

Business Profile

2002 Annual Report

Community Services Department
Development Services Branch
222 - 3rd Avenue North
Saskatoon, Sask. S7K 0J5
Tel: (306) 975-2658
Fax: (306) 975-7712

business.license@city.saskatoon.sk.ca

A full-colour version of this publication is available online at www.city.saskatoon.sk.ca. If you would like us to email it to you, contact business.license@city.saskatoon.sk.ca.

written by:

Shall Lam
Darryl Dawson, MCIP
Frank Long
Paul Whitenect, MCIP

Inside this issue:

Saskatoon continues to welcome a consistent number of new businesses	2
Saskatoon shows stable commercial/industrial activity	3
Home Based Business Sector continues to grow	3
Online Business Directory	4



City of
Saskatoon

Annual Report of Business Information for the City of Saskatoon

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.

The Business License Program processes over 6,400 new business applications and license renewals annually. All data contained in this publication was obtained by the City of Saskatoon through the Business License Program.

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), and
- The Online Business Directory Initiative. 

Quick Facts

- Saskatoon has averaged 626 new licensed businesses per year over the last five years.
- In 2002 there were 6,421 licensed businesses in Saskatoon, including 4,899 (76%) in commercial/industrial areas and 1,522 (24%) home based businesses.

- The Service Sector and Retail Sector have the greatest number of employees, with 23,355 and 15,148 respectively.
- The Northwest Industrial Area contains the largest single number of employees, with 18,889.
- 9,396 people are employed in the Central Business District (CBD). These figures do not include employment for government agencies. 

Please Note: Due to corrections on the 2001 data and the methodology for reviewing data, statistical information for 2001 presented in this report may vary from that published in the 2001 Annual Report.

The information contained in this publication is not copyright and may be used freely. The Community Services Department believes all information and sources in this publication to be correct, but cannot guarantee its accuracy and assumes no responsibility for its use. The Business Profile Annual Report is provided as an informational service to the business community and the general public and agencies who regularly do business with City Hall. Readers should not act upon the information contained in this publication without first seeking professional advice.

New Businesses

Saskatoon continues to welcome a consistent number of new businesses each year including commercial/industrial and home based.

**Table 1:
New Businesses, 1998-2002**

Year	Number of New Businesses
1998	546
1999	512
2000	613
2001	703
2002	758

The distribution of new businesses in the City can be summarized as follows:

- 1) The Core Neighbourhood Area continues to receive the largest number of new businesses, with an average of 97 per year over the past five years. This area contains the Broadway and Riversdale Business Areas, as well as a large residential component where numerous home based businesses open each year.
- 2) The Northwest Industrial Area continues to generate the highest number of new commercial/industrial businesses in the City with 93 new businesses opening in 2002. Over the past five years, an average of 76 businesses have opened per year in this area. This area contains industrial neighbourhood's such as North Industrial, Hudson Bay Industrial and the Airport Business Area. These large industrial areas provide 32% of Saskatoon's total employment. (Refer to Table 3 for further information on employment)
- 3) Business growth in Saskatoon's Central Business District (CBD) continues to be strong. The CBD had the second highest number of new commercial/industrial business starts in Saskatoon in 2002 with 75 new businesses.
- 4) Confederation, Nutana, Lakewood, University Heights and Lawson Suburban Development Areas continue to see a significant number of new businesses opening. In these areas the majority of new businesses tend to be home based. Of these

Development Areas, the University Heights Suburban Development Area had the greatest increase in new business starts compared to 2001.

New Commercial/Industrial Based Businesses

The Service Sector experienced the most business starts in 2002 with 160 new businesses. The Service Sector had an average of 128 new business starts per year from 1998 to 2002. New Retail Sector businesses were next with 134 businesses opening in 2002. The Retail Sector had an average of 90 new business starts per year over the same period. In comparison there were significantly fewer new businesses in Building/Transportation (40), Manufacturing (26) and Wholesale Sectors (11).

New Home Based Businesses

The number of new licensed home based businesses in Saskatoon has increased over the last five years, as compared to the corresponding number of new licensed commercial/industrial based businesses. On average, there were 338 new home based businesses licensed per year, compared to 289 new commercial/industrial based businesses.

Since 1998, Saskatoon has experienced a 72% increase in the total number of home based businesses. However, the total number of home based businesses has remained at about 1550 over the last 3 years (see Table 4).

