

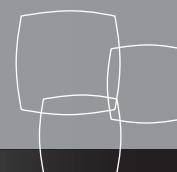


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# SMALL BUSINESS QUARTERLY

VOLUME 10, No.1, MAY 2008

## PERFORMANCE

### *Trends*

- Job creation in Canada rose by 319 939 jobs (2.3 percent) in the fourth quarter of 2007 compared with the same quarter in 2006. Small businesses<sup>1</sup> contributed 35.1 percent of the job growth and large firms contributed 50.0 percent.
- The number of self-employed workers increased at an annualized rate of 1.5 percent between 2000 and 2007. During this period, the highest rate of growth for self-employed workers was in the construction sector, which increased by 6.5 percent, followed by the educational services sector with a growth rate of 6.1 percent.
- Total business insolvencies numbered 1818 in the fourth quarter of 2007, a drop of 7 percent from the fourth quarter of 2006.
- Total business loans outstanding<sup>2</sup> from chartered banks continued to rise in the fourth quarter of 2007, reaching approximately \$130 billion. This represents an increase of 19.3 percent from the same quarter of 2006. Small loans, those less than \$0.5 million, represented 14.9 percent of total business loans, while medium-sized loans, those between \$0.5 and \$5 million, comprised 29.1 percent.

<sup>1</sup> Small businesses are defined as having fewer than 100 employees, medium-sized businesses having 100 to 499 employees and large businesses having 500 or more employees.

<sup>2</sup> Excluding non-residential mortgages, agricultural loans and customers' liability under acceptances.

## CHARACTERISTICS OF

### *Canadian SME Exporters*

There is a general lack of detailed knowledge about small and medium-sized enterprise (SME) exporters in Canada. Previous research has shown that only 8 percent of SMEs export, but they account for 20 percent of the total value of exports. In an attempt to address this knowledge gap, a study undertaken for Industry Canada provides details on the characteristics of SME exporters. In particular, the study examines not only the industrial distribution of SME exporters and their export earnings, but also the characteristics of owners and firm attributes as determinants of an SME's propensity to export.

Across industries, in 2004, 21.4 percent of exporter firms operated in the wholesale and retail sectors, while 15.1 percent of exporter firms were knowledge-based firms. Much attention has been focused on manufacturing, and while it is true that exporting is relatively more prevalent among manufacturers, there were substantially more firms in the professional and other services sectors that export — 40 000 firms in the professional and other services sectors compared with 21 000 firms in the manufacturing sector.

Revenues from exports are generally not high: 44 percent of SME exporters reported export sales of less than 10 percent of total revenues in 2004 and only 15 percent of exporters reported export revenues of between 25 and 49 percent of total revenues. Only one third of SME exporters were deemed "export intensive" (defined

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as export sales that exceed 50 percent of total revenues). There was no difference in export earnings between established SME exporters (enterprises that export and are at least three years old) and international new ventures (INVs), which are enterprises that export and are less than three years old.

Three significant differences in owners' attributes were found between exporter and non-exporter firms: growth intentions, gender and Canadian residency status. SMEs whose owners expressed growth intentions were more than twice as likely to export as SMEs whose owners did not seek growth. In addition, majority female-owned SMEs were less likely to export than majority male-owned SMEs, even after controlling for other factors. Finally, among established SME exporters, immigrants who had resided in Canada for less than five years were disproportionately more likely to be primary owners of exporter firms.

With respect to firm-level attributes, SMEs that reported investment in R&D were more than twice as likely to be exporters than SMEs that did not invest in R&D. SME exporters were also significantly more likely to apply for external financing and business loans.

Among the approximately 287 100 SMEs that began operating in 2001 or later, about 21 300 reported exporting in 2004. Hence, more than 7 percent of new Canadian firms are

international new ventures. INVs operate across all industry sectors, which suggests that studies that only examine this phenomenon in manufacturing, technology and knowledge-based industries will suffer from sampling biases.

Although INVs are significantly smaller than established SME exporters, this study found that INVs achieve levels of export intensity comparable with established SME exporters, but with a smaller workforce, younger and less-experienced owners, and fewer assets.

Consistent with findings on SME exporters overall, owners of international new ventures were disproportionately more likely to be new Canadian residents (or immigrants): approximately 10 percent of INV owners were new Canadians compared with less than 5 percent of owners of new SMEs that did not export.

