easiest and quickest to form. The business becomes an extension of the sole owner as an entity and is therefore indistinguishable. This means that assets owned by the business are owned by the proprietor; debts incurred by the business become the debts of the proprietor. Sole proprietorships have the ability to raise capital publicly or privately, limiting the personal liability of managers and officers and lessening investment risk. Owners have complete control of all aspects of the business and can implement their decisions rapidly. The owner can inject or withdraw capital at will for the lifetime of the business. The life of the business is limited by the lifespan of the owner, meaning that once the owner dies, the business no longer exists.

### **Partnership**

General partnerships are created when two or more individuals enter a partnership agreement pull together assets to mutual benefit. Partnerships are quick and easy to create and are treated similarly to sole proprietorships; the partners are financially and legally inseparable from the business. This structure grants a stronger starting position than if each partner started similar businesses independently and competed against each other for market share. In most cases partnerships provide the business with a diversity of skill sets and expertise. All partners agree to share profits and losses in accordance to their stake in the business. Importantly, all partners have unlimited liability, which means that they may lose more than they originally invested. In a limited partnership agreement, each of the general partners has unlimited liability for the debts of the partnership, but the limited partner's exposure to the debts of the partnership is limited to the contribution each has made to the partnership. A liability insurance policy is a wise investment when involved in a partnership. Liability insurance can protect your general partners of limited partnerships from lawsuits alleging mismanagement.

### **Corporation**

Corporations take longer and are more expensive to register than sole proprietorships or partnerships. This type of organization is regulated and must conform to a rigid set legislation. Corporations are legal entities, separate from its shareholders, with its own legal rights and liabilities with an unlimited lifespan. In the eyes of the law, corporations are "Legal People" and are treated in a similar way a human being or "Natural Person", but are not considered living entities. In short, corporations can be charged or crimes, pay taxes, go bankrupt and own property (including other corporations). Corporations can operate as either a "for profit" or as a "not for profit" organization. Ownership is handled through the issuance and trade of stock that may be circulated privately or publicly. Shareholders benefit from limited liability; the greatest loss they can incur is their initial investment in the corporation. Corporations also benefit from a different set of tax regulations than sole proprietorships and partnerships.

## Business Structures at a Glance

Business Structure	Advantages	Disadvantages
Sole Proprietorship	<ul style="list-style-type: none"><li>• Easy and inexpensive to form</li><li>• Direct decision making power</li><li>• All profits go to you</li><li>• Simple record keeping</li></ul>	<ul style="list-style-type: none"><li>• Unlimited Liability</li><li>• Difficulty in raising capital</li><li>• Lack of continuity</li><li>• Limited lifespan</li></ul>
Partnership	<ul style="list-style-type: none"><li>• Easy and inexpensive to form</li><li>• Diversity of management</li><li>• Potential tax advantages</li><li>• Limited regulation</li></ul>	<ul style="list-style-type: none"><li>• Unlimited liability</li><li>• Difficulty finding the right partner</li><li>• Potential for conflict between partners</li><li>• Difficulty in raising capital</li></ul>
Corporation	<ul style="list-style-type: none"><li>• Limited liability</li><li>• Easier to raise capital</li><li>• Transferable ownership</li><li>• Unlimited lifespan</li><li>• Separate legal entity</li><li>• Potential tax advantages</li></ul>	<ul style="list-style-type: none"><li>• High level of regulation</li><li>• Double taxation</li><li>• Expensive and lengthy incorporation</li><li>• Charter restrictions</li><li>• Extensive record keeping</li></ul>

## Registering Your Business

Sole proprietorships and Partnerships are registered in the same way through same channels. The registration of a business can be done on-line with ServiceOntario or with the Companies and Personal Property Security Branch (CPPSB) of the Ministry of Government and Consumer Services (MGCS). Applications must be made within 60 days of commencing the business. Once registered, the Ontario government issues a Master Business License along with the expiry date on the bottom of this document. Every business registration is valid for five years, after which you need to renew.

