

ICSB GAZETTE

THE GLOBAL LEADER SUPPORTING MICRO-, SMALL AND MEDIUM ENTERPRISES

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SUPPORT TO MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES

WRITTEN BY: MINISTER OF SMALL BUSINESS AND TOURISM INNOVATION, SCIENCE AND ECONOMIC DEVELOPMENT, GOVERNMENT OF CANADA



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Micro, small and medium-sized enterprises (MSMEs) are the backbone of the Canadian economy, accounting for 90 percent of the private sector workforce (10.7 million workers) and nearly 40 percent of the national GDP. Under the leadership of the Right Honourable Justin Trudeau, Prime Minister of Canada, and the Honourable Bardish Chagger, Leader of the Government in the House of Commons and Minister of Small Business and Tourism, the Government is committed to supporting the success and growth of Canadian MSMEs.

The Government of Canada lowered the small business tax rate from 11 percent in 2015 to 9 percent by 2019 – the lowest in the G7 and fourth-lowest among members of the Organisation for Economic Co-operation and Development. This will leave more money for small business owners – up to \$7,500 more per year – to reinvest in their business.

To better promote and support women entrepreneurs in starting and growing their business, the Government of Canada announced the first Women Entrepreneurship Strategy – a coordinated, national approach that will invest nearly \$2 billion over five years to help improve women entrepreneurs' access to financing, talent, networks, and expertise. It will focus on supports in four key pillars: (1) Helping women-led businesses grow; (2) Increasing women access to capital; (3) Improving access to federal business innovation programming; and (4) Enhancing knowledge, data and best practices for women entrepreneurs.



As part of the Women Entrepreneurship Strategy, the Government announced a bold new target for the Business Development Bank of Canada (BDC) to provide \$1.4 billion in loans to women owned businesses, and increased from \$70 million to \$200 million the Women in Technology Fund, making it the largest venture fund for women in the world. The BDC is an arms-length federal Crown corporation that is Canada's only financial institution devoted exclusively to entrepreneurs and MSMEs.

Canada is a trading nation. With our ambitious trade diversification agenda, Canada is positioning itself for success today and for decades to come. To help small firms expand into new markets, the Government of Canada negotiated and signed two major free trade agreements: the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) with ten other countries and the Comprehensive Economic and Trade Agreement with the European Union (CETA). Canadians now have preferential market access, through 12 trade agreements to 44 countries with almost 1.2 billion consumers. This represents over one-half of the world's output of goods and services.

To help entrepreneurs leverage these new trade agreements, the Government continues to make enhancements to the Canadian Trade Commissioner Service to simplify the client experience, modernize tools, and offer innovative services to business. Through the Trade Commissioner Service, CanExport provides direct financial assistance to Canadian MSMEs that are seeking to develop new export opportunities and markets, especially high-growth emerging markets. Additionally, Export Development Canada (EDC), Canada's export credit agency, is also available to support Canadian small businesses respond to international business opportunities. EDC provides insurance and financial services, bonding products and small business solutions to Canadian exporters and investors and their international buyers.

Canada continues to seek ways to improve service delivery to business and reduce the administrative burden, so that business owners can spend more time running and growing their businesses. As part of this effort, the Government has been working to streamline innovation programming under one accessible suite, a commitment which will provide Canadian businesses more direct access to customized support to help them succeed and grow.

The Government of Canada launched a onestop- shop online portal, Innovation Canada, for business owners looking for government services. Close to 150,000 people have used this new tool since its launch in January 2018. By having users fill out a quick, interactive questionnaire, the portal offers a tailored list of recommended grants, expert advice, connections, and more to best fit the needs of Canadians. The process is quick, easy, and personalized. The portal's goal is to provide online resources to help Canadian businesses grow and prosper, including a wide range of information on services, programs, regulations, and financing options from multiple levels of government. Innovation Canada will save Canadian small businesses time accessing government supports, and provide seamless referrals between programs as their needs change. The Government will also make efforts to transform the way it serves small business through a new electronic procurement platform to help entrepreneurs better access opportunities to work with the Government.



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Budget 2018 emphasized improving service delivery through digital transformation as a means to reduce burden for businesses across Canada, including SMEs. For example, the Government is streamlining and consolidating innovation investments into four key platforms: the National Research Council-Industrial Research Assistance Program; the Strategic Innovation Fund; the Canadian Trade Commissioner Service; and Regional Development Agencies.

The Government of Canada has also launched the Accelerated Growth Service to achieve the government's objective to scale-up 1,000 SMEs. The AGS is a new client-focused model of service delivery, which helps entrepreneurs in high-growth firms to navigate the government support available to them.

The Government of Canada provides funding to Futurpreneur Canada, a national not for-profit organization that supports young entrepreneurs with mentorship, learning resources and start-up financing to help them bring their business ideas to market. Since 1996, Futurpreneur Canada has helped nearly 10,000 young women and men launch 8,159 new businesses, creating an estimated 39,000 jobs and an estimated \$244 million in tax revenue. About 40 percent of the young entrepreneurs who Futurpreneur Canada supports are women.



About ICSB Gazette:

The ICSB Gazette is a weekly edition of a key topic that ICSB will showcase. The content is varied from research, practice, policy, and education. The editor of the ICSB Gazette is Ms. Jordyn Murphy, ICSB Operational Manager. She will be soliciting ideas and articles from ICSB members world-wide.

ICSB Executive Director Comment:

This Gazette issue is part of the MSME Report and was written on behalf of Canada by the Minister of Small Business and Tourism Innovation, Science and Economic Development, Government of Canada.

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Contribute:

Have a topic you would like to see or an article to share? Please submit for consideration to jordyn@icsb.org