



# COUNCIL REPORT

## Requirements to Establish a Chamber of Commerce in the Balzac Area

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Electoral Division: 5

File: N/A

Date:	September 10, 2024
Presenter:	Aaron Latimer, Manager
Department:	Economic Development

### REPORT SUMMARY

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On April 9, 2024, Council directed Administration to research the steps, costs, and potential boundary adjustments needed to establish a new chamber of commerce in Balzac and report the findings to Council by end of third quarter 2024. This report outlines the requirements for creating a chamber of commerce and highlights survey results related to interest from Balzac businesses in forming a chamber.

### ADMINISTRATION’S RECOMMENDATION

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THAT Council receive the Requirements to Establish a Chamber of Commerce in the Balzac Area report for information; and

THAT Council direct Administration to engage with businesses interested in forming a chamber of commerce in Balzac and offer support in the following areas:

- offer meeting space in County Hall for the chamber’s initial meeting(s);
- facilitate connections between the newly formed chamber and relevant agencies;
- provide guidance on County policies and procedures; and
- raise awareness of the chamber formation.

### BACKGROUND

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#### Prior Direction

At the April 9, 2024, Council meeting, Council passed the following resolution:

*THAT Administration be directed to research the necessary steps, potential boundary adjustments, and associated costs to create a new Chamber of Commerce in the Balzac Area;*

*AND THAT Administration report back to Council with their findings and recommendations by the end of Q3 2024.*

Following Council’s direction, Administration researched the requirements to establish a chamber of commerce and surveyed business interests in forming a chamber of commerce within the Balzac area.

### ANALYSIS

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#### Chamber of commerce definition

A chamber of commerce (chamber) is an organization made up of businesses within a specific region or community, aimed at promoting and supporting businesses’ collective interests. Chambers advocate for favorable business policies and regulations, provide networking opportunities for the members, offer



## Requirements to Establish a Chamber of Commerce in the Balzac Area

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business development guidance, and provide educational workshops. Chambers play an important role in economic growth and supporting local businesses within their communities.

### Role of the Alberta Chambers of Commerce in establishing new chambers

The Alberta Chambers of Commerce is a voluntary federation of independent chambers of commerce and boards of trade in communities throughout Alberta. They promote civic, commercial, and industrial progress within Alberta. Alberta Chambers of Commerce recommends any individual or group interested in starting a chamber contact them for guidance and support throughout the process.

The Alberta Chambers of Commerce's role in supporting the establishment of local chambers is to ensure that all chambers operate effectively and contribute positively to the economic landscape of the province. This process involves collaborating with existing chambers and working in coordination with the *Boards of Trade Act* and *Societies Act* as well as offering resources to help understand the requirements of establishing a chamber.

Organizations registered under the *Boards of Trade Act* are referred to as 'boards of trade', though they can operate as chambers of commerce and organizations registered under the *Societies Act* can also operate as chambers of commerce. In this report, the term 'chamber' is used to refer to organizations registered under the *Boards of Trade Act* or the *Societies Act*.

### Process for establishing a new chamber in Balzac

Establishing a chamber is a business community driven initiative. Establishing a chamber in Balzac requires additional process steps than a standard application due to an existing chamber operating in the area. Airdrie Regional Chamber of Commerce's operating boundaries encompass the entire Balzac area (Attachment A), and as of March 4, 2024, the Chamber provides service to 40 businesses in the Balzac area.

The Airdrie Regional Chamber of Commerce is a federally incorporated chamber under the *Boards of Trade Act*, which has more restrictive operational boundaries, preventing any other chamber from operating within those boundaries. Any changes to boundaries or applications to operate a chamber with overlapping boundaries under the *Boards of Trade Act* go through the federal application process and require a review and approval by the Governor-in-Council, a lengthy and complex process.

Given there is no avenue for a chamber in the Balzac area to establish under the *Societies Act* due to Airdrie Regional Chamber of Commerce's federal registration and their existing operational boundaries, Administration researched the steps to register a chamber under the *Boards of Trade Act*.

To register a chamber under the *Boards of Trade Act*, an application can be submitted to Corporations Canada. The application must include: the chamber's name, headquarters address, map and description of the operating district, secretary's name, and a typed list of 30 members with their professions and signatures, a declaration signed by the secretary and sworn before a commissioner for oaths is required, along with a copy of the bylaws if registering under Part II of the *Boards of Trade Act* (Attachment B).