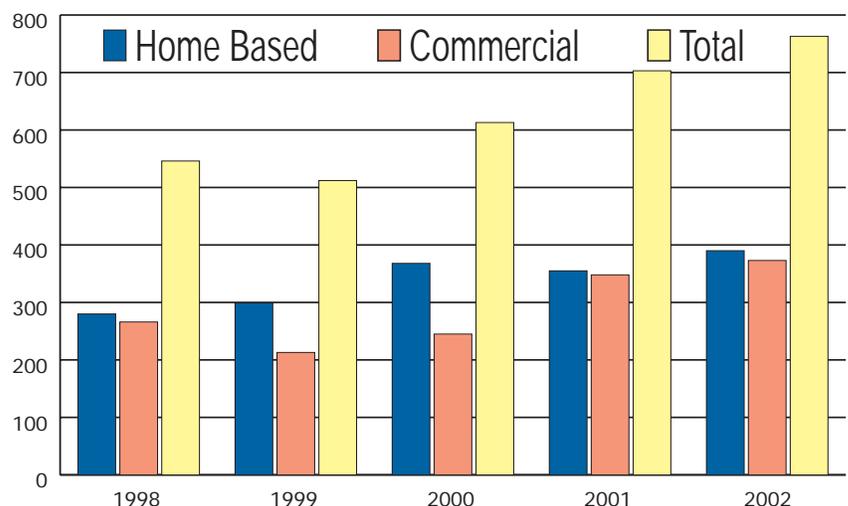
Home based businesses are typically service-oriented. The Business / Professional Services group attracts the highest number of new businesses.

Businesses in this sector consist of accounting/bookkeeping, consulting services, offices of professionals, and computer related services. A relatively consistent 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, janitorial and home crafts.

Commercial/Industrial Businesses

Saskatoon has shown stable commercial/industrial activity for 2002, with a total of 4,899 commercial/industrial based businesses being licensed (see Table 2). This is down just 1% from the corresponding number for 2001 (4,949). Overall, the figures for 2002 are consistent with the previous four years.

The largest area of commercial/industrial activity continues to be in the Service Sector, accounting for nearly half of all commercial/industrial 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.



**Figure 1:
New Business Licences by Type, 1998-2002**

**Table 2:
Licensed Commercial
Businesses, 1998-2002**

Year	Licensed Commercial Businesses
1998	5,151
1999	5,140
2000	5,119
2001	4,949
2002	4,899

Employing over 23,000 people, 62% of which are full-time, the Service Sector employs an average of ten people for each business. This is in contrast to the Manufacturing Sector where there are fewer businesses, but the ratio of employment is more than twenty-seven to one, almost all of which are full-time. The Retail Sector continues to have the highest percentage of part-time employment (47%).

The majority of commercial/industrial businesses in Saskatoon are located in one of three types of distinct commercial areas: the Core Area, the Industrial Areas, and along busy arterial streets. Businesses in these areas account for 78% 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 Area, and 8th Street East.

Central Business District

Nearly 18% of Saskatoon's 4,899 commercial businesses can be found clustered in the City's Central Business District. 876 commercial businesses and over 9,300 jobs (16%), mostly service and retail, are located in the CBD. Not included in these figures are the employment figures for government agencies.

North Industrial

Businesses locating in industrial areas account for 38% of all commercial/industrial businesses in Saskatoon. The majority of the industrial businesses in Saskatoon are located in the six industrial areas north of Circle Drive. These areas include the Airport Business Area, North Industrial, Hudson Bay Industrial, Marquis Industrial, Agriplace and Silverwood Industrial neighbourhoods.

The industrial areas north of Circle Drive account for 28% of all commercial/industrial businesses in Saskatoon and provide 32% of the City's total employment.

Arterial Commercial

The majority of commercial activity along Saskatoon's arterial commercial areas continues to account for a significant portion of overall commercial activity. For the purpose of this report, arterial commercial areas are defined as the commercial areas that are adjacent to arterial streets. These arterial commercial areas include 8th Street East, 20th Street, 22nd Street, 33rd Street, Broadway Avenue, Central Avenue, and Idylwyld Drive. Accounting for 22% of all commercially licensed businesses, most businesses found along Saskatoon's main arterials are service or retail oriented.

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

New Commercial Concepts

Two commercial concepts new to Saskatoon opened for business in 2002: the Auto Mall and Preston Crossing Shopping Centre. The Auto Mall saw 8 businesses open, employing 231 people. Eight businesses also opened at Preston Crossing employing 657 people.

**Table 3:
Commercial / Industrial Employment, 2002**

Business	Total	Full Time	Part Time	Average # of Employees/ Business
Building/ Transport	5,515	4,591	924	13
Manufacturing	9,424	8,659	765	27
Retail	15,148	7,980	7,168	10
Service	23,355	14,473	8,882	10
Wholesale	3,659	3,203	456	11
Total	57,101	38,906	18,195	12

Home Based Businesses

The home based business sector continues to make up a substantial number of businesses in Saskatoon. There were 1522 licensed home based businesses in Saskatoon at the end of 2002.