A sole proprietorship is not required to register if the business is carried out under the owner's exact given name. For example:

John Smith does not need to register

John Smith Enterprise does need to register

A sole proprietorship or partnership does not require a name search by law. If you choose to request one, the fee is \$8.00-\$26.00 for each name, depending on where and how you conduct the search. The fee for registration with ServiceOntario is \$60.00 and the fee with CPPSB is

\$80.00. These payments are payable by cash, cheque or money order to the Ministry of Consumer and Business Services. The fee for a mailed in form for a business name registration or renewal is \$80.00, payable by cheque or money order to the Minister of Finance. If you register in person, you will receive your Master Business License on the spot. If you register online, it can take up to 2-3 days. Lastly, if you mail in your business registration, it will take 6-8 weeks to receive your Master Business License. Below is contact information as to where you can register or renew your business in Wawa.

**Service Ontario Government Information Centre**

48 Mission Rd, P.O Box 1370

Wawa, ON P0S 1K0

Phone: 705.856.2354

Fax: 705.856.7511

Website: [http://www.ontario.ca/en/services\\_for\\_business](http://www.ontario.ca/en/services_for_business)

The logo for ServiceOntario, featuring the text "ServiceOntario" in white on a green rectangular background.

The MNDM has an Ontario Business Connects workstation (OBC). You can register your business (sole proprietorship and general partnership only) at their workstation. You can also apply for a vendor permit (PST), Workplace Safety and Insurance (WSIB) account and Employer Health Tax (EHT) account.

Corporations can be registered provincially or federally. Registering federally means that the corporation is recognized throughout all of Canada and prevents other business from operating under the same or similar name, within the same industry. Registering provincially grants the same protection, but is only recognized in the province in which it was registered. Whether you chose the file federally or provincially the process is the same.

1. Name Search – This search confirms no one else has a business or registered trade mark with the same name or similar to the name you've chosen for your corporation. You must provide a current NUANS (New Upgraded Automated Name Search) report with your application for incorporation
2. Articles of Incorporation – This is a form under the Business Corporations Act. It details the Corporation's name and address, the number of directors and their names and addresses, business objectives, company structure, and number and value of shares authorized and issued.
3. Covering Letter – This covering letter identifies the name, return address and telephone number of a contact for the corporation.
4. File your Application – Your application must include all of the above. If you are filing your documentation in fax, by mail, by email, in person at the Companies Branch, or at the Land Registry Office, the registration fee is \$250.00. If you are filing electronically, you will pay the statutory fee of \$200.00, plus the fee charged by the primary service provider. You can file online using this link: <http://www.ic.gc.ca/eic/site/cd-dgc.nsf/eng/home>

Although it is not required, it is recommended that a lawyer be used to incorporate since it can be a complicated procedure. This is to assure that the owners and directors are familiar with all the legal and reporting requirements of a corporation and their personal responsibilities.

## Protecting Your Business' Name

A sole proprietorship or partnership's business name is protected by a trademark, not by name registration. The Business Names Act does not prohibit the registration of identical names, so you could register a business name that another company is already using. Without a request for a name search, the Ministry of Consumer and Business Services does not check to see if it has already been registered under the same name.

The individual who registers and uses the name first will have priority claim to it regardless of whether the business is incorporated or not. Any legal protection of the name arises under common law. If you do register a name that is similar to an existing one, a lawsuit could result.

A sole proprietorship cannot use "Corporation", "Limited", "Incorporated", or such abbreviations in the name. Other restricted names include "Cooperative", "Association Club", "College", "University", or "Amalgamated" or any other title that insinuates the company is owned by more than one entity.

Corporations are assigned and registered as a number, unless it is filed under a specific name, in which case a NUANS search must be undertaken. When the chosen name is accepted for registration, one can be assured that a similar name is not being utilized by another corporation within the relevant jurisdiction.

A company may then choose between one of the four corporation designations and their respective abbreviations:

- Limited (Ltd.)
- Limitee (Ltee.)
- Incorporated(Inc.)
- Corporation(Corp.)

Once a selection has been made, another designation cannot be used. The business will receive protection under the Ontario Business Corporations Act. If another company is using a corporate name deceptively similar to your business name, an objection can be filed with the Companies Branch of the Ministry of Consumer and Business Services. In addition, the Corporation may rely on the protection provided by common law.

