



# SMALL BUSINESS PROFILE 2017



Ministry of  
Jobs, Trade  
and Technology

BCStats

# SMALL BUSINESS PROFILE 2017

## A profile of small business in British Columbia

Information on programs and services for small businesses can be obtained by contacting:

### Small Business BC

601 West Cordova St.  
Vancouver, BC V6B 1G1  
Telephone: 604.775.5525  
Toll Free: 1.800.667.2272  
Internet: [www.smallbusinessbc.ca](http://www.smallbusinessbc.ca)

Statistics related to small business are available at:

### BC Stats

556 Superior St.  
Box 9410 Stn Prov Govt  
Victoria, BC V8W 9V1  
Email: [BC.Stats@gov.bc.ca](mailto:BC.Stats@gov.bc.ca)  
Internet: [www.bcstats.gov.bc.ca](http://www.bcstats.gov.bc.ca)

Information on provincial government programs and services can be found at:

### Ministry of Jobs, Trade and Technology

Small Business Branch  
Box 9822 Stn Prov Govt  
Victoria, BC V8W 9N3  
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## CONTENTS

Preface	1
Highlights	2
1 Small Business Growth	5
2 Small Business Employment	13
3 Profile of Self-Employed in British Columbia	18
4 Contribution to the Economy	23
5 Small Business Exporters	27
Conclusion	31
Technical Notes	31
Glossary	32
Appendix 1	33
Appendix 2	37
Small Business Resources	38

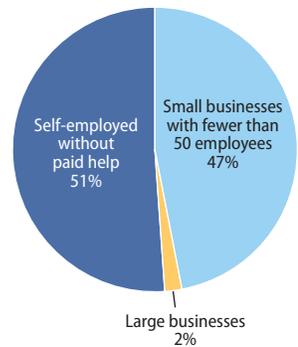


# PREFACE

Small businesses have long played a critical role in the B.C. economy. Since 1997, BC Stats has produced reports profiling the impact of the small business sector in the province. *Small Business Profile 2017: A Profile of Small Business in British Columbia* is the latest edition, reflecting the most up-to-date data available: 2015 for information on small business exporters and 2016 for information on all other indicators. This report answers some common questions about the role of small business in British Columbia by examining trends in growth and, where possible, offering cross-provincial comparisons. Key measures examined in this report include the number of businesses, employment and earnings, contribution to the economy, industry distribution, regional details, and the role of small business exporters. Also included is a look at a handful of key indicators of the benefits of B.C.'s business landscape relative to other regions in the country.

## HIGHLIGHT FIGURE 1

**BREAKDOWN OF BUSINESSES IN BRITISH COLUMBIA, 2016**



(Total: 404,000)

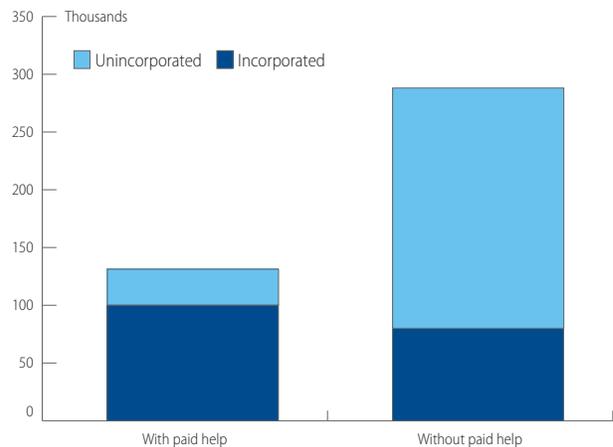
Source: BC Stats using data supplied by Statistics Canada

Statistical information in this report was prepared by BC Stats using data provided by Statistics Canada from various databases, such as the *Business Register*, the *Survey of Employment, Payrolls and Hours*, the *Labour Force Survey* and the *Trade by Exporter Characteristics* data program. Supplemental data sets are from various sources, including Innovation, Science and Economic Development Canada and the Canadian Federation of Independent Business.

*Small Business Profile 2017* is produced by the British Columbia provincial government Ministry of Jobs, Trade and Technology. The report was prepared by BC Stats in partnership with the Small Business Branch of the ministry.

## HIGHLIGHT FIGURE 2

**NUMBER OF SELF-EMPLOYED BUSINESS OWNERS IN BRITISH COLUMBIA, 2016**



Source: Statistics Canada / Prepared by BC Stats

# HIGHLIGHTS

- Small Business** – Around 98 per cent of all businesses in British Columbia are small businesses. In 2016, there were approximately 396,100 small businesses operating in the province, 7,500 more than in 2015. Of these, about 79 per cent were micro-businesses with fewer than five employees.
- Small Businesses Per Capita** – With 83.4 small businesses per 1,000 people (compared to 82.8 in 2015), British Columbia ranked first in the country in terms of small businesses per capita in 2016. The national average was 69.9.
- Regional Focus** – Between 2014 and 2016, the region with the highest rate of growth in the number of small businesses was Kootenay, at 30.2 per cent.
- Employment** – Around 1,056,300 British Columbians worked in small businesses in 2016, accounting for 54 per cent of private-sector employment, well above the national average of 49 per cent. This is an increase of about 31,600 from 2015.
- Employment Change** – Employment in British Columbia’s small business sector climbed 3.1 per cent between 2015 and 2016. There was an increase in the count of both self-employed (+1.8 per cent) and employees of small businesses (+4.0 per cent).
- Industry** – From 2011 to 2016, the fastest growth in small business employment was in information and cultural services, at 19.2 per cent. The construction industry added the most small business jobs over that period, increasing employment by around 14,400, a growth rate of 17.5 per cent.
- Self-Employed** – On average, the self-employed tend to be older, are more often male, and are more likely to work longer hours than paid employees. Approximately 38 per cent of the self-employed in British Columbia are women, above the national average.
- Gross Domestic Product** –British Columbia small businesses accounted for around 34 per cent of the province’s gross domestic product in 2016, well above the Canadian average of 31 per cent. This is down slightly from 2015, when 35 per cent of GDP was generated by B.C.’s small businesses.

- Earnings** – In 2016, small businesses were the source of 32 per cent of all wages paid to workers in British Columbia, the highest share of all provinces and well above the national average of just under 27 per cent.
- Exports** – In 2015, small business exporters in British Columbia shipped around \$15.8 billion worth of goods to international destinations, accounting for 42 per cent of the total value of goods exported from the province.

FIGURE 1.1

BREAKDOWN OF BUSINESSES  
IN BRITISH COLUMBIA, 2016

	Number of businesses	Per cent of total	Growth 2014-2016 (#)	Growth rate 2014-2016
TOTAL BUSINESSES WITH 0 TO 4 EMPLOYEES	319,100	79%	9,800	3.2%
Self-employed without paid help†	208,000	51%	8,100	4.1%
Businesses with 1 to 4 employees	111,100	28%	1,700	1.5%
BUSINESSES WITH 5 TO 9 EMPLOYEES	37,900	9%	1,600	4.5%
BUSINESSES WITH 10 TO 19 EMPLOYEES	24,200	6%	1,500	6.7%
BUSINESSES WITH 20 TO 49 EMPLOYEES	14,900	4%	500	3.2%
<b>TOTAL SMALL BUSINESSES**</b>	<b>396,100</b>	<b>98%</b>	<b>13,400</b>	<b>3.5%</b>
<b>TOTAL LARGE BUSINESSES</b>	<b>7,900</b>	<b>2%</b>	<b>300</b>	<b>3.7%</b>
<b>TOTAL ALL BUSINESSES</b>	<b>404,000</b>	<b>100%</b>	<b>27,100</b>	<b>3.5%</b>

† Incorporated self-employed are not included in this figure to avoid double-counting, since they are already included in the count of businesses with fewer than 50 employees.

\*\*Figures do not add due to rounding

Note: Due to a data break in 2014, growth rates can only be calculated from 2014-2016

Source: BC Stats using data supplied by Statistics Canada

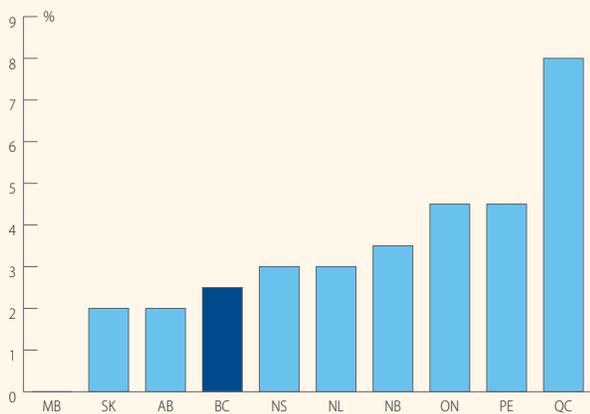
# SPOTLIGHT ON B.C.'S BUSINESS LANDSCAPE: SOME KEY INDICATORS

A fertile business environment can potentially give a province a competitive edge over other jurisdictions, helping to stimulate business formation and growth. British Columbia compares favourably with other provinces in its strength in several key business stimulus indicators, some of which are highlighted here.

Given that much of the input to their production is derived from human capital, small business owners are often free to seek an ideal location to establish their operations. Lower levels of taxation are one factor thought to attract investment and a skilled workforce – both essential to small business growth.

In 2017, the small business tax rate in B.C. (2.5 per cent) remains among the lowest in the country, just above that of Alberta and Saskatchewan (each 2.0 per cent), while Manitoba has eliminated the small business tax altogether. Quebec's tax rate is the highest in the country (8.0 per cent in 2017).

SMALL BUSINESSES TAX RATES, BY PROVINCE, 2017



Source: B.C. Ministry of Finance / Prepared by BC Stats

British Columbia's largest city is consistently ranked as having among the highest overall quality of life in the world. In 2017, Vancouver ranked first in North America and fifth globally on

Mercer's comprehensive Quality of Living Survey.<sup>1</sup> Granted, B.C. is made up of many diverse regions, cities and towns, but since Vancouver is the most populous metropolitan area in the province and home to roughly half of its residents, its high ranking reflects on the province as a whole. Also, most of the quality of life variables are at equally high levels in other parts of the province. The positive ranking for Vancouver holds great potential to provide a substantial competitive advantage in attracting workers and all types of business, including small business.

QUALITY OF LIFE RANKINGS, 2017

	Global Rank	America's Rank
Vancouver	5	1
Toronto	16	2
Ottawa	18	3
Montreal	23	4
San Francisco	29	5
Calgary	33	6
Boston	35	7
Honolulu	36	8
New York City	44	9
Seattle	45	10
Chicago	47	11

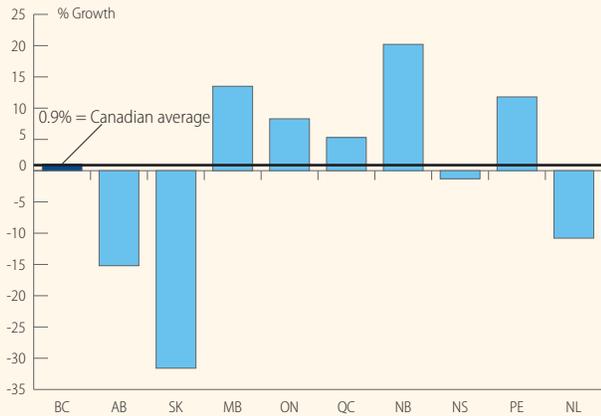
Source: Mercer Quality of Living Survey / Prepared by BC Stats

Another measure of the overall health of an economy and business environment is strong building activity. In 2016, the province continued to record growth in planned building activity. The value of building permits issued in B.C. amounted to more than \$13 billion in 2016, representing a 1.0 per cent increase over 2015. The residential (+4.4 per cent) sector fuelled the overall increase, as year-over-year institutional and governmental, commercial and industrial building permits eased. Nationally, planned spending was up comparably (+0.9 per cent to \$86 billion).

<sup>1</sup> Mercer Human Resource Consulting developed "quality of life" scales to assist companies in determining hardship pay. Such allowances are often provided when a company sends employees to work in foreign countries. The Mercer quality of life survey provides rankings based on 39 indicators, grouped into ten categories: Political and social environment; economic environment; socio-cultural environment; medical and health considerations; schools and education; public services and transportation; recreation; consumer goods; housing; natural environment.

**Note:** Fall 2017 budget committed to reducing Small Business Tax Rate from 2.5% to 2%.

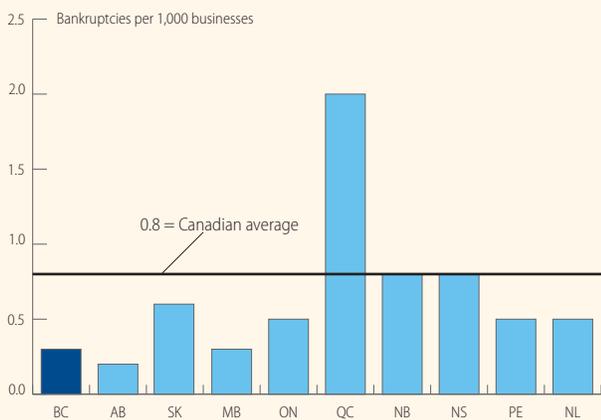
### VALUE (\$) OF BUILDING PERMITS ISSUED, BY PROVINCE, GROWTH 2015-2016



Source: Statistics Canada / Prepared by BC Stats

Unlike building permits, high numbers of bankruptcies would indicate a less favourable business environment, but British Columbia boasts one of the lowest business bankruptcy rates in the country. In 2016, B.C.'s rate was 0.3 bankruptcies per 100,000 businesses, unchanged from 2015. Rates in other provinces ranged from a low of 0.2 in Alberta to a high of 2.0 in Quebec. The Canadian business bankruptcy rate was 0.7.

### BUSINESS BANKRUPTCY RATES BY PROVINCE, 2016



Source: Innovation, Science and Economic Development Canada / Prepared by BC Stats

Relative to other parts of the country, British Columbia's small business owners are consistently among the most optimistic about their prospects for the future. According to data from a survey of members of the Canadian Federation of Independent Business (CFIB), confidence among owners of small businesses in British Columbia has consistently exceeded the national average from 2016-2017. British Columbia's Business Barometer Index, which measures small business confidence, averaged 65.6 in 2016, almost eight points higher than the Canadian average of 57.7.