This total is down slightly from the previous year's total of 1580. While there was an increase in the number of new home based business applications

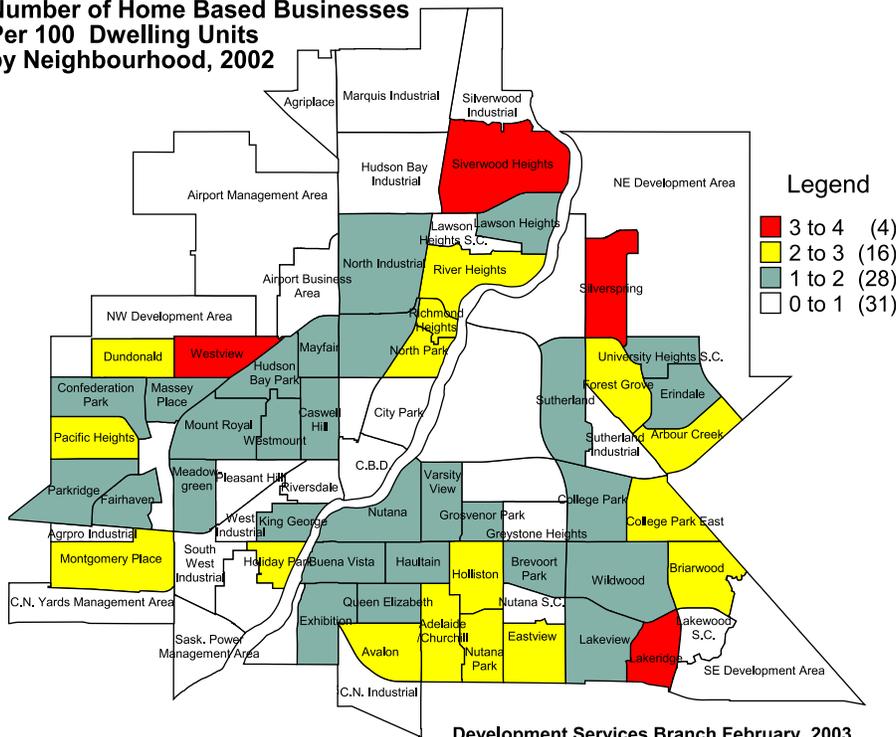
**Table 4:
Licensed Home Based
Businesses, 1998-2002**

Year	Licensed Home Based Businesses
1998	885
1999	1,338
2000	1,575
2001	1,580
2002	1,522

in 2002, closures of existing home based businesses resulted in a net loss in the total number of home based businesses. Despite a loss in overall numbers, home based businesses continue to account for over 24% of the total number of licensed businesses in Saskatoon compared to only 14% in 1998. Statistics Canada has estimated that one in four Canadian households participate in some form of home based business.

... continued on page 4

Number of Home Based Businesses Per 100 Dwelling Units by Neighbourhood, 2002



Development Services Branch February, 2003

Sector Analysis

The Business/Professional Services Sector continues to make up the largest proportion of home based businesses in Saskatoon. These types of businesses account for 29% of all home based businesses and include services such as: accounting/bookkeeping, consulting

services, offices of professionals, and computer related services. A home based setting provides these offices with a popular alternative to commercial office space and tend to fit cohesively into residential areas with the least amount of nuisance. Despite the high number of business/professional home based services, this sector has

experienced a decrease of 31 businesses compared to 2001.

The Personal/Household Services Sector had the largest decrease in business numbers in 2002, declining from 362 in 2001 to 313 in 2003. Personal/household services comprise 21% of all home based businesses. The Building/Construction Related Services Sector had the highest increase in new businesses and now accounts for 25% of all home based businesses in Saskatoon.

Neighbourhood Analysis

In general, home based businesses are distributed evenly throughout Saskatoon's residential areas. Saskatoon residential neighbourhoods that have a higher than average proportion of home based businesses per dwelling unit include: Silverspring, Westview, Lakeridge and Silverwood Heights.

Residential neighbourhoods that show a lower than average ratio of home based businesses include: Pleasant Hill, Riversdale, City Park and Greystone Heights.

Neighbourhoods experiencing the highest number of new home based business applications in 2002 include Silverwood Heights (27), Silverspring (18), Wildwood (16) and Forest Grove and Dundonald (13 each).

Online Business Directory

The City of Saskatoon Community Services Department and the Saskatoon and District Chamber of Commerce successfully launched the Online Business Directory last fall. The directory serves as a resource for local business information, and promotes internet readiness for Saskatoon's businesses community. The City's Business License Program became involved as a means to provide a value added service to all Business License holders, particularly to those businesses that do not have an internet strategy in place.

The directory offers a listing of all licensed businesses in the city that chose to participate in the project. Users have access to a search engine designed to assist in finding specific businesses according to their name or business type.

If you wish to have your business included in the Online Business Directory, call us at 975-2658 or 975-7710 or e-mail business.license@city.saskatoon.sk.ca.

Frequently Asked Questions

- Q** If I'm not a member of the Chamber of Commerce, can I still participate?
A Yes.
- Q** Can my business association or business district be one of the partners in this project?
A Yes. Each of the partners must have a member on the committee which will administer the project. Also, each member 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, or the

Business License Program at 975-2658.

- Q** If I consent to being on the list, will my business information be sold to a third party?
A No. Any business organization participating in this project must sign a confidentiality agreement.
- Q** What information will be available to potential customers?
A Your business name, address, phone numbers and email address.
- Q** Do I need a website?
A No, you do not need a website.
- Q** How would the public access the Online Business Directory?
A The public can access this information through the websites of the partner organizations: currently the Chamber of Commerce website (www.eboardoftrade.com) and on the City of Saskatoon's website (www.city.saskatoon.sk.ca/org/development/services/business_licenses).