The study concludes by econometrically testing the different theories of determinants of SME exporters. These theories focus on the point in their development at which SMEs decide to export and the importance of networks, gender, and financial and tangible assets in the export decision.

The report *Canadian SME Exporters*, by Barbara Orser, Martine Spence, Allan Riding and Christine Carrington, is available at [www.sme-fdi.gc.ca/epic/site/sme\\_fdi-prf\\_pme.nsf/en/h\\_01298e.html](http://www.sme-fdi.gc.ca/epic/site/sme_fdi-prf_pme.nsf/en/h_01298e.html).

## JOB *Creation*

According to the latest release of Statistics Canada's *Survey of Employment, Payrolls and Hours*, the number of payroll employees increased by 319 939 in the fourth quarter of 2007 (Table 1). This corresponds to a year-over-year increase of 2.3 percent compared with the fourth quarter of 2006. Small businesses represented approximately 35 percent of the growth in Canada. The year-over-year contribution to employment growth from medium-sized enterprises was 14.9 percent, while large firms contributed 50 percent, representing a 1.8 percentage point increase compared with the third quarter of 2007. The contribution to employment growth from small businesses has been steadily increasing since the dramatic 10.1 percentage point drop in the first quarter of 2007.

In the fourth quarter of 2007, the construction sector experienced the highest year-over-year employment growth at 8.2 percent, with small businesses accounting for 57.4 percent of employment growth in the sector compared with large firms at 12.1 percent. Employment growth across all firm sizes was also strong in the following sectors: mining and oil and gas extraction (4.5 percent), retail trade (4.4 percent), and accommodation and food services (4.0 percent). Small businesses with the largest increase in employment occurred in the construction (36 298) and accommodation and food services (17 809) sectors.

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Compared with the fourth quarter of 2006, the manufacturing sector experienced a year-over-year decline in employment of 3.9 percent. Large firms were responsible for 71.1 percent of the 72 096 jobs lost in this sector, while small businesses

accounted for 18.1 percent of the jobs lost. Since the third quarter of 2006, both the manufacturing and forestry sectors have continued to experience a decline in the number of employees.

*Table 1: Year-Over-Year Net Change<sup>1</sup> in Payroll Employment<sup>2</sup> by Industry, 4th Quarter 2007*

Quarter	Change		% Contribution to Total Net Change (Number of Employees)								
	%	Jobs	0-4	5-19	20-49	50-99	0-99	100-299	300-499	100-499	500+
Q4 2006	2.3	320 298	11.6	1.0	13.0	12.2	37.8	7.2	5.3	12.6	49.6
Q1 2007	2.1	285 728	-1.7	9.9	11.9	7.5	27.7	11.8	7.6	19.4	52.9
Q2 2007	1.9	263 633	-1.2	8.1	12.4	9.1	28.4	13.0	7.4	20.4	51.2
Q3 2007	2.4	330 421	3.0	14.4	11.2	6.0	34.5	11.2	6.1	17.3	48.2
Q4 2007	2.3	319 939	-2.4	18.9	11.9	6.7	35.1	8.6	6.3	14.9	50.0
Industry	Absolute Change (Jobs)										
Forestry	-3.3	-1 900	-646	-506	911	477	236	-1 010	-1 210	-2 220	84
Mining and Oil and Gas Extraction	4.5	8 410	381	1 308	583	1 453	3 725	291	2 377	2 668	2 016
Utilities	2.0	2 429	117	111	138	239	605	621	-790	-169	1 993
Construction	8.2	63 217	-8 119	23 916	11 706	8 795	36 298	16 826	2 429	19 255	7 662
Manufacturing	-3.9	-72 096	-1 312	-816	-3 614	-7 348	-13 090	-9 760	2 022	-7 738	-51 266
Wholesale Trade	2.5	18 626	-1 880	2 039	1 504	3 788	5 451	3 609	-4 043	-434	13 610
Retail Trade	4.4	78 541	-3 266	4 690	7 173	5 090	13 687	11 278	4 410	15 688	49 168
Transportation and Warehousing	2.4	15 170	1 740	1 571	-1 570	265	2 006	-2 993	3 361	368	12 796
Information and Cultural Industries	0.8	2 799	-114	-591	-106	-1 933	-2 744	-19	1 506	1 487	4 055
Finance and Insurance	2.6	15 818	-507	-26	-2 463	946	-2 050	-4 103	-651	-4 754	22 624
Real Estate and Rental and Leasing	3.2	7 856	352	472	114	697	1 635	1 953	194	2 147	4 075
Professional, Scientific and Technical Services	2.1	15 110	467	5 949	4 203	3 075	13 694	-1 193	-98	-1 291	2 705
Management of Companies and Enterprises	2.7	2 630	539	1 165	2 005	680	4 389	-772	533	-239	-1 520
Administrative and Support, Waste Management and Remediation Services	2.6	18 188	398	4 375	4 364	-2 235	6 902	2 586	3 884	6 470	4 815
Educational Services	2.7	30 963	569	761	499	116	1 945	1 954	-415	1 539	27 478
Health Care and Social Assistance	2.6	37 724	-2 545	8 720	4 688	-462	10 401	-4 054	5 378	1 324	25 998
Arts, Entertainment and Recreation	1.8	4 103	-62	-513	934	1 302	1 661	56	-1 883	-1 827	4 270
Accommodation and Food Services	4.0	40 055	3 714	3 131	5 237	5 727	17 809	4 618	2 387	7 005	15 242
Other Services (excluding public administration)	2.2	11 644	2 464	3 839	1 814	-37	8 080	3 995	983	4 978	-1 414
Public Administration	2.6	20 653	-118	890	100	665	1 537	3 692	-242	3 450	15 666
<b>Canada Total</b>	<b>2.3</b>	<b>319 939</b>	<b>-7 828</b>	<b>60 490</b>	<b>38 219</b>	<b>21 298</b>	<b>112 179</b>	<b>27 573</b>	<b>20 131</b>	<b>47 704</b>	<b>160 058</b>