### CFIB BUSINESS BAROMETER INDEX



Source: Canadian Federation of Independent Business / Prepared by BC Stats

According to CFIB, an index above 50 signifies that owners that expect their business to perform better in the next year outnumber those that expect a weaker performance. CFIB suggests that an index level between 65 and 70 is to be expected when an economy is growing at its potential. British Columbia's index has been in that range for much of the last four years, which implies that small businesses in the province have been doing well.

# 1 SMALL BUSINESS GROWTH

It is useful to look at indicators of the overall business climate in the province as a measure of the suitability of British Columbia as a place where small business has potential to thrive; however, it is also important to monitor the performance of the small business sector itself. Measures such as business counts, employment, GDP and revenues are useful indicators that offer an objective view of the size and health of the sector and its overall significance for the provincial economy.

## What is a small business?

A business can be classified as small, medium or large through a number of different methods, including production levels and revenues. However, the most commonly used definition focuses on the number of individuals employed. Although the Federal Government defines Small Business as one with fewer than 100 employees, In British Columbia, small business is defined as one with either fewer than 50 employees, or a business operated by a person who is self-employed without paid help.

## How many businesses operate in British Columbia and is that number growing?

There were a total of 404,000 businesses in British Columbia in 2016. Of these, 98 per cent (396,100) were small businesses with fewer than 50 employees. Businesses operated by self-employed persons with no paid employees comprised just over 51 per cent of all businesses in the province, virtually the same as the national average. Ontario, at 55 per cent, had the highest share of businesses run by self-employed individuals with no paid help, while Newfoundland and Labrador had the smallest share, at only 31 per cent.

The count of small businesses active in British Columbia climbed 1.9 per cent in 2016. The number of businesses operated by unincorporated self-employed individuals without paid help rose marginally faster, at 2.0 per cent, compared to small businesses with employees, at 1.9 per cent. There was even stronger growth in the number of businesses with 50 employees or more, which increased 2.3 per cent from 2015 to 2016.



## What is the size distribution of small businesses?

Most of the small businesses operating in B.C. are very small, employing fewer than five employees. In 2016, 319,100 businesses fit this description, or 79 per cent of all small businesses. Within this group, self-employed persons without paid help made up 51 per cent of small businesses, while those employing one to four people comprised a further 28 per cent.

FIGURE 1.1

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IN BRITISH COLUMBIA, 2016

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\*\*Figures do not add due to rounding

Note: Due to a data break in 2014, growth rates can only be calculated from 2014-2016

Source: BC Stats using data supplied by Statistics Canada

## In which sectors are small businesses concentrated?

There is great variety in the types of small businesses operating in British Columbia, running the gamut from custom sawmills, to small eco-tourism operations, to consulting companies consisting of self-employed individuals. However, four out of five (80 per cent) of all small businesses in the province are in the service sector industries. This is similar to larger businesses, of which 79 per cent were in the service sector.

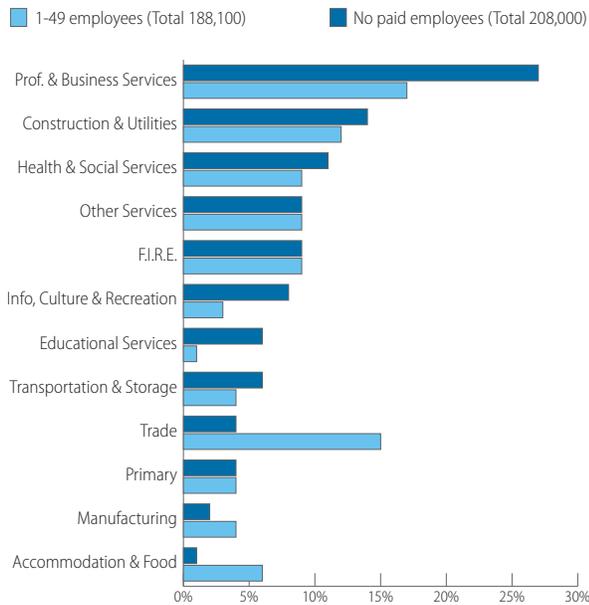
In 2016, the largest concentration of small businesses in the province was in professional and business services, which encompassed 22 per cent of British Columbia small businesses. Included in this sector are a number of diverse activities, such as computer systems design, office administration, veterinary, accounting, and environmental consulting services. The next most significant industry for small businesses was in the goods sector, where construction and utilities<sup>2</sup> accounted for 13 per cent of all small businesses in the province.

Figure 1.2a shows the industry breakdown for small businesses with employees compared to that for businesses operated by a self-employed person with no staff. Figure 1.2b provides the same dissection for small business overall.



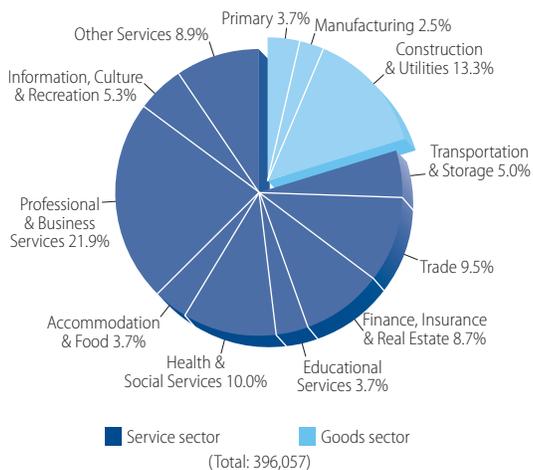
2 Note that utilities comprise only a small portion of this industry aggregation.

**FIGURE 1.2A**  
**SMALL BUSINESSES, WITH AND WITHOUT EMPLOYEES,**  
**BY INDUSTRY, 2016**



Note: "Primary" is comprised of the agriculture, forestry, fishing, mining, oil and gas industries.  
 F.I.R.E. is Finance, Insurance and Real Estate.  
 Source: BC Stats using data supplied by Statistics Canada

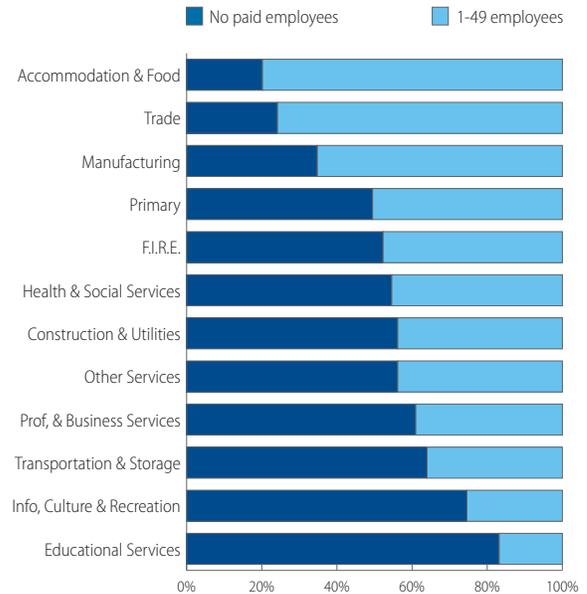
**FIGURE 1.2B**  
**TOTAL SMALL BUSINESSES WITH 0-49 EMPLOYEES, 2016**



Note: "Primary" is comprised of the agriculture, forestry, fishing, mining, oil and gas industries.  
 Source: BC Stats using data supplied by Statistics Canada

Some industry groups, such as educational services, and information, culture and recreation, are more concentrated among businesses with no employees. Others, such as accommodation and food, and wholesale and retail trade, are more likely to have employees.

**FIGURE 1.3**  
**SMALL BUSINESSES BY INDUSTRY, PROPORTIONS**  
**WITH AND WITHOUT EMPLOYEES, 2016**



Note: "Primary" is comprised of the agriculture, forestry, fishing, mining, oil and gas industries.  
 F.I.R.E. is Finance, Insurance and Real Estate.  
 Source: BC Stats using data supplied by Statistics Canada

## Non-Standard Industries

This report contains information on non-standard industries that are not defined under the North American Industry Classification System (NAICS) used by Statistics Canada. The tourism, high technology and secondary manufacturing sectors are called “non-standard industries” in this report and are in fact composites of smaller parts of traditionally-defined industries under NAICS. Tourism, for example, includes data from parts of the transportation industry, accommodation and food services, and information, culture and recreation services, among others. High technology includes both manufacturing and services components.

Traditionally, British Columbia’s economy has been defined by resource extraction, particularly the forestry and mining industries; however, sectors such as tourism and high technology are increasingly taking on a more critical role in driving the economy. While the secondary manufacturing sector has not experienced much growth in recent years, it is still important, as adding value to goods stands out as a potential source of future economic growth in the province.

High technology and tourism, in particular, are well-suited for development by small business as they are not reliant on capital-intensive resource extraction activities. In the high technology sector, this is illustrated by the fact that small businesses comprise almost 96 per cent of employers. The basis for growth in this sector is innovation, and services can be performed with few employees working in small plants, offices, or even homes.

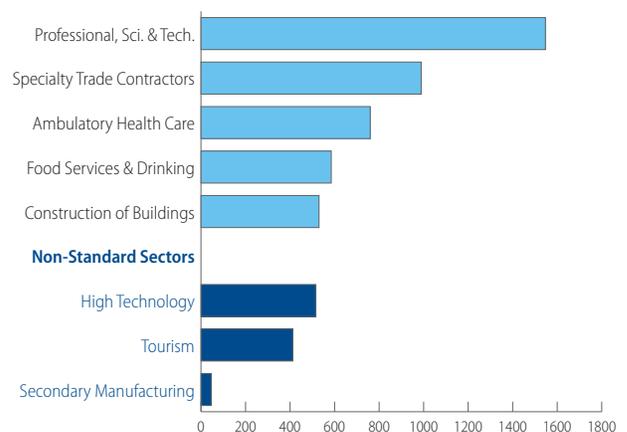


## Which industries show the greatest increase in the number of small businesses?

Between 2014 and 2016, the largest growth in British Columbia small businesses was in the professional, scientific and technical services industry, which added 1,547 net new businesses over the two-year period. Specialty trade contractors, which are involved in construction activities such as masonry, painting, or electrical work and are usually sub-contracted to complete a component of a larger project, represented the next highest growth, adding 989 net new businesses.

FIGURE 1.4

### NUMBER OF NET NEW SMALL BUSINESSES – FASTEST GROWING SECTORS IN BRITISH COLUMBIA, 2014-2016†



† Excludes self-employed without paid help

Note: Due to a data break in 2014, growth can only be calculated from 2014-2016

Source: BC Stats using data supplied by Statistics Canada

The high technology, tourism and secondary manufacturing sectors each saw an increase in small businesses between 2014 and 2016. There were 516 net new high technology businesses created in that period, while tourism operators saw a net addition of 412 businesses. The province’s secondary manufacturing sector experienced a more moderate net gain of 45 businesses over the period.

## Which industries show the fastest rates of growth in new businesses?

Among the standard NAICS industries,<sup>3</sup> the fastest rate of growth in number of B.C. small businesses between 2014 and 2016 was for those in the beverage and tobacco manufacturing industry, at 31.5 per cent, with wineries and breweries comprising most of the increase. Other industries to record particularly robust growth included funds and other financial vehicles (e.g., pension funds), which saw a 29.9 per cent jump in small businesses, and electrical equipment, appliance and component manufacturers, which grew by 22.2 per cent.

FIGURE 1.5

### SECTOR GROWTH RATES FOR NUMBER OF SMALL BUSINESSES, 2014-2016†



† Excludes self-employed without paid help

Note: Due to a data break in 2014, growth can only be calculated from 2014-2016

Source: BC Stats using data supplied by Statistics Canada

For the non-standard sectors, small businesses in the high technology sector grew the fastest, adding 5.6 per cent more businesses between 2014 and 2016. The tourism sector did not grow as fast, but still posted a respectable increase of 2.6 per cent, while secondary manufacturing business counts inched up 0.8 per cent over the two-year period.

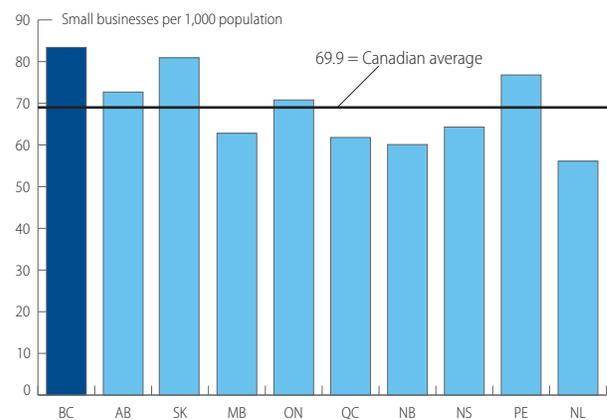
<sup>3</sup> Data for industries with fewer than 100 small businesses are excluded from ranking in the sub-sector growth analysis in order to avoid inflated growth rates for industries with smaller numbers of businesses (e.g., an increase of one business in an industry with just one business to begin with would equal a 100 per cent rate of growth).

## How does the prevalence of small business in British Columbia compare with other provinces?

On a per capita basis, British Columbia leads the country in number of small businesses. In 2016, there were 83.4 small businesses per 1,000 people in the province. This is well above the national average of 69.9 small businesses per 1,000 people. Saskatchewan (80.9) ranked second behind B.C., followed by Prince Edward Island (76.8). Newfoundland and Labrador had the fewest small businesses per capita (56.1 per 1,000 population).

FIGURE 1.6

### SMALL BUSINESSES PER CAPITA BY PROVINCE, 2016

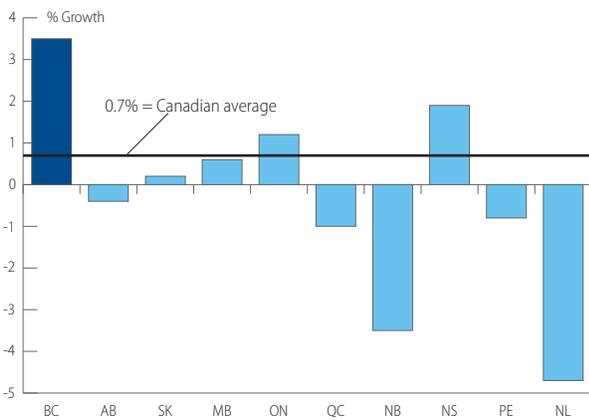


Source: BC Stats using data supplied by Statistics Canada



British Columbia also led the country in growth in the number of small businesses over the last two years. Between 2014 and 2016, the number of small businesses in British Columbia climbed 3.5 per cent, well above the national average rate of growth of 0.7 per cent. The only other province to exceed the Canadian average rate of growth was Nova Scotia, at 1.9 per cent. Newfoundland and Labrador (-4.7 per cent) and New Brunswick (-3.5 per cent) experienced the largest declines in small business counts.

