



# ACTION PLAN FOR **SMALL BUSINESS**

2010 - 2013



## Message from the Minister

As Minister of Small Business, Technology and Economic Development, I am pleased to present the Action Plan for Small Business, covering the years 2010 to 2013. This action plan sets out government's strategic approach to continue making British Columbia the most small-business-friendly jurisdiction in Canada, in part by maintaining its strong relationship with industry and supporting an environment in which small businesses succeed.

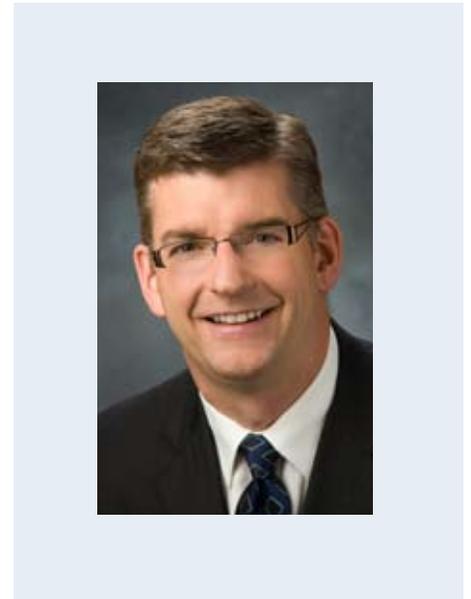
Small business is the engine that drives the province's economy. Ninety-eight per cent of all British Columbia businesses have less than 50 employees, employing over one million people. Supporting small business is integral to the well-being of our communities and our economy, and supports government's greater goal of making British Columbia the national leader in jobs per capita.



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*Small business is a key economic driver and job creator in British Columbia – there were 395,900 small businesses operating in the province in 2009.*

## Government's goal is to encourage economic growth through a diverse and healthy small business sector.

In British Columbia, 98 per cent of all businesses are small businesses with fewer than fifty employees. Small business employs over one million people, generates 32 per cent of the province's Gross Domestic Product, and is responsible for more than 41 per cent of the total value of goods exported from the province<sup>1</sup>. An environment in which small businesses flourish is critical to the sustained economic and social well-being of the province. The challenge for government is to engage, understand and address the needs of the 395,900 very diverse small businesses operating throughout the province.

In 2005, the Province established the permanent Small Business Roundtable<sup>2</sup>, chaired by the Minister responsible for small business and comprised of 24 board members considered leaders in the small business community. The roundtable's mandate is to provide small business with a voice in government to develop recommendations for both government and the small business community on ways to enhance British Columbia's small business environment.

From November 2005 to August 2010, the roundtable hosted 44 small business consultations in all regions of the province, engaging more than 900 small business owners, including Aboriginal entrepreneurs. These consultations provided a forum for small business owners to identify their key issues and opportunities, which in turn assisted government in developing British Columbia's Action Plan for Small Business 2010-2013.

This action plan supports government's goal of making British Columbia the national leader in jobs per capita. More than half (57 per cent) of all private sector jobs in British Columbia are in small business. Fostering the growth and success of small business benefits all British Columbians through increased job creation.

The action plan also supports government's commitment to work with all levels of government to reduce red tape and streamline business and licensing processes, and complements government's ongoing programs and services that directly support small business, thus ensuring this key sector continues to grow and prosper.

<sup>1</sup>All small business statistics are drawn from the British Columbia Small Business Profile 2010

<sup>2</sup>For information on the Small Business Roundtable, see [www.smallbusinessroundtable.ca](http://www.smallbusinessroundtable.ca)

## Successes to Date

In 2007, the Province released its first Action Plan for Small Business<sup>3</sup>, based on roundtable recommendations, a survey of small businesses, and the results of province wide small business consultations. The action plan contained activities the Province would undertake between 2007 and 2009 to support the growth and success of small business, focusing on five key priorities:

- > Support small business growth and innovation.
- > Break down barriers to doing business.
- > Build workforce capacity.
- > Leverage public and private partnerships.
- > Support a competitive tax structure.

