

ITEM	20
MANAGER'S REPORT NO.	81
COUNCIL MEETING	1979 11 26

RE: BURNABY BUSINESS LICENCE FEES
(Item 9, Report No. 69, 1979 10 15)

The following is a report from the Municipal Treasurer re the above.

RECOMMENDATIONS:

1. THAT the recommendations of the Municipal Treasurer be adopted.

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TO: MUNICIPAL MANAGER 1979 November 21
FROM: MUNICIPAL TREASURER
RE: BURNABY BUSINESS LICENCE FEES
(Item 9, Report No. 69, 1979 10 15)

RECOMMENDATIONS:

1. THAT Council approve the licencing of non-resident businesses as outlined in this report; and
2. THAT an amending by-law be brought down.

REPORT

On 1979 October 15, Council approved the above mentioned report recommending that businesses be classified under three general classifications:

General Resident Business
Non-Resident Business
Special Resident Business

and that the rates be increased by 7% for applications in the year 1980.

As is our custom in matters of this nature, this report was reviewed by a member of the Legal Department and it appeared to be in order. However, the person concerned is on sick leave and in the preparation of the by-law the Municipal Solicitor has warned that there are two sections of the proposed by-law that contravene the Municipal Act:

- 1) That fees for certain specific businesses for licences taken out after July 31 cannot be abated - that if abatement must be given it must apply to all businesses taking out licences after July 31.

Council was so advised on 1979 November 07 and agreed to deletion of this section of the by-law.

- 2) That fees cannot be established for non-resident businesses as proposed in the report.

The section of the Municipal Act involved is 450(4) which reads:

"The Council shall not in any by-law adopted under this section cause or permit any discrimination between any non-resident business and any resident business either by the classification of businesses or by any licence fee imposed."

As I recall this section was placed in the Act to prevent municipalities from charging non-resident businesses higher fees than resident businesses, which at that time was occurring in some part of the Province. In our case, we are endeavoring to charge non-resident businesses with a lesser fee than a resident business in some circumstances for the reason that our fees are based on the costs of licencing and the cost of inspections of premises and business operations by municipal departments which do not apply to the same extent to a non-resident business as they do to a resident business. The consequence is that a contractor with one or two jobs in the municipality would be required to pay a fee of \$155.00 for his first licence and \$75.00 for renewals instead of the recommended \$75.00 and \$30.00. In such instances some of these contractors may refuse to do business in Burnaby. Of 6,161 licences, 2,462 are contractors of which 262 are resident contractors and 2,200 are non-resident. In addition, there are 223 non-resident businesses in the following categories:

- Advertising Distributor
- Agent
- Auctioneer
- Book Agent
- Canvasser
- Auto Towing Service
- Peddler
- Photographer - mobile
- Private patrol and guard service
- Radio & T.V. repair service - mobile
- Scavenger
- Sign painter

Under the circumstances, Council has three options:

1) Charge the licence fees of \$155.00 and \$75.00 as recommended in the report for general resident businesses to contractors and the eleven classifications shown above, whether they be resident or non-resident. Rates chargeable for these classes of businesses in Vancouver and New Westminster, both of which have business taxes are:

Vancouver	1 or 2 persons	\$ 75)	
	each additional person	35)	with several exceptions
	maximum	750)	
New Westminster	1 or 2 persons	50)	
	each additional person	6)	with several exceptions
	maximum	300)	

In New Westminster, licence fees must be abated against business tax and in Vancouver they are not. It will be noted that the bigger non-resident businesses would pay larger licence fees in Vancouver and New Westminster than they would in Burnaby.


2) For these special classifications revert to the system in effect in the current by-law whereby a contractor and the twelve other categories are charged one licence fee on their premises and another for the business of being a contractor, or whatever. This will add 23 categories of businesses to the by-law and will reintroduce the need for two licences.

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3) Abandon the concept of attempting to relate municipal costs of licencing to the licence fees themselves and revert to the arbitrary methods shown in the Municipal Act. If this course of action is taken the current by-law would remain in effect for another year, amended only to provide a 7% increase in fees.

My recommendation is option 2. With this in mind the by-law has been re-drawn and is presented herewith for consideration of Council. The effect of the rates on the several classes of businesses, resident and non-resident is shown on Schedule "A" attached.

It is deeply regretted that this mixup occurred and steps have been taken to prevent a recurrence. Steps are being taken also to prepare a brief to Victoria concerning our difficulties with licencing for consideration when the Municipal Act is revised.


MUNICIPAL TREASURER

BM:jh
Attach.

cc: Municipal Solicitor
Chief Licence Inspector
Municipal Clerk

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THE CORPORATION OF THE DISTRICT OF BURNABY

SCHEDULE A

EFFECT OF REVISION TO RATES ON AFFECTED
RESIDENT AND NON-RESIDENT BUSINESSES

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	Resident Business		Non-Resident Business	
	Initial Licence \$	Renewal Licence \$	Initial Licence \$	Renewal Licence \$
Advertising agency	155	75	N/A	N/A
Advertising distributor	<u>75</u>	<u>30</u>	75	30
	230	105		
Agent	N/A	N/A	75	30
Auction house	155	75	N/A	N/A
Auctioneer	<u>75</u>	<u>30</u>	75	30
	230	105		
Auto towing yard	155	75	N/A	N/A
Towing service	<u>75</u>	<u>30</u>	75	30
	230	105		
Book agent - office	155	75	N/A	N/A
Book agent	<u>75</u>	<u>30</u>	75	30
	230	105		
Canvasser	N/A	N/A	75	30
Contractor - yard, shop, office	155	75	N/A	N/A
Contractor	<u>75</u>	<u>30</u>	75	30
	230	105		
Peddler - food	N/A	N/A	155	75
Peddler - general	N/A	N/A	75	30
Photographic studio	155	75	N/A	N/A
Photographer - mobile	<u>75</u>	<u>30</u>	75	30
	230	105		
Private patrol and guard service - office	155	75	N/A	N/A
Private patrol and guard service	<u>75</u>	<u>30</u>	75	30
	230	105		
Radio and T.V. repair - shop	155	75	N/A	N/A
Radio and T.V. repair - mobile	<u>75</u>	<u>30</u>	75	30
	230	105		
Scavenger	N/A	N/A	75	30
Manufacturer - general (signs)	200	75	N/A	N/A
Sign painter	<u>75</u>	<u>30</u>	75	30
	275	105		