**FIGURE 1.7**  
SMALL BUSINESS GROWTH, BY PROVINCE, 2014-2016



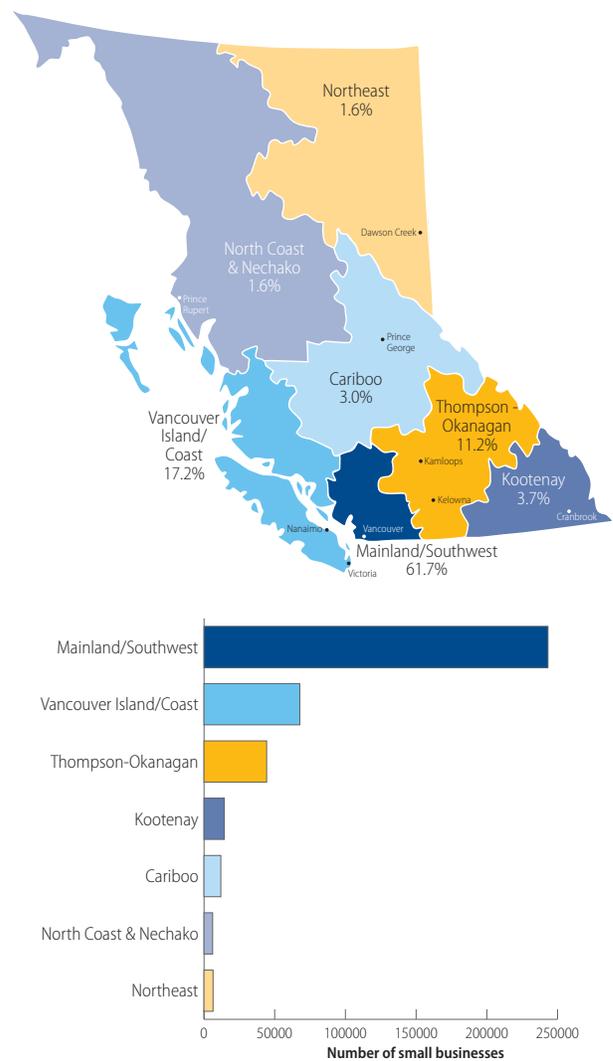
Note: Due to a data break in 2014, growth can only be calculated from 2014-2016  
Source: BC Stats using data supplied by Statistics Canada

## Which regions have the greatest number of small businesses?

As one would expect, the regions with the largest populations are the ones that have the most businesses. Therefore, in order to clarify the relative importance of small business to each region, it is useful to compare the distribution of businesses to share of population. In 2016, the distribution of small businesses was quite similar to that of population. In fact, for the Mainland/Southwest region, which includes Greater Vancouver, the region's share

of small businesses and population were identical, at just under 62 per cent. Vancouver Island/Coast was home to just over 17 per cent of small businesses, compared to a shade under 17 per cent of the province's population. Thompson-Okanagan, on the other hand, had slightly less than 12 per cent of the population, but a slightly smaller share of small businesses. The remaining regions together accounted for almost 10 per cent of both the province's population and small businesses in 2016.

**FIGURE 1.8**  
SMALL BUSINESS DISTRIBUTION BY REGION, BRITISH COLUMBIA, 2016



Source: BC Stats using data supplied by Statistics Canada

## In which regions are the greatest numbers of small businesses forming?

All but two regions within the province experienced an increase in the number of small businesses between 2014 and 2016. The region with the highest rate of growth was Kootenay, with a 30.2 per cent jump, or around 3,300 net new businesses. A large increase in self-employed individuals without paid help drove the increase in Kootenay as there was a marginal decline in businesses with employees over the period. Mainland/Southwest had the largest absolute growth with approximately 11,100 net new businesses (+4.8 per cent). Northeast (-5.2 per cent) and Thompson-Okanagan (-3.9 per cent) both shed businesses over the two-year period. In both cases, a substantial drop in the number of self-employed individuals without paid help was the major factor in the decline.

FIGURE 1.9

NET CHANGE IN NUMBER OF SMALL BUSINESSES BY REGION, 2014-2016

	Total, 2016	Net change (#)	Growth rate
Vancouver Island/Coast	67,800	300	0.4%
Mainland/Southwest	243,200	11,100	4.8%
Thompson-Okanagan	44,300	-1,800	-3.9%
Kootenay	14,400	3,300	30.2%
Cariboo	11,900	200	1.6%
North Coast & Nechako	6,100	700	12.3%
Northeast	6,400	-400	-5.2%
<b>Provincial Total†</b>	<b>396,100</b>	<b>13,400</b>	<b>3.5%</b>

† Figures do not add to the total because the provincial total includes some businesses for which the region is unknown.

Note: Due to a data break in 2014, growth can only be calculated from 2014-2016

Source: BC Stats using data supplied by Statistics Canada

Small business expansion by industry varied by region, but construction was the top growth industry for most regions. Health and education was another sector that ranked high across the province in increased numbers of small businesses. For detailed regional data by industry, see Appendix 1.

## In what regions are the non-standard sectors growing the fastest?

Most of the small business growth in B.C.'s high technology sector was concentrated in the more populated regions of the province, as the rate of change in the remainder of the province was either fairly flat, or declining. Thompson-Okanagan (+6.7 per cent), Mainland/Southwest (+6.0 per cent) and Vancouver Island/Coast (+5.0 per cent) all saw strong growth in small technology businesses between 2014 and 2016.

Thompson-Okanagan also saw the largest rise in small tourism-related establishments, with a 7.1 per cent increase, followed by Vancouver Island/Coast (+5.3 per cent). Conversely, Thompson-Okanagan was one of only two regions to experience a drop in the number of small secondary manufacturing businesses (-3.2 per cent), with Cariboo (-8.9 per cent) the other. Kootenay had the highest rate of growth in small secondary manufacturing businesses, at 11.0 per cent, although that amounted to only 16 net new businesses.





## Small Business Spotlight: Titan Boats

More often than not, you can find John Stanners in the workshop of Titan Boats instead of in his office. The founder of the company has spent the better part of 30 years doing custom built aluminum fabrication and doesn't have any plans to stop now.

Stanners learned his trade building race cars during an apprenticeship at Smith Racing. He was then contracted to build custom parts for large fishing boats like a dragger, before he started Titan boats in his garage in 1995.

"The whale watching companies on Vancouver Island were just getting going, and I saw an opportunity," he says. "All of our boats are custom built to meet the clients' needs, and are built in a way that makes them last a long time. But it is our backend customer service that really sets us apart from other companies."

Titan's reputation grew and so did the company, going from one man in his garage to employing 30 people and working in state-of-the-art facilities that provide over 5,400 sq. ft. of fabrication space and another 1,600 sq. ft. shop for outfitting and rigging the boats.

"There is no magic formula for growing your business," Stanners said. "It is a lot of hard work, and your reputation is on the line so you have to make a high quality product that is very durable."

Titan boats are built to meet or exceed the standards for construction and testing of safety boats, and are used by RCMP, Canadian Coast Guard and the military extensively throughout Canada. The company is also expanding across the globe.

"We want to expand in the markets we're already in, but it takes time," Stanners said. "We're in the Caribbean and Slovenia, to name a few. But it's a tough business to get into, and it is the backend service and our highly customizable boats that are helping to make a name for ourselves."

Stanners also works with local schools, engineering students and apprentices and helps them with real world advice while working side by side with them in the shops.

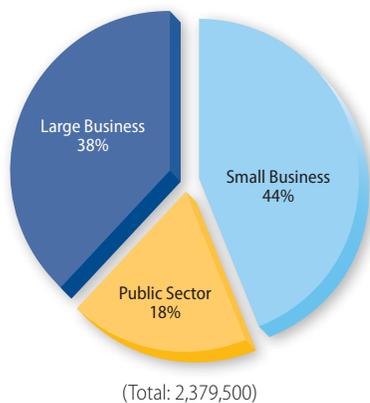
"The main goal is to find out what you're best at and capitalize on it," he said. "Set goals for yourself, and be disciplined while working towards them."

# 2 SMALL BUSINESS EMPLOYMENT

## How many jobs does small business provide in British Columbia?

Small businesses in British Columbia employed around 1,056,300 people in 2016, or just over 44 per cent of total employment in the province. This share is unchanged from 2015.

**FIGURE 2.1**  
SHARE OF TOTAL EMPLOYMENT, BRITISH COLUMBIA, 2016



Source: BC Stats using data supplied by Statistics Canada

Small business employment accounted for 54 per cent of all private sector jobs in the province, a ratio that has remained relatively stable over the past decade. Self-employed individuals comprised 22 per cent of total private sector employment, while those employed by a small business accounted for 33 per cent.

**FIGURE 2.2**  
PRIVATE-SECTOR EMPLOYMENT IN BRITISH COLUMBIA  
BY SIZE OF BUSINESS, 2016

	Employment	Per cent of total*
<b>TOTAL SMALL BUSINESS EMPLOYMENT</b>	<b>1,056,300</b>	<b>54%</b>
Self-employed	420,900	22%
Employed by small business	635,400	33%
<b>LARGE BUSINESS EMPLOYMENT</b>	<b>895,500</b>	<b>46%</b>
<b>TOTAL PRIVATE-SECTOR EMPLOYMENT</b>	<b>1,951,800</b>	<b>100%</b>

\*Figures do not add due to rounding

Source: BC Stats using data supplied by Statistics Canada

In 2016, employment by British Columbia's small business sector climbed 3.1 per cent, the highest rate of growth in over a decade.<sup>4</sup> Much of the growth was derived from a 4.0 per cent jump in employees of small businesses, but the number of self-employed also increased (+1.8 per cent). The number of employees of large businesses in the province rose even faster, at a rate of 4.5 per cent, such that British Columbia's total private sector employment climbed 3.7 per cent.

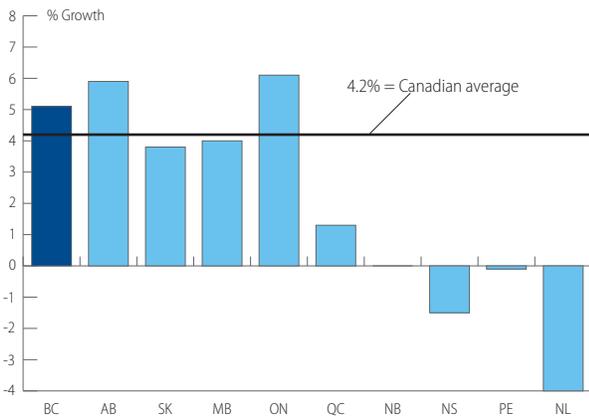
From 2011 to 2016, employment in the small business sector increased 5.1 per cent, with both employees of small businesses (+6.6 per cent) and self-employed individuals (+3.0 per cent) contributing to the increase. However, the rate of growth was less than half that of employment in larger businesses, which climbed 10.8 per cent over the five-year period.

<sup>4</sup> Unlike business counts, there has not been a data break with regard to employment data, such that it is possible to analyze trends over longer periods than is the case for establishment counts.

## How does British Columbia's small business employment compare with other provinces?

Between 2011 and 2016, British Columbia was one of only three provinces to exceed the national average of 4.2 per cent growth in small business employment. Ontario led all provinces, with a 6.1 per cent rise in small business jobs, followed by Alberta (+5.9 per cent). Small business employment in the Atlantic Provinces was either flat or falling, with Newfoundland and Labrador recording the largest drop (-4.0 per cent).

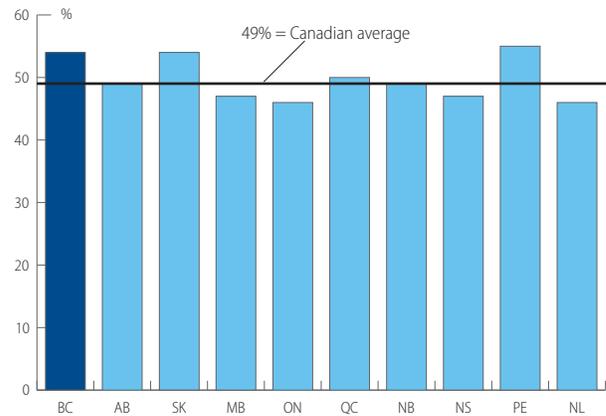
**FIGURE 2.3**  
SMALL BUSINESS EMPLOYMENT GROWTH BY PROVINCE, 2011-2016



Source: BC Stats using data supplied by Statistics Canada

In 2016, among the provinces, Prince Edward Island had the largest proportion of private sector jobs derived from small business, at 55 per cent. The small business sectors in British Columbia and Saskatchewan each provided about 54 per cent of private sector employment, ranking those provinces second in the nation. Nationally, small business supplied nearly half (49 per cent) of private sector employment. Newfoundland and Labrador and Ontario (each 46 per cent) had the least reliance on small business for private sector employment.

**FIGURE 2.4**  
SMALL BUSINESS AS A PER CENT OF PRIVATE-SECTOR EMPLOYMENT BY PROVINCE, 2016



Source: BC Stats using data supplied by Statistics Canada

The provincial variation in small business employment is likely related to regional economic differences. The larger service sector in British Columbia, compared to most provinces, may account for the above average dependence on small business. In Prince Edward Island and Saskatchewan, the greater prevalence of small business could be due to more reliance on industries such as fishing and agriculture, which often consist of smaller operations with fewer employees. On the other hand, Ontario is more dependent on employment from large manufacturing businesses, particularly in the automotive sector.