Source: Statistics Canada, *Survey of Employment, Payrolls and Hours*, March 2008.

<sup>1</sup> Year-over-year net change in payroll employment is calculated as the variation between the level of employment in a given quarter and the level in the same quarter a year before.

<sup>2</sup> *Survey of Employment, Payrolls and Hours* data exclude self-employed workers who are not on a payroll and employees in the following industries: agriculture, fishing and trapping, private household services, religious organizations and military personnel of defence services. The data breaking down employment by size of firm also exclude unclassified industries.

# BUSINESS *Insolvencies*

In the fourth quarter of 2007, there were 1818 business insolvencies (Table 2), which include bankruptcies<sup>1</sup> and proposals.<sup>2</sup> These insolvencies had a total value of \$779 million, a 4.6-percent increase over the previous quarter. Bankruptcies grew by 4.9 percent, while proposals increased by 3.3 percent over the same period. On an annual basis, however, the number of bankruptcies declined by 7.9 percent, while the number of proposals fell by 2.2 percent, for a total decline in insolvencies of 7.0 percent year-over-year.

This decline represents a continuation of a long-running trend: the number of insolvencies has been falling since reaching a peak of 4111 in the first quarter of 1996. The current figure for the fourth quarter of 2007 is among the three lowest recorded since 1993 (only the third quarters of 2006 and 2007 were lower). Bankruptcies closely track the insolvency trend, also making the current figure the third lowest recorded since 1993. Proposals, on the other hand, have increased since before 1994, reaching a peak of 513 in the first quarter of 2002. Current levels are comparable with those recorded in the late 1990s. The declining trends are also reflected in consolidated annual figures: insolvencies fell by 6.8 percent from 2006 to 2007, bankruptcies by 6.7 percent and proposals by 7.4 percent.

Unlike the volume of insolvencies, the value of total liabilities fluctuates around an average of \$1.6 billion, with intermittent spikes occurring as a result of failures of one or more sizable companies. The largest spike occurred in the second quarter of 2002, at \$5 billion. The next significant spike occurred in early 2007 due to high-value insolvencies in the information and cultural industries. Both were spikes in bankruptcies; the pattern of proposal liabilities is unrelated to bankruptcies, fluctuating around an average of \$411 million.

Recent figures indicate that insolvency liabilities declined by 17.0 percent in the fourth quarter of 2007 from the previous quarter and by 29.4 percent year-over-year. The components of insolvency revealed the following patterns: bankruptcy liabilities fell 18.2 percent from the previous quarter and 31.6 percent year-over-year, and proposal liabilities declined 14.2 percent from the previous quarter and 24.0 percent year-over-year. Consolidated annual insolvency liabilities rose by 21.9 percent from 2006 due to the spike in the first quarter of 2007; those for bankruptcies increased by 46.8 percent, while those for proposals fell by 36.9 percent.