## Liability

As a sole proprietorship, the owner is inseparable from the business. Therefore, the owner will be held financially and legally responsible for debts and legal action brought against or upon the business. If the business is sued or forced into bankruptcy, the individual is personally liable to satisfy the creditors and/or lawsuit. Liability insurance can be purchased from an insurance company and is a wise precaution, especially in a higher risk industry such as construction and food services.

As in the case of a sole proprietorship, the partners are financially and legally inseparable from the business. Each partner is jointly and severally, share all profits, losses, management,



authority, and risk for the business. All partners have unlimited liability and can lose more than what was previously invested. As stated previously, liability insurance is a good way to mitigate the risks associated with unlimited liability in a partnership.

A corporation is a separate legal entity. The liability of a shareholder in a corporation is limited to his/her investment in the corporation. If a corporation is sued, only the company's assets may be seized to satisfy the creditor's claims. The directors of a corporation may be held personally liable for unpaid payroll obligations and corporate taxes. If it is proven that the directors did not operate the business in a prudent manner, they may also be personally responsible for liabilities.

Often, when a corporation obtains debt financing, the lending institution will require the personal guarantee of the owners, along with the personal collateral security, to support the loan. If the corporation cannot repay the debt, the lending institution will look to the guarantees for repayment.

## Income Tax

Sole proprietorship and partnerships are taxed through the personal tax return of the owner(s). The owner(s) must include the income from business activities for that year, as well as their personal income on their individual income tax return. In the case of partnerships, net income is allocated to each partner according to his/her percentage interest in the partnership. After the first year of operation, income tax must be remitted on a quarterly basis in advance.

You can deduct any reasonable expenses related to your businesses activities. You cannot deduct personal expenses. Some business expenses you can claim are advertising, salaries, 100% or 50% of business meals and entertainment, capital cost allowance (depreciation) on buildings, equipment and vehicles, and insurance and mortgage interest based on the portion of your home you use as your home office. For more information, contact the Canada Customs and Revenue Agency for the Business and Professional Income Guide. In the case of a limited partnership, the limited partner can claim their share of deductions and losses that the business incurs against their other income. These write-offs may include equipment costs, however, "soft costs" such as legal fees, may be limited.

Corporations in Canada are subject to Corporation Income tax rates. Both the Federal and the Provincial governments collect income tax, which is referred to as double taxation. The corporation's net income will be taxed plus the owners and/or employees are required to remit their personal income tax forms. Salaries, dividends and bonuses received from the corporation must be declared as income. A corporation is also required to pay a capital tax that is based upon the paid-up capital of the business. The taxation year corresponds to the fiscal year for which the corporation has to prepare its financial statements. A new corporation is not required to pay income tax until after the first year of operation; therefore, remittance is made on a monthly basis.



## Reporting and Record Keeping

Keeping records is crucial for the successful management of a business. Sole proprietorships and partnerships should maintain books and records for a minimum of six years. In a limited partnership, an accountant will be required to prepare financial records. If your business utilizes computerized bookkeeping, you should make a printed record available. You should never mix your personal banking with your business banking to prevent financial complications. A separate business bank account should be set up. You must maintain a record of assets, including date of acquisition, cost and from whom the asset was acquired.

You must report the registration of the business name (if operating under a name other than your exact personal name), and renew it every five years. You must also file an income tax return with the Canada Customs and Revenue Agency at the end of the year of operation.

When employees are involved, you must maintain payroll records for each individual employee and keep them for a minimum of six years. The employer is responsible for the preparation of the Canada Customs and Revenue Agency "T4" information slips.

Reporting and record keeping can be difficult to keep up within a corporation and it can prove to be a real problem if it is not done correctly. Below are examples of the kinds of things a corporation may have to record.