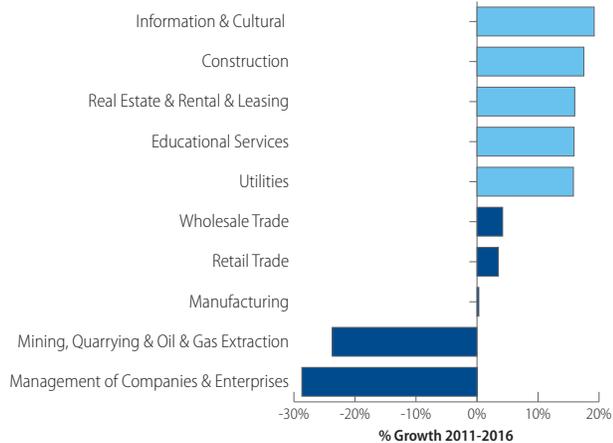


## Which industries are experiencing the most job growth?

From 2011 to 2016, the information and cultural services industry posted the fastest growth in small business employment in British Columbia, adding jobs at a rate of 19.2 per cent.<sup>5</sup> The construction sector ranked second in rate of growth, at 17.5 per cent, but was far and away the leader in terms of absolute number of net new jobs, with small business employment climbing by over 14,400 over the five-year period.

At the other end of the scale, there were two industries that experienced a substantial drop in employment over the five-year period. Those small businesses involved in management of companies and enterprises shed 1,900 jobs between 2011 and 2016, a rate of decline of 28.7 per cent. The mining, quarrying and oil and gas extraction industry reduced small business employment by more than 1,100 positions, translating to a fall of 23.7 per cent.

**FIGURE 2.5**  
TOP AND BOTTOM FIVE INDUSTRIES IN TERMS OF PER CENT CHANGE IN SMALL BUSINESS EMPLOYMENT IN BRITISH COLUMBIA, 2011-2016



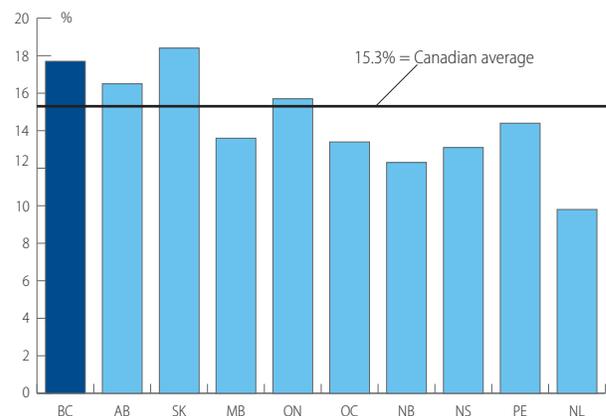
Source: BC Stats using data supplied by Statistics Canada

## SELF-EMPLOYMENT

### What proportion of total employment consists of the self-employed?

In 2016, in British Columbia, the self-employed accounted for 17.7 per cent of total employment, well above the Canadian average of 15.3 per cent. Over the last couple of decades, the B.C. ratio has fluctuated somewhat, but has remained in the range from 17 to 20 per cent. The only province with a greater proportion of self-employed in its workforce is Saskatchewan, at 18.4 per cent. Newfoundland and Labrador is an outlier among the provinces, with the self-employed representing only 9.8 per cent of total employment.

**FIGURE 2.6**  
SELF-EMPLOYMENT AS A PER CENT OF TOTAL EMPLOYMENT BY PROVINCE, 2016



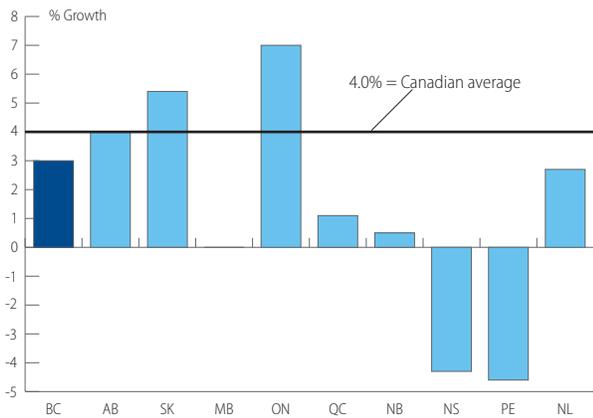
Source: Statistics Canada / Prepared by BC Stats

<sup>5</sup> Note that data on employment by size of business are not available for the non-standard sectors.

## How does self-employment growth in British Columbia compare with other provinces?

British Columbia has seen below average growth in self-employment over the last five years. Between 2011 and 2016, the number of self-employed in the province grew 3.0 per cent, compared to a national average 4.0 per cent increase. Ontario experienced the fastest rise in self-employment, at 7.0 per cent, while both Prince Edward Island (-4.6 per cent) and Nova Scotia (4.3 per cent) saw the number of self-employed fall.

**FIGURE 2.7**  
SELF-EMPLOYMENT GROWTH BY PROVINCE, 2011-2016

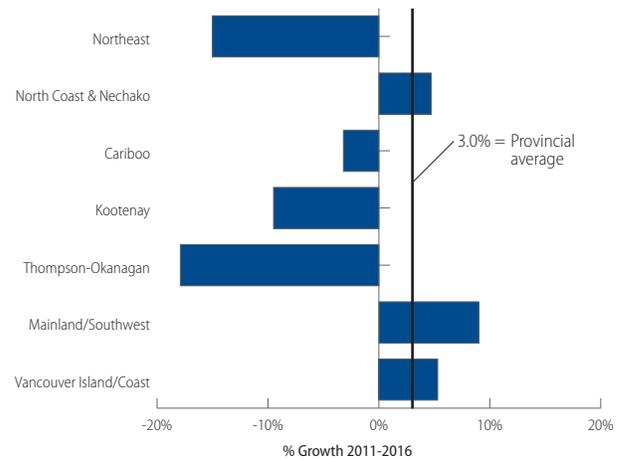


Source: Statistics Canada / Prepared by BC Stats

## In what regions is self-employment growing the fastest?

Within British Columbia there has been substantial variation in growth in self-employment over the last five years, with some regions experiencing large increases and others seeing significant declines. From 2011 to 2016, self-employment in Mainland/Southwest jumped 9.0 per cent, three times greater than the provincial average of 3.0 per cent growth. The only other regions to experience increased numbers of self-employed over that period were Vancouver Island/Coast (+5.3 per cent) and North Coast and Nechako (+4.7 per cent). Thompson-Okanagan (-17.9 per cent) and Northeast (-15.0 per cent) had the most significant reductions in self-employment.

**FIGURE 2.8**  
SELF-EMPLOYMENT GROWTH RATE FOR REGIONS IN BRITISH COLUMBIA, 2011-2016



Source: Statistics Canada / Prepared by BC Stats





## Small Business Spotlight: SmartSweets

As a 21-year-old entrepreneur from Vancouver, little did Tara Bosch know that within a year of launching her business she would generate over \$1 million in sales across Canada.

In 2015, Bosch started SmartSweets, a gummy bear brand that offers a healthier alternative to traditional sugar candy.

“Our products are the means to our mission, and our mission is to kick sugar, keep candy and create a movement based on smaller, smarter choices,” Bosch said.

Unlike traditional gummy bears, SmartSweets gummy bears have 2g of sugar, 24g of fiber and 5g of protein per 50g pouch. The comparable amount of regular gummy bears would have 26g of sugar – which, as she mentions, “is 104% of the ideal daily recommended sugar intake recommended by the World Health Organization.”

With no assets and limited credit history, Futurpreneur Canada was the first organization that took the leap of faith to support her financially to get the business off the ground. After spending considerable time networking with professionals in the industry, she attended a two-day “How to Launch a Food Biz” crash course, where she met her future mentors who ended up being instrumental in her early success.

The next thing she knew, she was accepted into “The Next Big Thing” accelerator program. Bosch said that it allowed her an opportunity to connect with “incredible people in the food industry, resources, and a physical space where I was surrounded by other young entrepreneurs going through the same highs and lows as me.”

With SmartSweets, Bosch wants to “become a global leader in educating consumers about sugar reduction in our daily lives and the positive impact that kicking sugar holds on our health.” Through her healthy gummy bears, she imagines customers “being able to go to their local grocery stores candy aisle, choose their favourite candy product and be able to actually feel good about enjoying it, while treating their body right.”

Bosch’s long list of awards include the BMO Celebrating Women- Growth & Expansion Award 2017, Cleanest Packaged Food Awards and the National Pitch for the Purse Forum for Women Entrepreneurs (FWE) award.

As a strong example of a high-growth company with rapidly increasing sales, Bosch is ready to take on the next big challenge.

“In today’s world, things are moving so fast that every week there is a new tool out there that could help streamline or create efficiencies for SmartSweets in some way. For us, constantly asking ourselves ‘As a traditional food business, how can we leverage technology to scale more efficiently and reach more people quicker?’ has been incredibly powerful”.

As advice to other young entrepreneurs, Bosh said, “it’s important to own your idea and your confidence in the ability that you are capable of making it happen. I really think confidence is everything and key to growing an idea into a business, no matter if you’re a woman or man, but I think sometimes women question ourselves and our capabilities more than our male counterparts. ‘Whether you believe you can or can’t, you’re right!’ is one of my favourite quotes.”

# 3 PROFILE OF SELF-EMPLOYED IN BRITISH COLUMBIA



## How many self-employed people are there in British Columbia?

In 2016, there were a total of 420,900 self-employed workers in British Columbia. Excluding those people working in family businesses without pay, there were 419,300 self-employed business owners. Of these, around half were unincorporated individuals with no paid employees.

**FIGURE 3.1**

**NUMBER OF SELF-EMPLOYED BUSINESS OWNERS IN BRITISH COLUMBIA, 2016**

	With paid help	Without paid help	Total	Per cent
Incorporated	100,200	80,100	180,300	43%
Unincorporated	31,000	208,000	239,000	57%
<b>TOTAL SELF-EMPLOYMENT</b>	<b>131,200</b>	<b>288,100</b>	<b>419,300</b>	<b>100%</b>

Source: Statistics Canada / Prepared by BC Stats

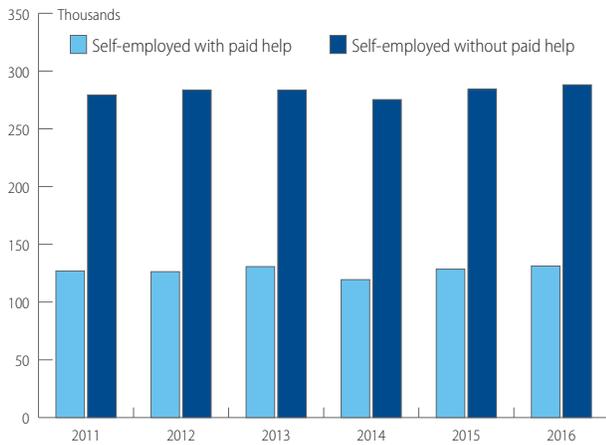
There are many different reasons why people choose to be self-employed. The flexibility offered by being one's own boss is appealing for some. With the ability to set their own hours, self-employment may be particularly attractive to students, semi-retired persons, or those in dual-earner families looking to achieve a work-life balance. For some, self-employment is motivated by an entrepreneurial drive and the desire to build their own business. In other cases, self-employment may be chosen through necessity, in the face of layoffs or lack of job security.<sup>6</sup>

In 2016, there was a 1.6 per cent boost in self-employment in British Columbia. Self-employed with paid help (+2.1 per cent) grew at a slightly faster rate than those without employees (+1.4 per cent). However, there are still more than twice as many sole operators than employers with staff in British Columbia. Over the last five years, self-employed with (+3.4 per cent) and without (+3.2 per cent) paid help have grown at similar rates, such that the ratio of those without paid employees over those with employees has remained fairly steady at just over two to one.

<sup>6</sup> It is also possible that some people turn to self-employed work to supplement their paid income. However, such workers are not included in the figures quoted in this report. The 'self-employed' as counted here are people for whom their self-employed work constitutes the job 'at which they work the most hours,' except where specifically indicated otherwise.

FIGURE 3.2

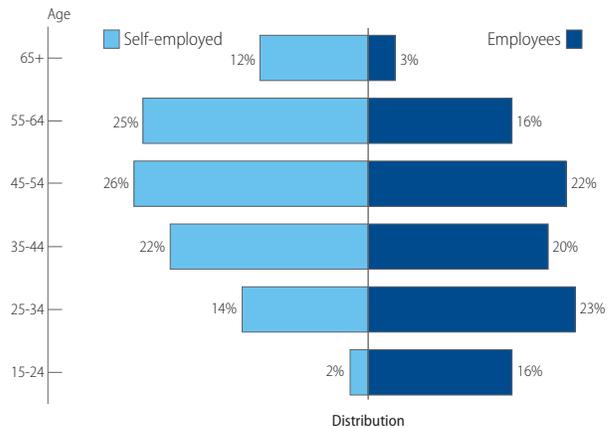
NUMBER OF SELF-EMPLOYED WITH PAID HELP COMPARED TO SELF-EMPLOYED WITHOUT PAID HELP, BRITISH COLUMBIA, 2011-2016



Source: Statistics Canada / Prepared by BC Stats

FIGURE 3.3

AGE DISTRIBUTION OF SELF-EMPLOYED WORKERS COMPARED TO EMPLOYEES, BRITISH COLUMBIA, 2016



Source: Statistics Canada / Prepared by BC Stats

## What is the profile of a self-employed person in British Columbia?

Self-employed individuals and those who are paid employees differ in a number of ways. On average, self-employed people tend to be older, are more often men, work longer hours and are less likely to be Indigenous compared to employees.

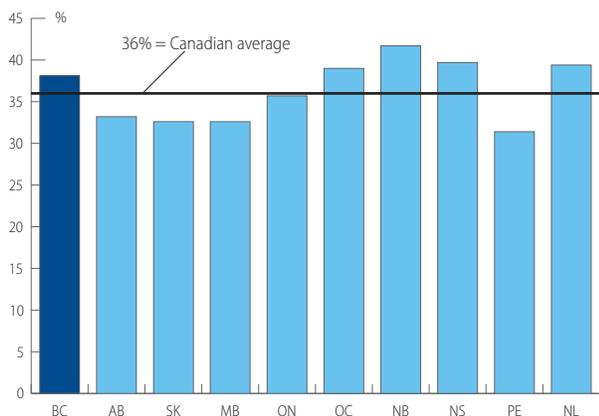
In 2016, only 16 per cent of self-employed people were under 35 years of age, compared to 39 per cent of employees. At the other end of the scale, 36 per cent of self-employed business owners were 55 and over, while only 19 per cent of paid employees fit this description.