<sup>1</sup> Bankruptcy refers to the liquidation of the debtor's business assets and the end of the commercial entity's operations.

<sup>2</sup> Proposals involve the settling of debts between the debtor and its creditors while still allowing the business to continue operating.

*Table 2: Total Insolvencies, Bankruptcies and Proposals and Associated Liabilities*

	Insolvencies		Bankruptcies		Proposals	
	Volume	Liabilities (\$ 000)	Volume	Liabilities (\$ 000)	Volume	Liabilities (\$ 000)
Q4 2006	1 955	1 103 288	1 637	781 801	318	321 487
Q1 2007	2 099	3 977 097	1 745	3 718 389	354	258 708
Q2 2007	1 957	1 071 559	1 604	814 591	353	256 968
Q3 2007	1 738	939 070	1 437	654 297	301	284 773
Q4 2007	1 818	779 393	1 507	534 931	311	244 462
% Change						
Q3 2007–Q4 2007	4.6	-17.0	4.9	-18.2	3.3	-14.2
Q4 2006–Q4 2007	-7.0	-29.4	-7.9	-31.6	-2.2	-24.0
Consolidated Annual						
2006	8 171	5 552 228	6 747	3 897 194	1 424	1 655 033
2007	7 612	6 767 119	6 293	5 722 207	1 319	1 044 912

Source: Office of the Superintendent of Bankruptcy Canada ([www.osb-bsf.gc.ca](http://www.osb-bsf.gc.ca)).



# SELF-*Employment*

The number of self-employed workers in Canada rose at an annualized rate of 1.5 percent between 2000 and 2007 according to Statistics Canada's 2007 *Labour Force Survey*. Table 3 presents a breakdown by industry of employed individuals and various categories of self-employed workers for 2000 and 2007. In 2007, there were 14 251 400 employed and 2 615 000 self-employed individuals, accounting for 84.5 and 15.5 percent of the sampled workforce respectively.

Shares of self-employed individuals working in goods and services sectors have not changed significantly from 2000 to 2007. In the goods sector, the share remained nearly constant at 27.4 percent. Similarly, the share in the services sector barely changed, increasing from 72.2 to 72.6 percent.

Across all industry sectors in 2007, professional, scientific and technical services represented the largest concentration of self-employed individuals (14.5 percent), followed by the construction industry (13.5 percent). In the goods-producing sector, over the period 2000 to 2007, the largest decrease in the proportion of self-employed workers occurred in agriculture, which dropped from 10.4 to 8 percent. The largest gain in the share of self-employed workers occurred in the construction industry, which rose from 11.6 to 13.5 percent. Over the same period, the most noticeable decrease in the services-producing sector occurred in trade, where the proportion of self-employed workers fell from 13.1 to 11.6 percent. The share of self-employed workers increased from 5.4 to 7.0 percent in the finance, insurance, real estate and leasing sector.

Within the group of self-employed individuals, the highest share in 2007 was among those unincorporated without paid help (49.2 percent), followed by the incorporated with paid help category, representing 22.7 percent of self-employment.

Substantial changes have occurred in the category of incorporated self-employed workers without paid help. Over the period 2000 to 2007, the number of individuals in this category grew by 9.8 percent in the goods sector and 6.9 percent in the services sector. Self-employment exhibited double-digit growth in this category of workers in many industries: forestry, fishing, mining, oil and gas (19.7 percent), health care and social assistance (16.8 percent), accommodation and food services (13.7 percent), manufacturing (13.1 percent), educational services (12.3 percent) and construction (12.1 percent).

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## CANADA BUSINESS *Services*

### TRADE *Data Online*

Trade Data Online is a database of Canada-wide trade information available through Canada Business Services. Sourced from both Statistics Canada and the U.S. Census Bureau, visitors to the website can search for data by commodity (according to the Harmonized System (HS) code), industry (using the North American Industry Classification System (NAICS) and Standard Industrial Classification (SIC) codes) and geographical location.

Trade Data Online enables users to:

- access the volume of internationally traded goods in Canadian import and export markets;
- find new export markets;
- determine the level of competition for specific products;
- identify domestic opportunities for import replacement; and
- gain insight into the Canadian domestic market for industries in the manufacturing sector.