The first action plan was intended to be refreshed continually to meet the changing needs of the small business community. Since 2007, much has been accomplished, and most actions are now either completed or are ongoing and operational. The results of the first action plan are available online at [www.resourcecentre.gov.bc.ca](http://www.resourcecentre.gov.bc.ca).

## The Way Forward

The Action Plan for Small Business, 2010-2013 continues the work of government in responding to recommendations from the small business community. It sets out government's small business strategy for the next three years, focusing on six key priorities for action.

The action plan will evolve as new issues and opportunities are identified by the small business community and new recommendations are made by the Small Business Roundtable.

*"Government services for small businesses, and citizens in general, need to be straightforward and relevant. We will continue to reduce red tape and make it easier to own and operate a business in British Columbia."*

*- Minister Black*

<sup>3</sup>The 2007 Action Plan for Small Business can be viewed online at <http://www.resourcecentre.gov.bc.ca>.

*“When we reduce red tape we increase productivity, profitability, wages and living standards. B.C. has shown political leadership in addressing this problem and I look forward to seeing the momentum continue.”*

*- Laura Jones*

*Western vice-president of the Canadian Federation of Independent Business*

*Member of B.C.'s Small Business Roundtable*

## Priorities for Action

### 1. Simplify the Regulatory Environment

Small businesses have consistently identified regulatory complexity, from all levels of government, as a barrier to business. The Province will continue to work with its federal and local government counterparts to simplify British Columbia's regulatory environment.

#### Actions

- **BizPaL Expansion:** Continue to work with local governments to expand BizPaL province wide. BizPaL is a web-based tool providing a single point of access for federal, provincial and local government permit and licensing information.
- **Mobile Business Licence:** Continue to promote and support the adoption of a mobile business licence by local governments. A mobile business licence allows a business to operate in any participating municipality by purchasing one licence rather than multiple non-resident permits.
- **Government Procurement:** Simplify and streamline government procurement policies and processes to ensure small business can easily access opportunities. Open access to procurement opportunities through internal and international trade or procurement agreements.
- **Single Window for Business:** Streamline government websites providing British Columbia business information.
- **Straightforward Forms Initiative:** Simplify government forms and business processes to make them more citizen-centred and available online.

### 2. Communicate with Small Business

Ongoing dialogue with small businesses is essential to the effective development and implementation of programs and services that support small business.

#### Actions

- **Small Business Roundtable:** Continue to work with the permanent Small Business Roundtable Board to identify issues and opportunities for small business, provide a small business lens for new and proposed small business programs, and advocate for small business in their communities.
- **Small Business Consultations:** Continue consultations with small business owners to learn firsthand about the issues and opportunities for small business, and to identify regional and Aboriginal considerations.

### 3. Support Human Resources and Succession Planning

Even during the recent economic downturn, attracting and keeping qualified staff has been an ongoing challenge for many small businesses. Coupled with the aging population, it is clear that effective human resource management and succession planning are essential to small business success and to the ongoing vibrancy of communities.

#### Actions

- **Building Skills for Small Business:** Develop partnerships to leverage funds to provide training for small businesses (e.g., leadership skills; recruitment and retention; succession planning).
- **Information and Tools:** Expand and enhance the WorkBC website to provide simple, clear, and comprehensive workplace information and tools that address the needs of small business.
- **Labour Market and Labour Market Development Agreements:** Continue to fund training programs that respond to the particular needs of small business owners (e.g., Workplace Training for Innovation, self-employment programs).
- **Small Business BC:** Continue to support Small Business BC in providing expanded information products, tools and training for human resources management and succession planning.