There are a number of possible explanations for the difference in the age composition of self-employed persons and employees. For younger workers, particularly those under 25 years of age, few have the necessary skills or access to capital needed to start and operate a business. Conversely, for older workers, self-employment may be used to transition from full-time paid employment into retirement. Also, paid employees more often have pensions and/or retirement packages as incentives to retire earlier, whereas self-employed persons may have fewer post-retirement resources available to them. In fact, in Canada, the median age of retirement (the age at which half of retirees are older and half younger) for self-employed people was 66.9 years in 2016. This was almost three years older than the median age of retirement for private sector employees (64.1) and almost six years older than those employed in the public sector (61.2).

It is interesting to note that although British Columbians aged 65 and over are making up a larger share of the self-employed, it is not due to a greater propensity for people in that age group to become self-employed. Rather, it is the result of the demographic shift of an aging population. In fact, as recently as 2005, 60 per cent of workers aged 65 and over were self-employed and they represented 6 per cent of total self-employed. By 2016, those aged 65 and over accounted for 12 per cent of the self-employed; however, only 46 per cent of that age group were self-employed. The doubling in the share of elderly self-employed was due to a substantial increase in the number of people aged 65 and over in the workforce. Some of this had to do with people in that age group delaying retirement – for Canadians as a whole, the median age of retirement increased from 61.0 in 2005 to 63.3 in 2016 – however, much of it was simply due to the fact that British Columbians are, on average, getting older.

In addition to age, gender is another factor distinguishing the self-employed from employees. While employees are equally likely to be male or female, self-employed are far more likely to be men. In 2016, around 62 per cent of British Columbia’s self-employed were men. Nevertheless, the proportion of women in B.C. that are self-employed business owners is higher than average. In 2016, 38 per cent of all business owners in British Columbia were women, compared to the national average of just over 36 per cent. New Brunswick had the highest proportion of women who were self-employed, at just under 42 per cent and B.C. ranked fifth among the provinces.

**FIGURE 3.4**  
PROPORTION OF SELF-EMPLOYED WHO ARE WOMEN, BY PROVINCE, 2016

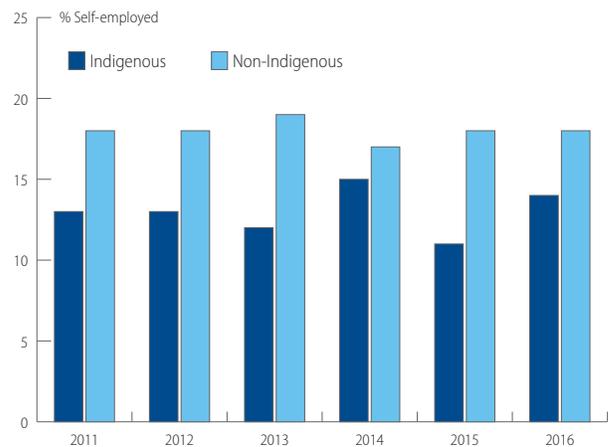


Note: Excludes unpaid family workers  
Source: Statistics Canada / Prepared by BC Stats

From 2011 to 2016, the growth in self-employment among men in British Columbia was marginal, at only 0.9 per cent; however, the number of self-employed women in the province climbed 6.6 per cent. The increase was particularly evident among women over 55 years of age. In fact, the number of self-employed women aged 55 to 64 jumped 12.0 per cent over the five-year period, while those aged 65 and over surged 88.1 per cent. For detailed data on self-employment by age and gender, see Appendix 2.

Another distinction between employed and self-employed is a lower tendency for Indigenous people to choose self-employment, compared to non-Indigenous people. In 2016, slightly less than 14 per cent of Indigenous people living off-reserve in B.C. were self-employed, compared to 18 per cent of non-Indigenous people who worked for themselves. One possible explanation for this difference could be related to the older age distribution of the self-employed versus employees as, on average, Indigenous people in British Columbia have a significantly younger age distribution relative to the overall population.

**FIGURE 3.5**  
PER CENT OF WORKING, OFF-RESERVE INDIGENOUS AND NON-INDIGENOUS PEOPLE WHO ARE SELF-EMPLOYED, BRITISH COLUMBIA, 2011-2016



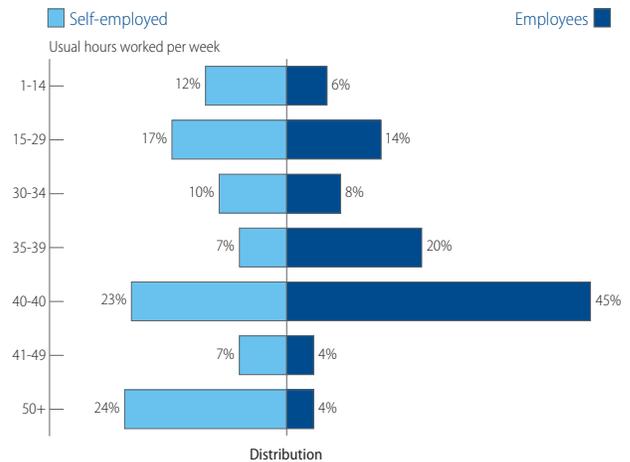
Source: Statistics Canada / Prepared by BC Stats

## How do the self-employed differ from employees with respect to hours worked?

There is a substantial difference in the length of an average work day for those that are self-employed and those that have paid employment. On average, self-employed individuals work longer hours than employees of businesses. In 2016, 24 per cent of B.C.'s self-employed worked 50 hours or more per week, while the same was true for only four per cent of employees. Relative to employees, a far smaller share of self-employed persons worked a more standard work week of between 35 and 40 hours. Only 30 per cent of self-employed fit into that category, compared to 65 per cent of employees. In British Columbia, the average work week for self-employed workers was 36.5 hours, compared to a 35.0 hour week for paid employees.

FIGURE 3.6

HOURS WORKED, SELF-EMPLOYED COMPARED TO EMPLOYEES, BRITISH COLUMBIA, 2016



Source: Statistics Canada / Prepared by BC Stats

Nationally, the difference in hours worked between self-employed and employed is even larger. While employed Canadians (35.2 hours), have a work week similar to that of employed British Columbians, self-employed workers in other parts of the country tend to work longer hours than those in British Columbia. The average self-employed Canadian worked 38.7 hours per week, more than two hours over the B.C. average.



## Small Business Spotlight: Skeena Exterior Cleaning and Coatings

As someone who was preparing to join the RCMP just three years ago, entrepreneurship was never Reid Skelton-Morven's first career choice. Fast forward to today, and Skelton-Morven is a successful indigenous entrepreneur, running an exterior cleaning business, a social enterprise, and a web marketing business. He is also a youth director for the Prince Rupert Chamber of Commerce board.

Finalist of the 2017 ThriveNorth Business Challenge in the Best New Business category, Skelton-Morven's Skeena Exterior Cleaning and Coatings business provides innovative residential cleaning services, roofing refinishing and weatherproof coating services in the Prince Rupert region.

Skelton-Morven's entrepreneurial spirit, combined with key business support resources from Futurpreneur and local chambers of commerce, have been instrumental in his early success.

"My role as a youth director at the Prince Rupert and District Chamber of Commerce has helped me shape the way I do business by seeking out new opportunities with my community's local and regional businesses, identifying common issues and market gaps to further develop my pre-launch business ventures, and also help me utilize partnerships with other businesses and networks so that we can all thrive," Skelton-Morven said.

While Skelton-Morven is dedicated to solving homeowners' problems, he is also creating a big impact in the community. Through his business, he is creating new jobs and making his services affordable and accessible to all. He firmly believes in paying his staff and subcontractors competitive wages to boost local business and support growing families in Northwestern B.C.

Things haven't always been this smooth for Skelton-Morven. After completing the Northwest ACE (Northwest Aboriginal Canadian Entrepreneurs) program two years ago, multiple injuries from a car accident temporarily slowed his progress, but not his ambition. The incident allowed him to channel his vision.



"The challenge of being injured and undergoing physiotherapy with temporary physical limitations and being set back in my projects had actually helped me build some more inspiration to succeed," Skelton-Morven said.

Still in the early stages of his business, Skelton-Morven is now focussed on finding other sources of capital and mentorship. While programs like the Northwest ACE program have been the ultimate skill building foundation to getting him where he is today, he also stresses that "in most cases the lack of confidence to move forward with their ideas, or believing that there is a lack of resources in the region" is still a major challenge for indigenous businesses. Nevertheless, his advice to other indigenous entrepreneurs would be to "evaluate their risks but not over think them, and just take the leap and dive right into it."

Skelton-Morven says his role with the local Chamber of Commerce as youth director has also positively influenced his networking skills, and he is "very driven to see other entrepreneurs through and one day inspire them to overcome their own adversity and begin to shape a brighter future for themselves as well."

# 4 CONTRIBUTION TO THE ECONOMY



## How large is the contribution of small business to British Columbia's economy relative to other provinces?

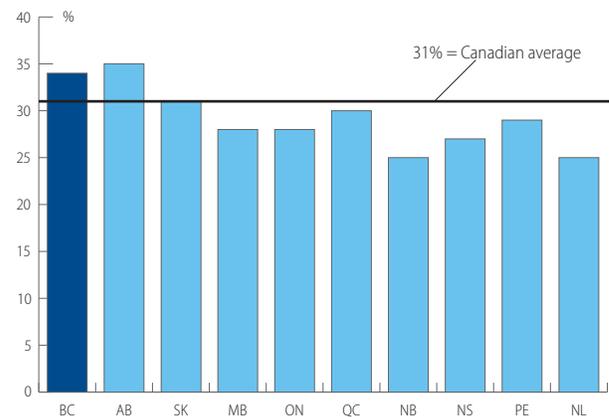
The contributions of small business include providing jobs and meeting payrolls that help support families and stimulate further economic activity, as well as delivering goods and services to the residents of British Columbia.

One of the key measures of a sector's economic contribution is its gross domestic product (GDP), which represents the value that a sector adds to the raw inputs it uses. In 2016, British Columbia's small business sector generated approximately 34 per cent of provincial GDP.<sup>7</sup> This was well above the Canadian average of 31 per cent and second only to Alberta, where small businesses accounted for 35 per cent of the province's GDP. Newfoundland and Labrador had the smallest proportion of GDP generated by small business, at 25 per cent.



FIGURE 4.1

SMALL BUSINESS CONTRIBUTION TO GDP BY PROVINCE, 2016



Source: BC Stats

## How does average pay compare between small and large businesses?

In general, there is often a significant disparity in the wages of employees of large and small businesses, with those working for small businesses usually earning less, on average, than those employed by larger businesses. A couple of possible reasons for the wage gap are differences in productivity and rates of unionization.

<sup>7</sup> Note that these GDP shares are not exact figures and should not be used to calculate actual dollar amounts.

In general, larger firms tend to be more productive than their smaller counterparts, because they are able to take advantage of economies of scale and are usually more able to afford capital improvements, such as machinery and equipment that can be substituted for low-skilled labour. As a result, larger firms tend to achieve more output per employee, giving them the ability to offer higher wages as incentive to both attract and retain skilled workers. With respect to unionization, workers that belong to a union tend to earn higher wages than those that are non-union and small businesses are far less likely to be unionized. Small businesses can make up for much of this wage gap by offering benefits that may not be an option in some larger businesses, such as more flexible working hours.

In 2016, the average small business employee earned \$41,916, compared to \$51,176 for employees of large business, a difference of almost \$9,300. The gap has widened in the last five years as average earnings of large business employees increased at a faster pace than wages of those working for small businesses. Between 2011 and 2016, employees of large businesses saw their average pay climb 9.9 per cent, compared to only an 8.4 per cent rise in earnings for those working for smaller firms.

FIGURE 4.2

CHANGES IN AVERAGE ANNUAL EARNINGS, BRITISH COLUMBIA, 2011-2016

	Small business	Large business
Earnings 2011 (payroll/employee)	\$ 38,680	\$ 46,577
Earnings 2016 (payroll/employee)	\$ 41,916	\$ 51,176
<b>PER CENT CHANGE</b>	<b>8.4%</b>	<b>9.9%</b>

Source: BC Stats using data supplied by Statistics Canada

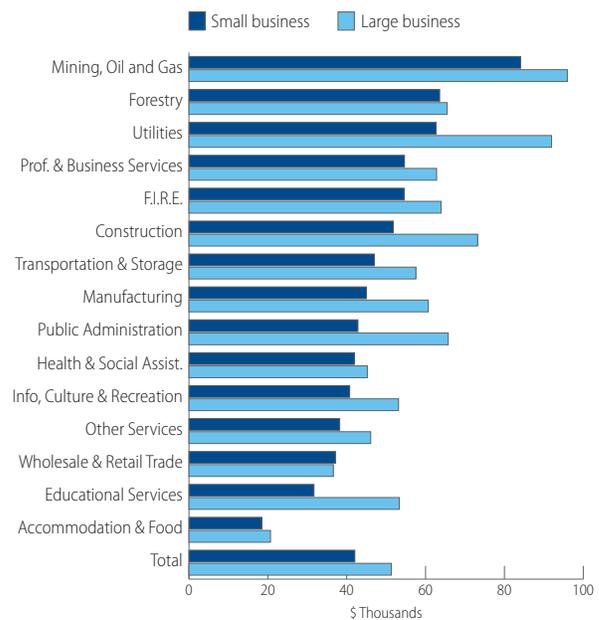
## How does average pay compare across industries for small versus large businesses?

For the most part, wages in businesses with 50 or more employees are higher than those in small businesses across all industries. In 2016, the one exception was for businesses in the wholesale and retail trade industry, where small business employees earned almost \$600 per year more than those working for larger businesses.