More specifically, Trade Data Online includes data on 200 countries for over 5000 commodities. Reports are available using the most recent ten complete years and current year-to-date data. Monthly details are also available for the last two years. Information is available on imports, exports, trade balances, manufacturing shipments, apparent domestic markets and export intensities of Canadian industries.

Information is presented to users in a report and/or graphic format and can be printed, bookmarked or copied to a work file. With free registration online, frequent users can also avail themselves of advanced features that allow them to create, edit and run personalized reports individually or in batch.

Visit Trade Data Online at [www.ic.gc.ca/tdo](http://www.ic.gc.ca/tdo).

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*Table 3: Self-Employment in Canada, Share by Category of Worker and Industry, 2000 and 2007*

Industry	Employment by Industry, 2000-2007													
	Employees						Incorporated				Unincorporated			
	Employees			Self-Employed			With Paid Help		Without Paid Help		With Paid Help		Without Paid Help	
	Share (%)	Number of Employees (000)		Share (%)	Number of Self-Employed*		Share of Self-Employed (000)	Average Growth	Share of Self-Employed	Average Growth	Share of Self-Employed	Average Growth	Share of Self-Employed	Average Growth
2000	2007	2007	2000	2007	2007	2007	2007	2007	2007	2007	2007	2007	2007	
							(Percent)				(Percent)			
Goods-Producing Sector	25.5	23.0	3 277.7	27.8	27.4	715.3	26.2	3.5	17.7	9.8	10.7	-0.6	43.2	-0.8
Agriculture	1.0	0.9	127.0	10.4	8.0	210.3	13.4	1.0	13.7	2.6	10.1	-3.4	56.8	-2.8
Forestry, Fishing, Mining, Oil and Gas	1.8	2.0	288.5	2.0	1.9	50.8	23.0	0.1	28.5	19.7	13.0	-2.2	34.8	-2.0
Utilities	0.9	1.0	137.9	0.0	0.0	0.0								
Construction	4.3	5.5	780.5	11.6	13.5	353.0	27.6	6.9	19.6	12.1	10.8	1.8	41.5	1.3
Manufacturing	17.4	13.6	1 943.8	3.8	3.9	101.1	49.5	0.9	13.8	13.1	10.8	0.8	24.8	0.5
Services-Producing Sector	74.5	77.0	10 973.7	72.2	72.6	1 899.7	21.5	1.5	17.0	6.9	9.7	-2.1	51.4	1.3
Trade	16.0	16.7	2 379.8	13.1	11.6	302.6	40.2	0.4	17.3	4.3	11.2	-2.6	30.5	-2.0
Transportation and Warehousing	5.1	4.8	679.6	5.9	5.5	143.2	15.4	-1.5	24.2	7.2	6.9	-2.6	52.8	-0.5
Finance, Insurance, Real Estate and Leasing	5.9	6.2	877.0	5.4	7.0	183.4	17.7	3.3	17.5	7.2	7.3	3.3	57.3	7.5
Professional, Scientific and Technical Services	4.9	5.3	756.7	13.5	14.5	380.2	17.4	0.8	26.6	6.7	8.1	-2.0	47.6	2.8
Management of Companies and Administrative and Other Support Services	3.1	3.8	542.3	6.6	6.1	159.9	17.1	4.4	11.5	2.9	9.3	-2.7	61.6	-0.2
Educational Services	7.5	7.9	1 129.9	1.9	2.0	53.3	6.8	-1.4	10.1	12.3	4.9	6.3	78.0	2.2
Health Care and Social Assistance	10.6	11.4	1 620.9	8.2	8.6	225.3	13.6	2.1	6.7	16.8	15.3	-2.6	64.2	3.1
Information, Culture and Recreation	4.6	4.6	660.6	4.0	4.6	121.3	13.0	3.2	17.4	9.1	4.0	0.3	65.5	3.5
Accommodation and Food Services	6.8	6.8	970.4	3.9	3.8	99.0	49.9	2.7	10.5	13.7	18.4	-3.8	19.3	1.3
Other Services	3.7	3.5	492.1	9.8	8.8	231.4	16.6	3.3	13.7	8.3	9.2	-1.8	60.1	-1.5
Public Administration	6.2	6.1	864.5	0.0	0.0	0.0								
All Industries	100.0	100.0	14 251.4	100.0	100.0	2 615.0	22.7	2.1	17.2	7.7	10.2	-1.4	49.2	0.7

\*Includes unpaid family workers.

Source: Statistics Canada, *Labour Force Survey*.

