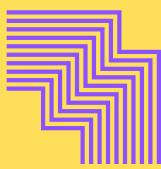


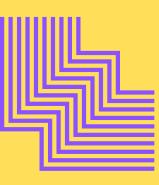
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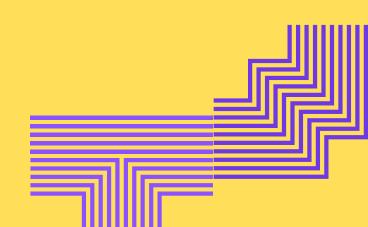




## **LICENSING AND** CERTIFICATION **FOR SMALL BUSINESSES**









## TABLE OF CONTENTS

PURPOSE OF LICENSING AND CERTIFICATION	01
DIFFERENCE BETWEEN A LICENSE AND A CERTIFICATE	03
IMPORTANT ORGANIZATIONS IN ONTARIO	05
USEFUL CERTIFICATIONS FOR ENTREPRENEURS	08
COSTS OF LICENSING & CERTIFICATION	09
TIPS FOR ENTREPRENEURS	10
RESOURCES	11
REFERENCES	13

# What is the purpose of licensing and certification?

- <u>Legal Requirements:</u> Licensing and Registration are required by law for most businesses. Failure to follow these steps may lead to fines, closure, or legal action.
- <u>Legitimacy and Trust</u>: Licenses and certifications demonstrate professionalism and build trust with customers, partners, and investors. Trust and credibility can drive customers and allow you to charge more for your services.







- <u>Access to Services:</u> A registered business is required to open a business bank account, apply for loans, and obtain insurance.
- <u>Taxation and Compliance</u>: A license helps you obtain a Business Number for collecting GST/HST and filing taxes.
- <u>Industry-Specific Requirements</u>: Some sectors, such as food, construction, childcare, and healthcare, legally require certifications or inspections.
- <u>Funding and Government Programs</u>: Grants and loans are often available to registered and licensed businesses.



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## What is the difference between a License and a Certificate?

	License	Certificate
Definition	Legal <b>permission</b> to operate a business or provide a regulated service	Proof of <b>knowledge</b> or <b>training, or qualification</b> in a specific skill or field
lssuing Body	Government or regulatory bodies at the municipal, provincial, or federal levels	Educational institutions, training organizations, and professional bodies
Purpose	Ensure compliance with laws and regulations	Demonstrate completion of the required education and training for business delivery





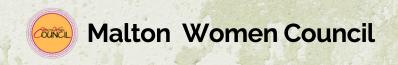


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- For some businesses, a certification is required before obtaining a license. For other businesses, it is not required. Research to determine the requirements for your specific business.
- You can use BizPaL <u>https://bizpal.ca/</u> to specifically search for the licenses and permits you need. You may need to research certifications separately.

Note: In this document, certificate and certification are used interchangeably for simplicity. To learn about the specific differences between these terms, please visit: <u>https://www.tradeready.ca/2016/topics/import-export-trade-</u> <u>management/certificate-vs-certification-whats-the-difference-and-</u> <u>why-does-it-matter-for-your-career-global-business-credentials/</u>







## Important Organizations in Ontario

Listed below are organizations you may come across in your business start-up journey:

- 1. <u>Service Ontario</u> Business registration
- 2. <u>Municipal Offices</u> Offer local business licenses, such as for food and home-based businesses. Cities and towns are responsible for regulating certain types of businesses.
- 3. <u>Canada Revenue Agency (CRA)</u> Provides support related to Business Number (BN) and GST/HST.



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4. <u>The Technical Standards and</u> <u>Safety Authority (TSSA)</u> is a regulatory body that oversees the safety and licensing of certain technical systems and equipment. Examples of licenses provided by the TSSA include:

- Fuel-Related Licenses Applicable to businesses and individuals working with natural gas, propane, and heating oil.
- Elevating Devices Licenses Applicable to companies that install, maintain, or inspect elevators, escalators, lifts, and other people-moving systems.





5. <u>Health Canada</u> – Applicable to health/beauty, food, and pharmaceutical businesses. Medical Device Licenses for companies that manufacture, import, or sell medical devices such as surgical instruments and thermometers.

6.<u>Food Safety Certifications</u> – The **Canadian Food Inspection Agency (CFIA)** typically issues food safety certifications. **Health Canada** approves food additives, sets nutrition and labeling standards, and recalls unsafe food products.

7.<u>Colleges of Trades</u> – Applicable to professionals in a regulated trade, such as electricians, plumbers, carpenters, etc.







### Useful Certifications for Entrepreneurs

Depending on the nature of your business, you may consider obtaining the following:

- Workplace Hazardous Materials Information System (WHMIS) / Globally Harmonized System of Classification and Labelling of Chemicals (GHS) – Related to Hazardous Materials
- Smart Serve Certification for alcohol service
- Food Handler Certification Applicable to food-related businesses
- First Aid & CPR
- **Digital Marketing Certificates** Examples include certificates by Google and Meta.
- Women/Minority-Owned Certification For funding and procurement opportunities.

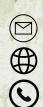




## Costs of Licensing & Certification

The costs of obtaining a license or certification can vary. Listed below are a few costs to help guide you in the right direction:

Туре	Approximate Cost
Business Name Registration	\$60-\$80
Municipal Business License	\$100-\$500+
CRA Business Number	Free
Food Handler Certification	\$30-\$60
Smart Serve	\$34.95
WHMIS Training	Free-\$40
First Aid/CPR	\$100-\$150



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### **Tips for Entrepreneurs**

To ensure you are meeting the requirements, keep the following tips in mind:

- Register your business and obtain licensing and certification.
- Learn about local zoning and regulations
- Maintain appropriate bookkeeping
- Obtain insurance
- Keep licenses up to date
- Network and keep learning
- Do not ignore tax obligations
- Do not mix personal and business finances
- Do not ignore contracts
- Do not avoid seeking legal or professional advice









### Resources

- BizPaL <u>https://bizpal.ca/</u> Search for the licenses and permits you need.
- Government of Ontario Business Resources: <u>https://www.ontario.ca/page/start-business</u>
- Government of Canada Business Resources: <u>https://www.canada.ca/en/services/business.html</u>
- Small Business Centres Ontario: <u>https://www.sbcontario.ca/</u> Offers free consultations and workshops.
- PARO Centre for Women's Enterprise: Offers Resources for women. <u>www.paro.ca</u>
- Local Chambers of Commerce: Offer networking & mentorship opportunities. <u>https://occ.ca/</u>

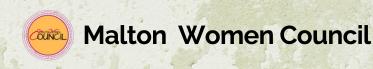




- Settlement Agencies: Offer support with integration into Canada and business basics.
- Peel Region Starting a homebased food business: <u>https://peelregion.ca/health/prot</u> <u>ecting-your-health/starting-</u> <u>home-based-food-business</u>
- Government of Ontario Food Handler Certificate: <u>https://www.ontario.ca/page/foo</u> <u>d-handler-training-and-</u> <u>certification</u>
- PTP Free Food Handler Certificate <u>https://ptp.ca/program/food-</u> <u>handler-certificate-lbs/</u>









### References

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