The largest difference in wages was in utilities, where those working for large businesses earned almost \$29,300 more than employees of small businesses. Public administration (almost \$22,900), educational services (around \$21,600) and construction (approximately \$21,300) had the next biggest discrepancies. The smallest gap (other than wholesale and retail trade) was for employees in the forestry, logging and support industry, where large businesses paid employees only \$1,900 more, on average, than those in small businesses. Employees of the accommodation and food sector earned by far the lowest wages, on average, regardless of business size. In fact, the \$20,700 earned by large business employees in that industry was less than the gap between large and small business employees in each of the utilities, public administration, education, and construction industries. The highest wage earners were in mining, oil and gas extraction.<sup>8</sup>

FIGURE 4.3

AVERAGE ANNUAL EARNINGS BY INDUSTRY, BRITISH COLUMBIA, 2016



Note: F.I.R.E. is Finance, Insurance and Real Estate

Source: BC Stats using data supplied by Statistics Canada

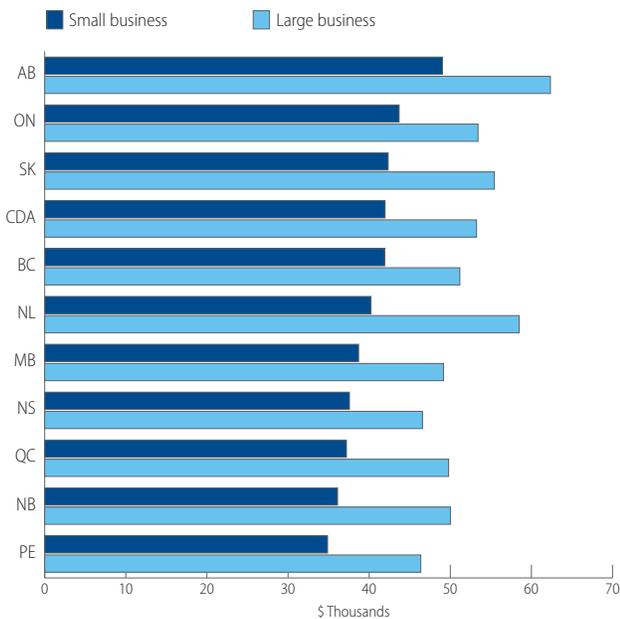
<sup>8</sup> The wage data are from Statistics Canada's Survey of Employment, Payrolls and Hours, which does not include data for the agriculture and fisheries industries. Data for the accommodation and food sector does not include gratuities.

## How does British Columbia compare with other provinces in terms of average pay by small business?

In 2016, across every province, wages among workers in firms with 50 or more employees were higher than those in small businesses. The \$9,300 wage gap in British Columbia was one of the smallest in the country, second only to Nova Scotia, where small business employees earned just \$9,000 less than those working in larger businesses. The largest wage gap was in Newfoundland and Labrador, at almost \$18,300.

**FIGURE 4.4**

AVERAGE ANNUAL EARNINGS BY PROVINCE, 2016



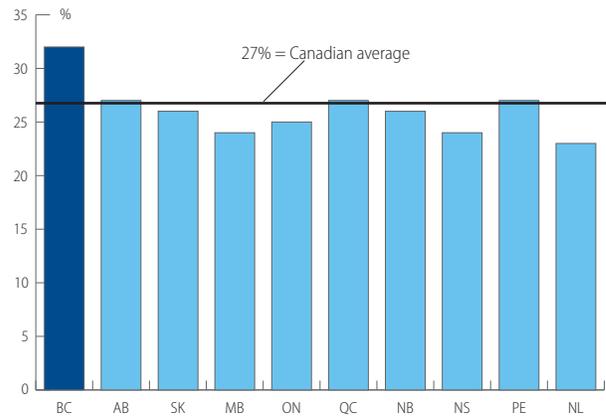
Source: BC Stats using data supplied by Statistics Canada

## How does British Columbia compare in terms of the portion of total payroll generated by small business?

British Columbia relies on the payrolls from small businesses far more than all other provinces. In 2016, small business accounted for 32 per cent of wages paid to workers in the province, well above the Canadian average of less than 27 per cent. Prince Edward Island ranked second behind B.C., with just over 27 per cent of its provincial payroll comprised of wages paid to small business employees – almost five percentage points lower than British Columbia. The province with the smallest portion of payroll derived from small business was Newfoundland and Labrador, at just over 23 per cent.

**FIGURE 4.5**

SMALL BUSINESS SHARE OF TOTAL PAYROLL BY PROVINCE, 2016



Source: BC Stats using data supplied by Statistics Canada

The higher share of payroll attributed to small business in B.C. is partly due to the fact that small business plays a larger role in private sector employment, but another factor is that wages in industries that are less prevalent in British Columbia, such as agriculture, tend to be lower, which can affect the size of payrolls in those provinces in which those industries are more predominant.



## Small Business Spotlight: Live Edge Design

“From tree to table” is the core business value of Live Edge Design, a custom art furniture company based in Duncan, BC.

Founder John Lore says his company uses locally sourced reclaimed wood brought down by storms or left behind by forestry and construction companies for Live Edge Design’s creations. The unique characteristic of the company’s pieces is the “live edge” aspect – that is, the edge of the slab of wood is left in its natural state, with the waves and undulations of the bark growth kept intact, giving the furniture a raw, west coast feel.

You can find Live Edge Design’s furniture in bars and restaurants, hotels, coffee shops, offices, hotel lobbies and of course, in people’s homes both in Canada and the U.S. And working with Export Navigator, Lore is hoping to enter the European market.

As someone who is usually a cynic about government programs designed to help business, Lore admits that his business has greatly benefited from the Export Navigator pilot program. “It’s actually one of my favourite government offerings to date,” said Lore. “It’s that advisor that was never really out there before – kind of a cross between that and an exporting cheerleader who knows where you need to look for answers to all those questions. Small businesses are just not going to have that person on staff so it’s been really helpful.”

Lore says even though exporting requires a lot of financial investment on behalf of the business, having an in-person advisor available to help guide a business through the export process is still more valuable than government helping businesses by simply offering them funding or grants.

“Having that service where there’s a person helping you solve the logistical problems is more valuable than offering to write a cheque for a portion of your expenses,” said Lore. “It’s just going to keep things moving. It’s so easy to stall out, not just from a lack of money but from a lack of time to make sure that you’ve thought about all the aspects – language barriers, cultural barriers and shipping barriers.”

In the next three to five years, Lore expects that Live Edge Design will be exporting its furniture to new untapped markets, taking advantage of the popularity of the live edge design as it grows outside North America. He also plans to continue to evolve the company’s design principles to stay ahead of changing trends.

He recommends that any small businesses that are interested in exporting should do a lot of homework and make use of all the services that are available, including federal trade commissioners and Export Navigator’s export advisors.

# 5 SMALL BUSINESS EXPORTERS



## How many small businesses in British Columbia export?

In 2015, there were 6,914 businesses in the province that exported goods to international destinations.<sup>9</sup> Of these, 5,942 were businesses with fewer than 50 employees, accounting for almost 86 per cent of all exporting firms. However, these small business exporters represented only 1.5 per cent of all small businesses in the province, which means 98.5 per cent of small businesses in British Columbia did not export goods in 2015.

There are likely several different reasons why so few small businesses export. These include the high start-up costs associated with an exporting business and the necessity of achieving economies of scale in order to be able to compete internationally.

Even though only a small portion of B.C. small businesses are exporters, they still managed to ship around 42 per cent of the total value of goods exported from the province in 2015. British Columbia's small businesses shipped \$15.8 billion worth of goods out of the country, compared to \$21.5 billion exported by businesses with 50 or more employees.

FIGURE 5.1

NUMBER OF BRITISH COLUMBIA\* EXPORTERS AND VALUE OF EXPORTS, 2015

	Number of businesses	Value of exports (\$millions)
Small business exporters	5,942	\$ 15,833
Large business exporters	972	\$ 21,459
<b>TOTAL ALL EXPORTERS</b>	<b>6,914</b>	<b>\$ 37,292</b>

\*Includes data for the Territories

Source: Statistics Canada / Prepared by BC Stats

<sup>9</sup> There is a one-year lag in the availability of data for exports by businesses tabulated by employee size and, as a result, 2015 is the latest year for which data are available.

In addition, in order to meet confidentiality requirements, Statistics Canada has grouped the Territories (Yukon, Northwest Territories and Nunavut) into a region with British Columbia, such that the data for British Columbia include exporters in the Territories. The bulk of exports from the Territories are diamonds from the Northwest Territories, which are generally large business exports; however, there is evidence to suggest that much of the exporting is done by small wholesalers or customs brokers. As a result, both the large and small business figures for British Columbia could be overstated, particularly with respect to value of exports.

The business counts in this chapter refer to establishment counts, rather than business location counts, as the data from the Trade by Exporter Characteristics database are based on the establishment framework.

## What is the destination of goods shipped by British Columbia small business exporters?

Over half of exporters in British Columbia ship exclusively to the United States. In 2015, the U.S. was the sole destination for goods exported from 55 per cent of small businesses and 53 per cent of businesses with more than 50 employees. Small businesses were far more likely than larger businesses to ship only to non-U.S. destinations, with 26 per cent of small business exporters excluding the United States as a customer, compared to only 11 per cent of larger businesses. On the other hand, larger exporters were more likely to ship to both the United States and at least one other country, with 37 per cent doing so, compared to only 19 per cent of small exporters.

Although more than half of B.C.'s small business exporters shipped solely to the United States, they accounted for only 29 per cent of the value of goods exported by small businesses. Similarly, large exporters that shipped exclusively to the U.S. were responsible for only 25 per cent of the value of goods exported by large businesses.

**FIGURE 5.2**

**SHARE OF BRITISH COLUMBIA\* EXPORTERS AND VALUE OF EXPORTS BY DESTINATION OF EXPORTS, 2015**

Small businesses	Business count	Export value
U.S. only	55%	29%
Non-U.S. only	26%	19%
Both U.S. and non-U.S.	19%	52%
Large businesses	Business count	Export value
U.S. only	53%	25%
Non-U.S. only	11%	18%
Both U.S. and non-U.S.	37%	57%

\*Includes data for the Territories

Note: Figures do not add to 100 per cent due to rounding

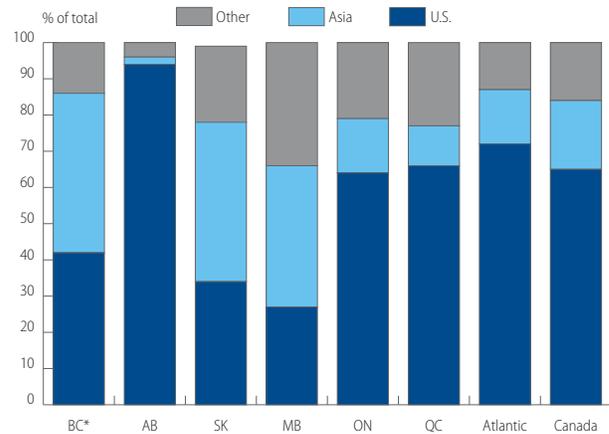
Source: Statistics Canada / Prepared by BC Stats

Given that it is usually more costly to ship to countries further afield than the United States, not only due to longer transport distances, but also because of time zone and language differences that add to the cost of marketing and distribution, it makes sense that exporters would ship larger volumes to these destinations in order to achieve economies of scale and defray some of their expenses. The fact that small exporters that ship solely to non-U.S. destinations appear to export smaller volumes (i.e., given that they account for 26 per cent of small business exporters, but only 19 per cent of the value of exports) seems odd, but it could be that these businesses offer products designed for niche markets. The volumes exported may be quite small, but they may receive a high enough price for those goods to make it economical to ship longer distances.

While the United States was the destination for 65 per cent of Canada’s total small business exports in 2015, British Columbia was one of three provinces where less than half of the value of goods shipped by small businesses ended up in the United States. Only 42 per cent of B.C.’s small business exports were destined for the U.S., which was still more than both Manitoba (27 per cent) and Saskatchewan (34 per cent). For each of these three provinces, Asia was the primary destination for small business exports. Around 44 per cent of B.C.’s small business commodity exports were shipped to Asia. In contrast, small business exporters in Alberta shipped 94 per cent of their goods to the United States, with only two per cent sent to Asian destinations.

**FIGURE 5.3**

**DESTINATION SHARE OF SMALL BUSINESS EXPORTS, BY PROVINCE, 2015**



\*Includes data for the Territories

Source: Statistics Canada / Prepared by BC Stats

Canada’s exports to Asia consist primarily of resource-based goods, such as forest products, agricultural goods and products of the mining industry, which is likely why small businesses in provinces such as B.C., Saskatchewan and Manitoba have a larger share of exports to that region. For B.C., the province exports the bulk of all wood products destined for Asia, as well as a substantial portion of pulp and paper, metallic mineral and coal shipments from Canada to Asia. Saskatchewan is the primary source of vegetable products sent to Asia, while Manitoba ships a large portion of Canadian meat products and metallic minerals to the region. It is possible that small businesses are the source of a significant share of these exports.

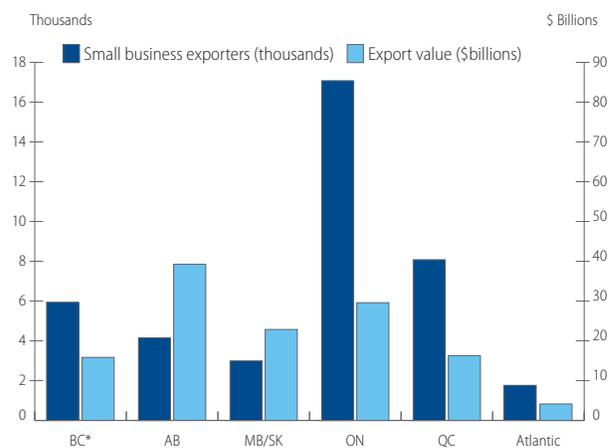
## How do British Columbia small business exporters compare to those in other parts of the country?

In 2015, British Columbia was home to around 15 per cent of Canada’s small business exporters. Ontario was the location of 43 per cent of the nation’s small businesses that export, almost as many as Quebec (20 per cent), B.C. and Alberta (10 per cent) combined.

While Ontario had by far the most small business exporters, the export intensity (that is, the average value of exports per exporter) of those businesses was quite low, at \$1.7 million per firm, such that Ontario was responsible for only 23 per cent of the value of the nation's small business exports. Prince Edward Island was the only other province with an export intensity as low as Ontario's, also shipping \$1.7 million per exporting establishment. At the other end of the spectrum, small business exporters in Saskatchewan shipped \$9.9 million per firm and those in Alberta shipped \$9.5 million per business.<sup>10</sup> Alberta, with only 10 per cent of the country's small business exporters, accounted for 31 per cent of Canada's small business exports. The export intensity for small business exporters in B.C. was \$2.7 million per firm, which was the fifth highest among the provinces. Manitoba (\$5.7 million) and Newfoundland and Labrador (\$4.1 million) were the other provinces ranking ahead of British Columbia. The Canadian average was \$3.2 million in exports per small business.