*British Columbia ranks second to Saskatchewan in small businesses per capita. Enhancing small business productivity and competitiveness will strengthen B.C.'s economy at large.*

### 4. Increase Productivity and Competitiveness

Productivity is generally measured by output per worker per hour. Improvements in productivity, such as adopting innovative technology, fuel economic growth, which raises B.C.'s standard of living. As 98 per cent of British Columbia businesses are small businesses, overall improvements in the province's productivity and competitiveness will come primarily from the efforts of small business owners.

#### Actions

- **Information and Tools - Small Business Productivity and Competitiveness Workshops:** Raise small business awareness of potential benefits of productivity training; engage in partnerships with other agencies and experts to provide the tools and training to help small business increase productivity and competitiveness.
- **Innovation:** Continue to encourage small businesses to use workplace technological innovations as a means of enhancing productivity; continue to encourage new and innovative businesses by reducing barriers to doing business (e.g., MITACS Accelerate Program).

- **Tax Competitiveness:** Implement the harmonized sales tax to enhance competitiveness and reduce complexity for small business; reduce the corporate income tax small business tax rate to zero by April 1, 2012; and continue to ensure the competitiveness of British Columbia's tax environment.
- **Trade Agreements:** Continue to enhance British Columbia's competitiveness through domestic and international trade agreements that reduce and eliminate barriers to trade, investment and labour mobility. Continue to inform small businesses and stakeholders about the benefits of open trade, and receive feedback on remaining internal and international barriers to trade, investment and labour mobility (e.g., New West Partnership).

## 5. Innovation and Growth

Small business growth is driven by entrepreneurs with new ideas. However, small business owners have limited time to explore innovations to grow their business or take advantage of new marketing opportunities.

### Actions

- **Small Business Climate Action:** Develop resources to provide fast, easy access to straightforward information on climate action tools and opportunities, highlighting small business opportunities and successes.
- **Small Business Exports:** Consult with small business and develop strategies in partnership with other organizations to encourage and facilitate small business expansion into national and international markets.
- **Access to Financing:** Assist small businesses in accessing financing, including venture capital (e.g., Regional Angel Investor Network).
- **Clean Energy:** Continue to encourage the development of new sources of clean energy and technologies to help support local economies and livelihoods in communities across B.C.
- **Small Business Resources:** Continue to support Small Business BC as a key resource for small business entrepreneurs, providing information, tools and training to develop strategies to start-up, grow, and expand a small business, in all regions of British Columbia.
- **Entrepreneurial Talent Development and Retention Programs:** Continue to support the British Columbia Innovation Council, which delivers a suite of programs that support technology entrepreneurs (e.g., ACETECH's Regional Outreach Program, Bootstrap Entrepreneurial Society).

## 6. Foster an Entrepreneurship Culture in British Columbia

Sustained growth of British Columbia's economy relies heavily on continued growth and success of small business. To support this growth, we must foster a culture which values entrepreneurship, and equips our youth with the knowledge and skills to become the successful entrepreneurs of tomorrow.

### Action

- **Small Business Month:** Continue the tradition of Small Business Month to celebrate and promote the significant contribution of small business to the social, cultural and economic well-being of the province.
- **Future Entrepreneurs:** Continue to support Junior Achievement BC and other school options that provide small business and entrepreneurship training and supports the future success of the next generation of entrepreneurs.
- **Aboriginal Entrepreneurs:** Continue to support the development of Aboriginal entrepreneurs (e.g., Aboriginal BEST skills training program, Aboriginal Business Advisory Centres).
- **New Technology Entrepreneurs:** Continue to support programs for student entrepreneurs starting up new technology businesses (e.g., New Ventures BC Competition, Entrepreneurship@UVic and Entrepreneurship@UBC).

## Conclusion

Small Business is big business in British Columbia. British Columbia has a strong business climate, with a balanced regulatory reform environment and competitive taxation.

The Action Plan for Small Business 2010-2013 builds upon this foundation with actions that support the continued growth of the small business sector and its continued contribution to British Columbia.