- Initial Corporation documents, such as, articles, NUANS, etc.
- Initial notice of Corporation
- Initial corporation tax questionnaire
- Any notice of change to be filed with the Ontario Ministry of Consumer and Business Services. This includes any changes with directors, addresses, business objectives or share structure. Failure to submit this information may result in cancellation of Certificate of Incorporation or a fine
- Board minutes should be documented
- Written records of corporation by-laws, borrowing, by-laws and resolutions
- Shareholder minutes should be documented
- Regular income tax reporting as well as annual preparation by a qualified professional
- A permanent record of assets on which capital cost allowance is claimed
- Special contracts and agreements
- Books and records to be retained for a minimum of six years
- Public corporations are subject to additional, severe reporting requirements
- Required record keeping for Provincial and Federal Sales Tax, employee wages, CPP and EI, where applicable

## Salaries, Wages, and Payroll Deductions

The owner of a sole proprietorship or members of partnership may draw money from the business; however, this is not a deductible expense for income tax purposes. The amount drawn must be added back to the net revenue when completing the income statement for Canada Customs and Revenue Agency.

The sole proprietor is not eligible for Employment Insurance and, therefore, is not required to pay the premiums. However, Canada Pension Plan contributions are required. They are made in quarterly installments based upon the income earned by the business. The sole proprietor may pay for coverage under the Workplace Safety and Insurance Board.

When employees are hired, the employee must pay his/her portion of both Employment Insurance and Canada Pension Plan contributions. Workplace Safety and Insurance and Employer's Health Tax contributions, if applicable, are covered 100% by the employer. Employee wages and benefits are a tax deductible expense for income tax purposes.

Family members may be hired and their salaries and benefits may be used as a tax deductible expense providing the wages are reasonable in view of the services rendered.

Shareholder/Owners of a corporation may be employed by the corporation and be paid a salary or a wage. The corporation must make payroll contributions for CPP and EI based on employee contributions. These wages and benefits are deductible expenses and can be used to reduce the corporation's taxable income. There is no legal restriction on hiring family members as long as the salaries paid are reasonable in view of the services rendered.

The corporation must pay Workplace Safety and Insurance Board premiums where applicable. The corporation is also responsible for Employee Health Tax contributions.

Shareholders can receive a share of the profits via the payment of dividends. Dividends are paid out after tax and they do not reduce the corporation's taxable income. Another method of management remuneration is through bonuses.

## **Closing a Business**

When a sole proprietor or when all members of a partnership decide on closing down a business, Canada Revenue Agency must be notified to file a final tax return, pay any outstanding tax amounts, or finance your succession plan. If the business was registered, it should be cancelled at the Ministry of Consumer and Business Services or the Ministry of Northern Development, Mines and Forestry in Wawa.

When one or more partners decide to leave the business, the change in structure must be registered with the Ministry of Consumer and Business Services. The Partnership Agreement should be altered to reflect the updated situation.

The departing partner(s) should be remunerated to the extent of the value of their percentage in the partnership. In many cases, the remaining partner(s) will purchase this interest. However, an accountant may have to be utilized to estimate the value of the departing partner's interest.

The dissolution of a corporation is complex. It is wise to utilize a lawyer or accountant before you go any further. The requirements for dissolution are usually stated in the Articles of Incorporation that you should have read over before incorporating a business. Final financial statements will have to be prepared and accounts owing to the Canada Customs and Revenue Agency and Ontario Ministry of Finance must be settled.

Any capital gain or loss incurred by shareholders of a corporation or upon the disposal of a partnership interest must be reported to the Canada Customs and Revenue Agency.

When employees are involved, you should discuss the situation with them, as well as inform your bankers, suppliers and customers of the change in status.

## Drafting a Business Plan

Why do you need a business plan?

Below is a list of the reasons as to why you need a business plan

- To focus your efforts, set objectives, and company direction
- Map out the business' operation and employee roles
- To enable you to spot potential pitfalls before they happen
- To set realistic targets and timelines that allow some flexibility, without steering away from main objectives, for some 'fine-tuning' along the way
- To enable you to track your growth
- To structure the financial side of your business and,
- To raise finance

Get started by yourself by downloading the templates of a business plan and financial statements and projections you will need for a start-up or for an established business for free at the link below.

<http://www.score.org/resources/business-plans-financial-statements-template-gallery>

Then refine your plan at the **Economic Development Corporation of Wawa**.

The Economic Development Corporation of Wawa can help you:

- Locate financing and incentive options
- Locate available sites and buildings
- Guide you in workforce solutions
- Research project feasibility and business planning.