FIGURE 5.4

EXPORT INTENSITY FOR SMALL BUSINESSES BY PROVINCE, 2015



\*Includes data for the Territories

Source: Statistics Canada / Prepared by BC Stats

<sup>10</sup> The high export intensity of small businesses in these provinces may be the result of large producers hiring small firms in the wholesale trade industry to export their goods.





## Small Business Spotlight: Canadian Electric Vehicles

Twenty-five years ago, long before electric vehicles became popular like they are today, a personal interest in converting gas-powered vehicles to electric led Randy Holmquist to launch Canadian Electric Vehicles (CEV) in Errington, a small Vancouver Island community.

In the early days of the company, Holmquist drew on his marine mechanics background to design conversion kits so gas and diesel-powered vehicles could go electric. From there his business grew and its offerings now include some of the following:

- Might-E Truck, an electric light utility truck that can be licensed as a Neighbourhood Electric Vehicle
- Might-E Tug, a machine that tows carts and equipment weighing up to 10,000 lbs.
- Three-tonne aircraft refueling trucks

A partnership with the local health authority 15 years ago spurred the creation of the Might-E Tug and subsequent electric vehicles. To this day, the Vancouver Island Health Authority continues to use the Might-E Tug to pull linen carts around in hospital basements, which has greatly decreased the number of work-related injuries.

A small company with five employees, CEV has grown into a successful global business with worldwide sales.

Government programs such as the Export Navigator pilot have been instrumental in its recent success. "Through Export Navigator, the connections we've been offered to start exploring the U.S. military market are extremely attractive," said Todd Maliteare, an engineer with CEV. "I'm hoping those contacts will help us understand how we can get onto purchasing contract lists so that U.S. government, municipal, and military divisions will have our products in front of them on their general purchasing contracts."

When it comes to exporting, Maliteare says it's something that other small businesses should consider if they want to grow. Depending on the product or industry, he recommends attending trade shows and taking advantage of networking opportunities to build relationships.

"You can meet so many people and gain so many contacts by attending those shows. It's very difficult to meet that many people that are associated to your potential market or your industry any other way," said Maliteare.

The future looks bright for CEV. In the next five years it hopes to fill out its product lines, double or triple its sales volume, and have an established dealer network across Canada and the United States, something that will be easier to achieve with the support of Export Navigator's export advisors.

# CONCLUSION

It is clear that small business plays a substantial role in the economy of British Columbia. The large majority of the businesses in the province have fewer than 50 employees, over half of private sector employment in B.C. is in small businesses and almost a third of the provincial payroll is provided by small business. In addition, more than a third of provincial economic output and over 40 per cent of the province's exports are produced by small business.

The small business sector in B.C. is a more integral component of the economy compared to most other provinces. In terms of growth, B.C. compares favourably with other provinces as the small business sector has performed well in recent years, with strong growth in both businesses and employment.

# TECHNICAL NOTES

All statistics presented in this document are based on the best data currently available. A comprehensive listing of all businesses operating in British Columbia or elsewhere does not exist; therefore, business counts must be estimated to some extent. BC Stats has combined data from several sources to produce estimates of the total number of large and small businesses operating in British Columbia and other provinces, as well as the employment and payrolls generated by these businesses.

The results may differ from estimates produced in other studies using different data and different methodologies. Differences will potentially be more in terms of absolute numbers, rather than the direction of trends or the relative standing of British Columbia compared to other provinces. The 2017 edition of the *Small Business Profile* incorporates statistical revisions, such that year-over-year comparisons should not be made using previous editions.

## Data Sources

Estimates of the number of businesses have been produced using data from Statistics Canada's *Business Register and Labour Force Survey*. Estimates of employment and payrolls have been produced using Statistics Canada's *Survey of Employment, Payrolls and Hours* and *Labour Force Survey*. All self-employment numbers have been obtained directly from the *Labour Force Survey*. Data describing small business exporters are derived from Statistics Canada's *Trade by Exporter Characteristics* data set. Supplementary data is from the Canadian Federation of Independent Business's *Business Barometer*, the B.C. Ministry of Finance's *B.C. Budget 2017*, Innovation, Science and Economic Development Canada's (The Office of the Superintendent of Bankruptcy) insolvency statistics and Mercer's *Quality of Living Survey, 2017*.

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# GLOSSARY

## **Small business**

Although there are a number of different ways a small business can be defined, the most commonly used definition focuses on the number of employees. In British Columbia, a small business is defined as one with fewer than 50 employees, or a business operated by a person who is self-employed, without paid help. [\(Back\)](#)

## **Incorporated businesses**

Incorporated businesses consist of those organized and maintained as legal corporations. A corporation is created (incorporated) by one or more shareholders who have ownership of the corporation, represented by their holding of common stock. [\(Back\)](#)

## **Self-employed**

Self-employed individuals are defined as individuals who spend most of their working hours operating their own businesses. The self-employed can be categorized as either *incorporated* or *unincorporated*. Each of these classifications can be further divided between those operating *with paid help* (i.e., with employees) or *without paid help* (i.e., working by themselves). This produces four major categories of self-employed workers. [\(Back\)](#)

## **Unincorporated businesses**

*Unincorporated businesses* consist of those not organized and maintained as legal corporations, and wherein the tie between members need not be a legally enforceable contract. [\(Back\)](#)

## **North American Industry Classification System (NAICS)**

The North American Industry Classification System (NAICS) is an industry classification system used in Canada, the United States and Mexico, which is designed to provide common definitions of the industrial structure of the three countries. NAICS is Statistics Canada's comprehensive system encompassing all economic activities. It has a hierarchical structure: at the highest level, it divides the economy into 20 sectors; at lower levels, it further distinguishes the different economic activities in which businesses are engaged. [\(Back\)](#)

## **Non-Standard Sector Definitions**

*Tourism* includes industries such as transportation, accommodation, food services and other tourism-related activities. Further information on the tourism sector is available at [BC Stats](#). [\(Back\)](#)

*High technology* industries may employ a high proportion of scientists and researchers or invest a high proportion of revenues in research and development. Other industries that produce high technology products are also included. Further information on the high technology sector is available online at [BC Stats](#). [\(Back\)](#)

*Secondary manufacturing* industries are those that produce goods from the products of other manufacturers. For example, a sawmill is a manufacturing operation, but not a secondary manufacturer, because its logs do not come from another manufacturer. On the other hand, a factory producing wooden doors with lumber obtained from sawmills is a secondary manufacturer. [\(Back\)](#)

**Gross Domestic Product (GDP)** refers to the total market value of all the goods and services produced within national or provincial borders during a specified period. The growth rates of GDP provide an indication of how well an industry or an economy is doing. The GDP of an industry (also referred to as value added) equals output by the industry minus the value of intermediate inputs that were purchased from other industries, domestic or foreign. Value added is a measure of how much an industry has contributed to the value of its output over and above the value of intermediate inputs. GDP by industry for the economy as a whole is the sum of values added by all industries resident in Canada. [\(Back\)](#)

## **Small Business Exporter**

For the purposes of this report, a small business exporter is defined as an enterprise with fewer than 50 employees that exports goods out of the country, regardless of the value of exports. Small companies can be large exporters and, conversely, some large companies are small exporters. While shipments of goods to other provinces and services provided to out-of-province residents or businesses are also considered exports, such data tabulated by business size are unavailable. [\(Back\)](#)

# APPENDICES

## APPENDIX 1

### COUNTS OF SMALL BUSINESSES WITH EMPLOYEES BY INDUSTRY BY REGION, 2014 TO 2016

BRITISH COLUMBIA	2014	2015	2016	2014-2016 Change	
				#	%
Mining, Oil & Gas	1,314	1,282	1,245	-69	-5.3%
Forestry and Logging	2,323	2,320	2,352	29	1.2%
Other Primary	4,339	3,959	4,077	-262	-6.0%
Utilities	190	177	185	-5	-2.6%
Construction	21,394	21,865	22,988	1,594	7.5%
Manufacturing	6,474	6,518	6,554	80	1.2%
Transportation & Storage	7,759	7,790	7,792	33	0.4%
Trade	28,509	28,361	28,448	-61	-0.2%
Finance, Insurance & Real Estate	15,975	15,966	16,533	558	3.5%
Health & Education	18,862	19,186	19,831	969	5.1%
Public Administration	645	648	646	1	0.2%
Professional & Business Serv.	30,799	31,162	31,209	410	1.3%
Information, Culture & Recreation	5,178	5,220	5,338	160	3.1%
Other Services	26,994	26,930	27,162	168	0.6%
<b>Total</b>	<b>182,742</b>	<b>184,517</b>	<b>188,057</b>	<b>5,315</b>	<b>2.9%</b>
High Tech	9,273	9,464	9,789	516	5.6%
Tourism	15,832	16,153	16,244	412	2.6%
Secondary Manufacturing	5,629	5,663	5,674	45	0.8%

VANCOUVER ISLAND/COAST	2014	2015	2016	2014-2016 Change	
				#	%
Mining, Oil & Gas	67	69	76	9	13.4%
Forestry and Logging	626	646	659	33	5.3%
Other Primary	615	518	530	-85	-13.8%
Utilities	34	33	35	1	2.9%
Construction	3,452	3,503	3,643	191	5.5%
Manufacturing	906	892	939	33	3.6%
Transportation & Storage	882	881	898	16	1.8%
Trade	4,525	4,458	4,457	-68	-1.5%
Finance, Insurance & Real Estate	2,341	2,260	2,281	-60	-2.6%
Health & Education	3,548	3,530	3,615	67	1.9%
Public Administration	314	313	315	1	0.3%
Professional & Business Serv.	4,637	4,733	4,727	90	1.9%
Information, Culture & Recreation	768	773	762	-6	-0.8%
Other Services	4,228	4,252	4,301	73	1.7%
<b>Total</b>	<b>28,469</b>	<b>28,487</b>	<b>28,970</b>	<b>501</b>	<b>1.8%</b>
High Tech	1,422	1,435	1,493	71	5.0%
Tourism	2,628	2,721	2,768	140	5.3%
Secondary Manufacturing	755	740	770	15	2.0%

## 2014-2016 Change

MAINLAND/SOUTHWEST	2014	2015	2016	#	%
Mining, Oil & Gas	535	484	450	-85	-15.9%
Forestry and Logging	269	265	266	-3	-1.1%
Other Primary	2,079	1,894	1,838	-241	-11.6%
Utilities	62	60	55	-7	-11.3%
Construction	11,977	12,235	13,098	1,121	9.4%
Manufacturing	4,180	4,240	4,239	59	1.4%
Transportation & Storage	4,427	4,471	4,431	4	0.1%
Trade	17,416	17,429	17,494	78	0.4%
Finance, Insurance & Real Estate	10,247	10,391	10,851	604	5.9%
Health & Education	11,226	11,543	12,000	774	6.9%
Public Administration	127	131	128	1	0.8%
Professional & Business Serv.	20,196	20,447	20,559	363	1.8%
Information, Culture & Recreation	3,173	3,219	3,332	159	5.0%
Other Services	15,893	15,900	15,935	42	0.3%
<b>Total</b>	<b>110,354</b>	<b>112,132</b>	<b>114,723</b>	<b>4,369</b>	<b>4.0%</b>
High Tech	6,174	6,320	6,547	373	6.0%
Tourism	9,155	9,350	9,345	190	2.1%
Secondary Manufacturing	3,789	3,835	3,829	40	1.1%

## 2014-2016 Change

THOMPSON-OKANAGAN	2014	2015	2016	#	%
Mining, Oil & Gas	129	139	115	-14	-10.9%
Forestry and Logging	407	401	411	4	1.0%
Other Primary	1,011	969	923	-88	-8.7%
Utilities	37	34	39	2	5.4%
Construction	3,046	3,134	3,234	188	6.2%
Manufacturing	848	837	837	-11	-1.3%
Transportation & Storage	861	847	892	31	3.6%
Trade	3,486	3,437	3,469	-17	-0.5%
Finance, Insurance & Real Estate	1,816	1,813	1,869	53	2.9%
Health & Education	2,265	2,294	2,363	98	4.3%
Public Administration	84	83	79	-5	-6.0%
Professional & Business Serv.	3,042	3,110	3,081	39	1.3%
Information, Culture & Recreation	575	597	602	27	4.7%
Other Services	3,312	3,356	3,424	112	3.4%
<b>Total</b>	<b>21,901</b>	<b>22,167</b>	<b>22,520</b>	<b>619</b>	<b>2.8%</b>
High Tech	749	790	799	50	6.7%
Tourism	1,957	2,058	2,096	139	7.1%
Secondary Manufacturing	657	645	636	-21	-3.2%

## 2014-2016 Change

KOOTENAY	2014	2015	2016	#	%
Mining, Oil & Gas	45	46	45	0	0.0%
Forestry and Logging	175	166	167	-8	-4.6%
Other Primary	182	152	150	-32	-17.6%
Utilities	20	18	18	-2	-10.0%
Construction	839	864	872	33	3.9%
Manufacturing	188	201	202	14	7.4%
Transportation & Storage	249	251	251	2	0.8%
Trade	1,021	990	978	-43	-4.2%
Finance, Insurance & Real Estate	438	427	437	-1	-0.2%
Health & Education	578	578	588	10	1.7%
Public Administration	45	46	49	4	8.9%
Professional & Business Serv.	719	709	692	-27	-3.8%
Information, Culture & Recreation	237	233	233	-4	-1.7%
Other Services	1,060	1,025	1,032	-28	-2.6%
<b>Total</b>	<b>6,061</b>	<b>5,985</b>	<b>6,005</b>	<b>-56</b>	<b>-0.9%</b>
High Tech	220	215	221	1	0.5%
Tourism	716	700	708	-8	-1.1%
Secondary Manufacturing	145	164	161	16	11.0%

## 2014-2016 Change

CARIBOO	2014	2015	2016	#	%
Mining, Oil & Gas	42	39	39	-3	-7.1%
Forestry and Logging	421	416	421	0	0.0%
Other Primary	147	140	131	-16	-10.9%
Utilities	10	9	10	0	0.0%
Construction	760	782	800	40	5.3%
Manufacturing	187	181	167	-20	-10.7%
Transportation & Storage	439	443	450	11	2.5%
Trade	1,012	996	992	-20	-2.0%
Finance, Insurance & Real Estate	426	413	407	-19	-4.5%
Health & Education	606	617	634	28	4.6%
Public Administration	31	29	29	-2	-6.5%
Professional & Business Serv.	689	678	674	-15	-2.2%
Information, Culture & Recreation	135	140	147	12	8.9%
Other Services	965	938	948	-17	-1.8%
<b>Total</b>	<b>6,136</b>	<b>6,081</b>	<b>6,124</b>	<b>-12</b>	<b>-0.2%</b>
High Tech	160	149	149	-11	-6.9%
Tourism	547	536	553	6	1.1%
Secondary Manufacturing	158	152	144	-14	-8.9%