### Overlapping districts

In addition to the application requirements outlined above, when a chamber registration application overlaps, such as in the case of Balzac and Airdrie Regional Chamber of Commerce, the application must also include a statutory declaration indicating:

- the facts with respect to the overlapping operating boundaries;
- the population of the existing chamber's operating boundaries;
- the population of the proposed new chamber's operating boundaries;

## Requirements to Establish a Chamber of Commerce in the Balzac Area

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- the population of the existing chamber's operating boundaries if its boundaries are reduced by the overlapping area;
- any facts or considerations that support the creation of the new chamber.
- a letter of consent from the existing chamber. If the existing chamber has not consented yet, the applicant of proposed chamber must send a copy of the statutory declaration to the existing chamber and include a letter explaining the situation and giving the existing chamber an opportunity to object before a specified date, which is at least 30 days after the date of the letter. A copy of this letter must also be sent to Corporations Canada.

Airdrie Regional Chamber of Commerce is expected to oppose boundary changes as indicated during the October 18, 2023, Public Presentation Committee meeting, and the outcome is unclear on whether the Governor-in-Council would approve the application for a new chamber in an area with an existing chamber.

### Costs

When registering a chamber, individuals or groups responsible for the registration may incur various costs. These costs can include, but are not limited to:

- Registration fees: there will be fees associated with registering the chamber as a legal entity. In Alberta, this typically involves registering as a non-profit organization or a corporation, depending on the structure chosen. The listed fee on the Government of Canada's website for incorporation is \$200.00.
- Legal and administrative costs: individuals or groups may seek legal assistance to ensure proper registration and compliance with all relevant laws and regulations.

### Resources

For individuals who are interested in forming a chamber, there are several resources available:

- Alberta Chamber of Commerce is a valuable resource for guidance and support in forming a chamber in the Province of Alberta.
- Innovation, Science and Economic Development Canada is a federal department and has a dedicated website related to incorporation. This department plays a role in supporting business growth but does not handle the incorporation process directly. Corporations Canada manages the incorporation of businesses.
- Corporations Canada helps individuals incorporate businesses, not-for-profit corporations and other corporate entities according to Canada's federal laws and regulations.
- Alberta Corporate Registry provides information and services related to business registration.

### Economic Development survey results

To assess interest in the creation of a chamber in the Balzac area, Economic Development connected with the business community. Survey results indicate that a chamber could help support local businesses with:

- promotional opportunities;
- networking events;
- communication with Economic Development department;
- advocacy for business interests;
- community events and initiatives; and
- educational workshops/seminars.

## Requirements to Establish a Chamber of Commerce in the Balzac Area

Some of the factors that would influence the businesses' decision to join a chamber include:

- networking opportunities;
- cost-effectiveness compared to benefits;
- advocacy efforts on behalf of local business; and
- access to promotional opportunities.

Of the 28 participants, 23 indicated an interest in joining a chamber if one existed in Balzac area and 11 of those businesses expressed willingness to dedicate time to support the establishment of a chamber of commerce.

### County Support

Setting up a chamber is a volunteer-based initiative driven by the business community, and local governments have limited involvement due to legislative requirements. Even though local governments have limited involvement, Administration could support efforts to form a chamber in the following ways:

- County support during formation of a chamber: offering meeting space in County Hall for the chamber's initial meetings, facilitating connections between the newly formed chamber and relevant agencies, providing guidance on County policies and procedures, and promoting chamber activities to raise awareness of the formation.
- County's ongoing support once a chamber is established: facilitating connections chamber and relevant agencies, providing financial support through *Economic Development Initiatives Grant Program Policy C-350*, providing guidance on County policies and procedures, attending meetings and providing policy updates, communication and event support.

## COMMUNICATIONS / ENGAGEMENT

Economic Development will share the survey results with the businesses who participated in the survey. This approach aims to enhance the County's visibility within the business community.

## IMPLICATIONS

### Financial

As this report is for information purposes only, no financial implications have been identified at this time.

## STRATEGIC ALIGNMENT

Key Performance Indicators		Strategic Alignment
Effective Service Delivery	SD2: Services are resourced and delivered to specific groups as intended, and citizens are satisfied with the outcomes	SD2.1: Citizens satisfied with the range of County services available/delivered
		County services are tailored to meet diverse citizen needs, in this case business community, to provide support with available services and maintain the County's commitment to responsive public service delivery.

Requirements to Establish a Chamber of Commerce in the Balzac Area

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**ALTERNATE DIRECTION**

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Administration does not have an alternate direction for Council’s consideration.

**ATTACHMENTS**

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Attachment A: Airdrie Regional Chamber of Commerce District Boundary Map  
Attachment B: Registration under the *Boards of Trade Act*

**APPROVALS**

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Manager:	Aaron Latimer
Executive Director:	Brock Beach, Acting
Chief Administrative Officer:	Byron Riemann