The Economic Development Corporation also provides a **Virtual Business Advisor**

What is a Virtual Business Advisor?

A Virtual Business Advisor allows the public to come into the EDC office at their convenience to meet one-on-one via webcam with business experts from Sault Ste Marie to help you:

- Write your business plan
- Review funding opportunities
- Discuss your business ideas

To set up a meeting or to find out more information on the Virtual Business Advisor you can contact the Economic Development Corporation of Wawa at: 705.856.4419 or e-mail: [info@edcawa.ca](mailto:info@edcawa.ca).

**The Superior East Community Futures Development Corporation** assists the communities of Wawa, Chapleau, White River and Dubreuilville. They pursue socio-economic development goals and provide assistance to local businesses. Super East Futures Development Corporation participates by acting as a partner, leader, or catalyst, providing expertise and resources in the area of small business lending and counselling, as information providers, and as community development practitioners. Their building is located on 14 Ganley St. in Wawa.

Superior East Futures Development Corporation has an excellent business planning resources on their website at the link below.

<http://www.superioreast.on.ca/frame1.asp>

## **Financing a Small Business in Wawa**

There are government and private sector sources of financing for your business.

### **Northern Ontario Heritage Fund Corporation – *Enterprises North Job Creation***

The NOHFC Enterprises North Job creation program's goal is to stimulate the creation of new jobs in Northern Ontario through small to medium sized businesses. Up to \$1 Million in the form of a conditional grant and loan combination can go to eligible applicants. For more information go to:

<http://nohfc.ca/en/programs/enterprises-north-job-creation>

### **Northern Ontario Heritage Fund Corporation – *Northern Ontario Entrepreneurs***

This program looks to create new businesses in Northern Ontario by helping cover some of the costs of starting a new business. Up to \$125,000 is available to eligible applicants. For more details about this program go to:

<http://nohfc.ca/en/programs/northern-ontario-entrepreneur>

### **Northern Ontario Heritage Fund Corporation – *Northern Ontario Young Entrepreneurs***

The NOHFC Young Entrepreneur program aims to mobilize a new generation of entrepreneurs and community builders in the North. Up to \$25,000 is available to Northern Entrepreneurs. To find out if you are eligible for the Young Entrepreneur program go to:

<http://nohfc.ca/en/programs/northern-ontario-young-entrepreneur>

## **Superior East Community Futures and Development Corporation**

The Superior East CFDC offers small business loans and counselling to the residents of the region. The organization is also involved in regional economic development. Working with representatives of the four communities, the organization strives to improve the social and economic environment of the region. To view the SECFDC go to: [www.superioreast.on.ca](http://www.superioreast.on.ca)

## **Donation based crowd funding**

This is a form of funding based on donations from people interested in your project and is rapidly gaining popularity among entrepreneurs looking to start new ventures. By posting their proposed projects and setting a funding goal and timeline, entrepreneurs can obtain funding from their social circle and beyond via crowd funding websites, by leveraging social media. It has been documented that a project can raise up to \$200,000, but on average most projects that attain their funding goal range between \$4,000 and \$25,000. Below are the three largest platforms.



Here is a list of more institutes that provide funding for businesses.

<b>Northern Credit Union</b> 14 Mission Road, Wawa ON Telephone: (705) 856-2322 <a href="http://www.northerncu.com">www.northerncu.com</a>	<b>Canadian Youth Business Foundation</b> 100 Adelaide Street West Suite 1410 Toronto ON, M5H 1S3 <a href="http://www.cybf.ca">www.cybf.ca</a>	<b>Business Development Bank of Canada</b> 153 Great Northern Road, Sault Ste. Marie ON <a href="http://www.bdc.ca">www.bdc.ca</a>
<b>Royal Bank of Canada</b> 72 Broadway Avenue, Wawa ON Telephone: (705) 856-2261 <a href="http://www.rbc.com">www.rbc.com</a>	<b>Northern Ontario Heritage Fund</b> Telephone: (705) 856-2369 Ext. 290 <a href="http://www.mndm.gov.on.ca/nohfc">www.mndm.gov.on.ca/nohfc</a>	<b>Superior East Community Futures Development Corporation</b> 14 Ganley Street, Wawa ON Telephone: (705) 856-1105 Toll Free: 1 800-387-5776 <a href="http://www.superioreast.on.ca">www.superioreast.on.ca</a>

It is important to note that one cannot open a business bank account without proof of business registration. It is highly recommended not to use a personal bank account for financial business transactions. Cash receipts and disbursements from business transactions should be kept in a business bank account for income tax and record keeping purposes.