## 2014-2016 Change

<b>NORTH COAST &amp; NECHAKO</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>#</b>	<b>%</b>
Mining, Oil & Gas	33	28	33	0	0.0%
Forestry and Logging	340	344	344	4	1.2%
Other Primary	136	122	104	-32	-23.5%
Utilities	10	10	11	1	10.0%
Construction	415	427	438	23	5.5%
Manufacturing	90	91	95	5	5.6%
Transportation & Storage	269	261	266	-3	-1.1%
Trade	571	563	562	-9	-1.6%
Finance, Insurance & Real Estate	221	208	226	5	2.3%
Health & Education	290	277	290	0	0.0%
Public Administration	38	40	41	3	7.9%
Professional & Business Serv.	396	404	392	-4	-1.0%
Information, Culture & Recreation	120	108	102	-18	-15.0%
Other Services	611	598	589	-22	-3.6%
<b>Total</b>	<b>3,659</b>	<b>3,616</b>	<b>3,629</b>	<b>-30</b>	<b>-0.8%</b>
High Tech	113	109	113	0	0.0%
Tourism	445	435	412	-33	-7.4%
Secondary Manufacturing	62	60	68	6	9.7%

## 2014-2016 Change

<b>NORTHEAST</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>#</b>	<b>%</b>
Mining, Oil & Gas	381	391	397	16	4.2%
Forestry and Logging	80	78	80	0	0.0%
Other Primary	140	138	137	-3	-2.1%
Utilities	12	9	13	1	8.3%
Construction	624	662	641	17	2.7%
Manufacturing	67	65	65	-2	-3.0%
Transportation & Storage	499	513	470	-29	-5.8%
Trade	455	455	458	3	0.7%
Finance, Insurance & Real Estate	239	246	245	6	2.5%
Health & Education	226	224	224	-2	-0.9%
Public Administration	4	4	3	-1	-25.0%
Professional & Business Serv.	541	545	504	-37	-6.8%
Information, Culture & Recreation	77	73	71	-6	-7.8%
Other Services	646	664	652	6	0.9%
<b>Total</b>	<b>4,258</b>	<b>4,342</b>	<b>4,207</b>	<b>-51</b>	<b>-1.2%</b>
High Tech	197	179	174	-23	-11.7%
Tourism	259	256	253	-6	-2.3%
Secondary Manufacturing	56	56	56	0	0.0%

Figures do not add to the total because the provincial total includes some businesses for which the region is unknown

Figures do not add to the regional total because some businesses could not be classified by industry

There was a data break in 2014, such that growth can only be calculated from 2014 to 2016

Source: BC Stats using data supplied by Statistics Canada

APPENDIX 2

BRITISH COLUMBIA SELF-EMPLOYMENT BY AGE AND GENDER (THOUSANDS)

Sex	Age	2011	2012	2013	2014	2015	2016	Growth 2011-2016
<b>Both Sexes</b>	<b>15 years and Over</b>	<b>408.6</b>	<b>411.5</b>	<b>415.3</b>	<b>395.9</b>	<b>413.5</b>	<b>420.9</b>	<b>3.0%</b>
	15 - 24 years	12.2	10.8	9.2	11.4	11.4	10.5	-13.9%
	25 - 34 years	54.8	55.2	58.0	56.2	57.3	58.7	7.1%
	35 - 44 years	89.9	89.0	89.0	84.9	92.3	91.0	1.2%
	45 - 54 years	120.3	121.6	119.4	115.6	111.3	107.7	-10.5%
	55 - 64 years	96.6	97.0	101.3	86.4	99.7	103.3	6.9%
	65 years and Over	34.9	37.8	38.5	41.5	41.5	49.6	42.1%
<b>Male</b>	<b>15 years and Over</b>	<b>257.5</b>	<b>258.3</b>	<b>258.6</b>	<b>248.4</b>	<b>254.8</b>	<b>259.8</b>	<b>0.9%</b>
	15 - 24 years	6.4	6.1	4.3	6.9	7.4	5.9	-7.8%
	25 - 34 years	32.8	33.8	36.8	34.0	33.3	34.4	4.9%
	35 - 44 years	54.3	56.8	57.2	50.4	55.7	58.7	8.1%
	45 - 54 years	76.9	74.2	72.7	73.2	67.0	65.3	-15.1%
	55 - 64 years	62.2	61.7	63.5	55.5	62.7	65.0	4.5%
	65 years and Over	24.8	25.7	24.2	28.4	28.8	30.6	23.4%
<b>Female</b>	<b>15 years and Over</b>	<b>151.1</b>	<b>153.2</b>	<b>156.7</b>	<b>147.6</b>	<b>158.7</b>	<b>161.1</b>	<b>6.6%</b>
	15 - 24 years	5.8	4.7	4.9	4.5	4.1	4.7	-19.0%
	25 - 34 years	22.0	21.4	21.2	22.2	24.0	24.3	10.5%
	35 - 44 years	35.6	32.2	31.8	34.4	36.6	32.4	-9.0%
	45 - 54 years	43.3	47.4	46.7	42.4	44.3	42.4	-2.1%
	55 - 64 years	34.3	35.3	37.8	30.9	37.0	38.4	12.0%
	65 years and Over	10.1	12.1	14.3	13.1	12.7	19.0	88.1%

Note: Includes unpaid family workers

Source: Statistics Canada



# British Columbia's Small Business Resources

## HOW B.C. HELPS SMALL BUSINESS OWNERS

This handout provides information to support small business start-up and growth highlighting services for entrepreneurs and small business owners. The list of services is not exhaustive, but it identifies some key resources to support your business start-up and growth.

Regulatory Reform – When dealing with government, small businesses want understandable and predictable requirements, and accessible services. Check out recent improvements at: [www.gov.bc.ca/regulatoryreform](http://www.gov.bc.ca/regulatoryreform)

## ONLINE PUBLICATIONS AND RESOURCES

Starting a Small Business Guide *(in English and 4 translated languages)*  
[www.gov.bc.ca/startingasmallbusiness](http://www.gov.bc.ca/startingasmallbusiness)

Import / Export Guide *(in English and 4 translated languages)*  
[www.gov.bc.ca/importexportguide](http://www.gov.bc.ca/importexportguide)

Indigenous Small Business Resource Handout  
[www.gov.bc.ca/IndigenousSmallBusinessResources](http://www.gov.bc.ca/IndigenousSmallBusinessResources)

Starting a Restaurant in B.C.  
[www.gov.bc.ca/startingarestaurant](http://www.gov.bc.ca/startingarestaurant)

PreparedBC: Guide for Small Business  
[www.gov.bc.ca/PreparedBC](http://www.gov.bc.ca/PreparedBC)

Starting a Franchise in B.C.  
[www.gov.bc.ca/startingafranchise](http://www.gov.bc.ca/startingafranchise)

Small Business Profile Highlights  
[www.gov.bc.ca/smallbusinesshighlights](http://www.gov.bc.ca/smallbusinesshighlights)

Civil Resolution Tribunal  
[www.civilresolutionbc.ca/](http://www.civilresolutionbc.ca/)

More small business resources  
[www.gov.bc.ca/smallbusiness](http://www.gov.bc.ca/smallbusiness)

## SMALL BUSINESS RESOURCES

-  Business Advisory Services
-  Government Service
-  Tools and Resources
-  Education
-  Financing
-  Online Registration
-  Permits and Licences
-  Mentorship
-  Export

**Small Business BC**   
B.C.'s premier resource centre for comprehensive small business information, products and services. Funded by the provincial and federal governments, SBBC can assist you with business planning, financing, registration and any other topics related to starting and growing a business in B.C.  
[www.smallbusinessbc.ca](http://www.smallbusinessbc.ca)

**OneStop Business Registry**   
Complete the most commonly required business registrations and transactions online.  
[www.bcbusinessregistry.ca](http://www.bcbusinessregistry.ca)

**BizPaL**   
A free online service that provides simplified access to information about business permits and licences that may be required for a particular business type and its related activities from the Provincial, Federal and local government.  
[www.bcbizpal.ca](http://www.bcbizpal.ca)

**Mobile Business Licence Program**   
Allows businesses to operate across municipal boundaries. Please contact your local municipality to see if a Mobile Business Licence is available in your community.  
[www.gov.bc.ca/smallbusiness](http://www.gov.bc.ca/smallbusiness)

### Address Change BC

If you are moving within British Columbia, you can use Address Change BC to update your business records with provincial and local government organizations.  
[www.addresschange.gov.bc.ca](http://www.addresschange.gov.bc.ca)

### BCBid

Access, create, browse and compete on public sector business opportunities.  
Enquiry BC line: 1 800 663-7867  
[www.bcbid.gov.bc.ca](http://www.bcbid.gov.bc.ca)

### BC Online

Access to e-government services for legal, business, government and professionals. Online information is available for the corporate registry, property assessments and court services.  
[www.bconline.gov.bc.ca](http://www.bconline.gov.bc.ca)

### BritishColumbia.ca

The Province's trade and investment website is the digital hub for promoting B.C. internationally. The website helps communities showcase their strengths and highlights business opportunities on the global stage.  
[www.britishcolumbia.ca/invest](http://www.britishcolumbia.ca/invest)

### Business Development Bank of Canada

Helps develop strong Canadian businesses through financing, advisory services and capital with a focus on small and medium-sized enterprises.  
Ph: 1 877 232-2269  
[www.bdc.ca](http://www.bdc.ca)

### Community Futures British Columbia

Delivers a variety of services ranging from strategic economic and succession planning, technical and advisory services, loans, self-employment assistance, counselling, assistance and services targeted to youth and entrepreneurs with disabilities.  
Ph: 604 289-4222  
[www.communityfutures.ca](http://www.communityfutures.ca)

### Corporate Online

Provides online filings to create and maintain companies in British Columbia.  
[www.corporateonline.gov.bc.ca](http://www.corporateonline.gov.bc.ca)

### Employers' Advisers Office

Providing independent advice, assistance, representation and education to employers, potential employers and employer associations concerning workers' compensation issues.  
Ph: 1 800 925-2233  
[www.gov.bc.ca/employersadvisers](http://www.gov.bc.ca/employersadvisers)

### eTaxBC

eTaxBC is a free convenient BC Government online tax application providing 24/7 secure access to manage your account, file returns and make payments.  
Ph: 1 877 388-4440  
[gov.bc.ca/etaxbcinfo](http://gov.bc.ca/etaxbcinfo)

### FrontCounter BC

FrontCounter BC provides a single point of contact service to assist clients with licences, permits, registrations and other authorizations required to utilize the B.C.'s natural resources.  
Enquiry BC line: 1 800 663-7867  
[www.frontcounterbc.gov.bc.ca](http://www.frontcounterbc.gov.bc.ca)

### Futurpreneur

Provides mentoring services and loans to grow the economy one young entrepreneur at a time.  
Ph: 1 866 646-2922  
[www.futurpreneur.ca](http://www.futurpreneur.ca)

### Investment Capital Programs

Offering tax credits to investors making equity capital investments in British Columbia based small businesses.  
Ph: 1 800 665-6597  
[www.equitycapital.gov.bc.ca](http://www.equitycapital.gov.bc.ca)

### MentorshipBC

Created in response to demand from B.C. small business owners – if you've been looking for a mentor simply use the search tool on the MentorshipBC homepage to find a mentorship program that works for you.  
[www.mentorshipbc.ca](http://www.mentorshipbc.ca)

### Provincial Sales Tax (PST)

Have PST questions? Contact us for provincial sales tax information and assistance, including a helpline, email rulings support, videos, forms and publications to answer questions about PST.  
Ph: 1 877 388-4440  
[gov.bc.ca/PST](http://gov.bc.ca/PST)

### Service BC

Province-wide access to government services including key government transactions for business – in person, online or over the phone.  
Service BC Contact Centre: 1 800 663-7867  
[www.servicebc.gov.bc.ca](http://www.servicebc.gov.bc.ca)

### Société de développement économique

Provides business information, support, networking, training and mentoring for francophone and francophile business in British Columbia.  
Ph: 604 732-3534  
[www.sdecb.com/](http://www.sdecb.com/)

### Western Economic Diversification Canada

Working to diversify the western economy, by supporting business development through initiatives like the Western Innovation Initiative to assist small and medium sized enterprises to commercialize new and innovative technologies.  
Ph: 1 888 338-9378  
[www.wd-deo.gc.ca/eng/home.asp](http://www.wd-deo.gc.ca/eng/home.asp)

### Women's Enterprise Centre

B.C.'s leading resource for women entrepreneurs, offering skills development, business loans, free business guidance, business resources, mentoring, networking and events.  
Ph: 1 800 643-7014  
[www.womensenterprise.ca](http://www.womensenterprise.ca)

### WorkBC Employment Services Centres

With 84 main locations across B.C., WorkBC Centres support employees locating and retaining a job through two categories of service. Self-Service Services and Personal Services Support.  
[www.WorkBCCentres.ca](http://www.WorkBCCentres.ca)

### WorkBC.ca

Learn about training programs, read success stories and access business and employment resources.  
Ph: 1 877 952-6914  
[www.workbc.ca](http://www.workbc.ca)

### WorkSafeBC

Employers must ensure the health and safety of their workers. WorkSafeBC can help you understand what's required to meet your legal obligations for a healthy and safe workplace.  
[www.worksafebc.com](http://www.worksafebc.com)



BRITISH  
COLUMBIA

Ministry of  
Jobs, Trade  
and Technology

BCStats

Small Business Branch  
Box 9822 Stn Prov Govt  
Victoria, BC V8W 9N3  
p. 250.387.4699  
f. 250.952.0113  
[www.gov.bc.ca](http://www.gov.bc.ca)

563 Superior St. Box 9410 Stn Prov Govt  
Victoria, BC V8W 9V1  
p. 1.800.663.7867  
[www.bcstats.gov.bc.ca](http://www.bcstats.gov.bc.ca)  
[BC.Stats@gov.bc.ca](mailto:BC.Stats@gov.bc.ca)  
Twitter: @BCStats