## Registering for HST

The harmonized sales tax (HST) is a tax that applies to the supply of most goods and services in Canada. The HST rate for Ontario was effective July 1<sup>st</sup>, 2010 and is 13% (a 5% federal part and an 8% provincial part). Almost everyone has to pay HST on purchases of taxable supplies of goods and services. Some sales or supplies are exempt from HST.

If your worldwide revenues are \$30,000 or less, it is not mandatory for your business to register for an HST account, but you can voluntarily register. You may want to do so for the following reasons:

- you want to claim input tax credits to recover the HST you pay or owe on your business purchases
- you are starting your business activities and you want to register before your total worldwide revenues of taxable goods and services exceed \$30,000
- your clients may only do business with businesses registered for HST

Registrants collect the HST on most of their sales and pay the HST on most purchases they make to operate their business. You can claim a credit, called an input tax credit (ITC), to recover the HST paid or owed on the purchases they use in their commercial activities.

Registrants must meet certain responsibilities. Generally, they must file returns on a regular basis, collect the tax on taxable supplies they make in Canada, and remit any resulting net tax owing.

For more information contact:

### Canada Revenue Agency

130 South Syndicate Avenue Thunder Bay, ON P7E 1C7

Telephone: (800) 959-5525 Fax: (807) 622-8512

Website: <http://www.cra-arc.gc.ca>



**LITTLE KNOWN FACT:  
EVEN THE FEDERAL GOVERNMENT HAS TO PAY HST/GST!**

## Hiring Employees

Managing employees can be one of the most complex things that a small business owner has to do. From finding the right person to managing payroll to keeping people motivated and more, there are many things for you to consider. When hiring employees you must contact all three of the following agencies.

<b>Income Tax and Payroll Deductions Canada Revenue Agency</b>	<b>Workplace Safety and Insurance Board WSIB General Inquiry</b>	<b>Employer Health Tax Ministry of Finance</b>
130 South Syndicate Avenue Thunder Bay, ON P7E 1C7 Telephone: (800) 959-5525 Fax: (807) 622-8512 Website: <a href="http://www.cra-arc.gc.ca">www.cra-arc.gc.ca</a>	153 Great Northern Road Sault St. Marie, ON P6B 4Y9 Telephone: (705) 343-1978 Toll Free: (800) 461-6005 Website: <a href="http://www.wsib.on.ca">www.wsib.on.ca</a>	447 McKeown Avenue, Suite 102 North Bay, ON P1B 9S9 Telephone: (705) 474-4900 Toll Free: (800) 461-1564 Fax: (705) 495-3805 Website: <a href="http://www.fin.gov.on.ca">www.fin.gov.on.ca</a>

Various programs are available to facilitate employers by linking them to available workers and subsidizing wages. There are over 40 programs offered by the federal and provincial government to help create jobs. Programs such as Skills Link could qualify an employer for up to **\$25,000** to hire and train Canadians between the age of 15 and 30 for local or regional projects that last 52 weeks. There is a list of available programs at this link <http://www.canadabusiness.ca/eng/program/results/sgc-35/pof-191/>.

The Dubreuilville, Wawa, and White River Regional Employment Help Centre help employers in the aforementioned communities by screening candidates, advertising job postings, identifying job needs, matching job candidates with employment requirements, and on-the-job training support.



## Licensing and Other Regulations

### BIZPAL



To help you understand which permits may be required to operate your business, BIZPAL is also an easy and convenient on-line tool that serves as a one-stop access to provincial and municipal permit and licence information and can be accessed at [www.edcwawa.ca](http://www.edcwawa.ca) or [www.bizpal.ca](http://www.bizpal.ca).



## Municipal Business License

Licensing from Wawa is required for many types of businesses. Entrepreneurs should contact the Municipality of Wawa to obtain information regarding fees and regulations. Applications forms are available at:

### **The Corporation of the Municipality of Wawa**

40 Broadway Avenue P.O. Box 500

Wawa, ON P0S 1K0 Telephone: (705) 856-2244 Ext. 221



They are also available online at the link below:

<http://www.wawa.cc/contentadmin/UserFiles/File/Online%20Documents/BusinessLicenceApplication.pdf>

## Home Based Businesses

Frequently, businesses are operated from a private residence. Wawa's Zoning By-Laws define these as "Home Occupations". Home occupations usually provide no external evidence that a business is being operated within the residence. Zoning regulations also address such matters as building size, number of employees and parking requirements, to prevent Home Occupations from becoming a public nuisance with regard to noise and traffic. For more information regarding Home Occupations contact the Municipality of Wawa at the address above.

## Zoning Regulations

When deciding upon a location for your business, it is essential that you determine the zoning of the site. In Wawa, Zoning By-Law 385-85 lists those uses, which are permitted within specified areas of the town. The Zoning By-Laws set certain lot and yard standards for new development, which varies from zone to zone. For detailed information on Zoning By-Laws Regulations contact the Municipality of Wawa at the address found in the Municipal Business License section.

## Liquor License

Those who propose to operate an establishment where alcoholic beverages are served must first make a formal application and submit both application and license fees. License fees can cost either \$925 or \$1,055 (depending upon whether the advertising is exempt) and will be good for two years. A renewal fee will be \$450. You also will not want to wait until the license expires, since you will then need to fill out all of the documentation once again. Below is the contact information for liquor license regulations and applications.

### **Alcohol and Gaming Commission of Ontario (AGCO)**

Telephone: (800) 522-2876

Website: [www.agco.on.ca](http://www.agco.on.ca)

## Tourist Establishment Licenses

All establishments providing accommodations for the general public, including hotels, motels, tourist resorts and campgrounds must be licensed by the province. If non-alcoholic beverages are served and the selected site conforms to local by-laws then a license may be obtained by

submitting plans to the Ministry of Northern Development, Mines and Forestry or by contacting the Ontario Ministry of Tourism and Recreation. Providing there have been no changes from the original plan, a license will be issued when the establishment is ready to open. Tourist establishment license fees are \$20 per year for residence and \$60 per year for non-residence. Below is the contact information for the Ontario Ministry of Tourism and Recreation.

### **Ontario Ministry of Tourism and Recreation**

Suite 33, 435 James Street

Thunder Bay, ON P7E 6S7

Telephone: (800) 465-6861

Website: [www.tourism.gov.on.ca](http://www.tourism.gov.on.ca)



### **Delivery and Transport License**

Inter city transportation of goods for compensation requires the carrier to hold an Operating License that contains the appropriate class of authority to allow the undertaking. Applications can be acquired from the following contact information.

### **Ministry of Transportation**

740 Great Northern Road

Sault St. Marie, ON P6A 5K7

Telephone: (705) 945-9393

Website: [www.mto.gov.on.ca](http://www.mto.gov.on.ca)



### **Food Premises Regulations**

All businesses in Ontario engaged in the preparation or serving food must comply with Ontario regulations. It is the responsibility of the Algoma Health Unit to provide health inspectors to carry out inspections to ensure these Provincial Standards are met.

### **Algoma Health Unit**

18 Ganley Street

Wawa, ON P0S 1K0

Telephone: (705) 856-1751

Website: [www.algomapublichealth.com](http://www.algomapublichealth.com)



**LITTLE KNOWN FACT:**  
**THE AVERAGE AGE OF AN ENTREPRENEUR FOUNDING A NEW BUSINESS IS 40.**

## Buying an Existing Business

When buying an existing business it is important that you do your homework to ensure that you buy the right type of business and that you pay a fair price for it. There are four steps when deciding to purchase an existing business. You need to evaluate the business, determine the cost, finance your acquisition, and final considerations. After considered all four steps, a clearance certificate is required from the existing owner. This can be obtained from the Ministry of Finance.

### Evaluate the Business

You will need to consider:

- Are the building, equipment and inventory operational?
- Does the business have a good reputation?
- How visible and easily accessible is the business? Where is it located? You will have to take into account shipping costs that will be necessary, if you are distant from your suppliers and customers
- Are the products or services generating revenue? Are sales increasing, decreasing or are they flat?
- Is there a good working relationship with the suppliers and banks that the business deals with?

### Determining How Much to Pay for a Business

As a new buyer, it all comes down to knowing what you can honestly afford before negotiations start. What is the value of the business?

- You may want to investigate the value of assets, such as the building, equipment and products
- Other factors to consider are the businesses financial statements, annual reports and intellectual property (patents, trade-marks, etc.)
- Investigate reputation, customer lists, quality of personnel, etc.

You may even want to try and talk to clients from the business. It is better to find out a business' reputation before you sign the deal.

### Financing your Acquisition

You will need money in order to buy the business and may need some working capital to get things going. If there's not the amount of money from that source, a loan from the bank can be helpful.



## Helpful Resources

<p><b>Wawa Economic Development Corporation</b>            96 Broadway Avenue, Wawa, ON            Telephone: (705) 856-4419            Fax: (705) 856-2655            Website: <a href="http://www.edcwawa.ca">www.edcwawa.ca</a></p>	<p><b>Superior East Community Futures Development Corporation</b>            14 Ganley Street, Wawa, ON            Telephone: (705) 856-1105            Toll Free: 1 800-387-5776            Website: <a href="http://www.superioreast.on.ca">www.superioreast.on.ca</a></p>	<p><b>Enterprise Centre</b>            Civic Centre, 99 Foster Drive,            Sault Ste. Marie, ON            Telephone: (705) 759-5461            Toll Free: (800) 565-4507            Website: <a href="http://www.sault-canada.com/ecssm/">www.sault-canada.com/ecssm/</a></p>
<p><b>Canada Ontario Business Service Centre</b>            Telephone: (800) 567-2345            Fax: (800) 240-4192            Website: <a href="http://www.canadabusiness.ca">www.canadabusiness.ca</a></p>	<p><b>Ministry of Northern Development, Mines and Forestry</b>            Telephone: (Wawa, Dubreuilville &amp; White River): (705) 856-2345            Telephone: (Chapleau): (705) 864-1515            Website: <a href="http://www.mndm.gov.on.ca/MNDMM">www.mndm.gov.on.ca/MNDMM</a></p>	<p><b>FedNor</b>            10 Foster Drive, Sault St. Marie, ON            Telephone: (877) 333-6673            Website: <a href="http://www.fednor.ic.gc.ca">www.fednor.ic.gc.ca</a></p>
<p><b>Self Employment Benefit Program</b>            672 Queen Street East, Sault Ste. Marie, ON            Telephone: (705) 942-9000            Fax: (705) 942-0274            Website: <a href="http://www.ssmcdc.com">www.ssmcdc.com</a></p>	<p><b>Wawa, Dubreuilville and White River Area Regional Employment Help Centre</b>            65B Broadway Avenue, Wawa, ON            Telephone: (705) 856-1648            Toll Free: (800) 667-7182            Fax: 856-1649            Website: <a href="http://www.wawarehc.com">www.wawarehc.com</a></p>	<p><b>PARO Centre for Women's Enterprise</b>            110 - 105 May St. North            Thunder Bay, ON P7C 3N9            Telephone: (807) 625-0328            Toll Free: 1-800-587-0252            Fax: (807) 625-0317            Website: <a href="http://www.paro.ca">www.paro.ca</a></p>



**ENTERPRISE CENTRE**  
**Sault Ste. Marie**  
*a division of the SSMECD*





# Economic Development Corporation of Wawa

For Further Information:

## **Economic Development Corporation of Wawa**

96 Broadway Avenue P.O. Box 63

Wawa, ON P0S 1K0

Telephone: (705) 856-4419

Fax: (705) 856-2655

Website: [www.edcwawa.ca](http://www.edcwawa.ca)

Email: [info@edcwawa.ca](mailto:info@edcwawa.ca)

The EDC provides this information as good faith but is not responsible for any errors or misuse of information.