## BUSINESS *Financing*

New data on the supply of financing to businesses were released in March by Statistics Canada. The data were drawn from the *Survey of Suppliers of Business Financing*, which is part of a research program investigating financing for small and medium-sized enterprises, administered in partnership by Statistics Canada, Industry Canada and the Department of Finance.

In 2006, Canadian business clients of commercial suppliers of financing, such as banks, finance companies and insurance companies, were reported to have an estimated \$444.3 billion in outstanding debt, up 10.7 percent from 2005. The greater need for financing can be attributed to the upward trend observed in commodity prices; capital investments by firms in

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oil, gas and mining; and booming residential and non-residential construction and real estate markets across Canada.

Overall, approximately two million business loans were outstanding as of December 31, 2006, representing an increase of 4.4 percent from the previous year. The largest borrowers, those with authorization levels of \$5 million or more, accounted for 57.0 percent of outstanding debt in 2006. In contrast, businesses with authorization levels of less than \$1 million, generally small and medium-sized enterprises,<sup>1</sup> had outstanding debt of \$95.3 billion, accounting for 21.4 percent of outstanding debt.

Among large businesses, there was an increase of 7800 new loans in 2006, representing an increase of 8.9 percent over the previous year. In comparison, new loans authorized for small and medium-sized businesses increased by 4.2 percent, representing roughly 77 500 new loans.

Domestic banks continue to be the major suppliers of debt financing in the Canadian business borrowing market, providing more than half (52 percent) of outstanding business debt.

By province, Alberta, with outstanding debt amounting to \$73.9 billion, exhibited the biggest gain (22.1 percent) among the provinces. In Ontario, outstanding debt increased by 18.4 percent to \$189.5 billion. As a proportion of total outstanding debt in Canada, Ontario represented 42.6 percent, followed by Alberta (16.6 percent), Quebec (16.0 percent) and British Columbia (13.3 percent).

More information on suppliers of financing can be found in the “2006 Statistics Canada Release” on the Small and Medium-Sized Enterprise Financing Data Initiative (SME FDI) website at [www.sme-fdi.gc.ca/epic/site/sme\\_fdi-prf\\_pme.nsf/en/00728e.html](http://www.sme-fdi.gc.ca/epic/site/sme_fdi-prf_pme.nsf/en/00728e.html).

<sup>1</sup> As most suppliers of financing do not track the employment size of their business clients, they were asked to group their clients by authorization size (i.e. the maximum amount they were allowed to borrow). Authorization size is used in this survey as a proxy for business size due to a lack of employment size indicators.

## WORKPLACE SKILLS *Initiative*

### CALL for Proposals

The **Workplace Skills Initiative (WSI)** is an important part of the federal government's 2007 policy framework *Advantage Canada*. Globalization and growth of the knowledge-based economy are sharply increasing the importance of the skills, education and adaptability of our workforce to achieve global competitiveness. *Advantage Canada* supports increasing participation, enhancing training and skills development, and breaking down barriers to enable Canadian businesses to compete successfully.

WSI has launched a 3rd **Call for Proposals (CFP)** package. Projects funded through the WSI are intended to support small businesses and other firms in their efforts to advance their skills, respond to constantly evolving workplace requirements, and maintain their talents to generate and apply innovative ideas to enhance workplace productivity.

Priorities for funding in this round of the initiative involve **projects that address skills shortages**, through skills development and human resources practices in the workplace, and projects that address workplace environments, such as work organization and design or other workplace enhancements, allowing applicants to test ways Canadian employers can affect workplace productivity. Ultimately, successful projects and lessons learned will serve as examples for other workplaces throughout Canada.

Additional information on **eligibility, funding ceilings, important dates and procedures** related to the 3rd WSI Call for Proposals is available at the WSI website: [www.hrsdc.gc.ca/en/workplaceskills/skills\\_initiative/index.shtml](http://www.hrsdc.gc.ca/en/workplaceskills/skills_initiative/index.shtml).

# RECENT *Developments*

## SME WORKSHOP

### *on Skills Development*

In partnership with Industry Canada, Human Resources and Social Development Canada (HRSDC) hosted a workshop on March 20, 2008, entitled “*Creating a Competitive Edge for SMEs Through Skills Development*.” The goal of the workshop was to increase overall understanding of the role of skills development in the success of small and medium-sized enterprises. Key barriers to skills development for SMEs identified during the workshop included: availability of knowledge and training options, lack of “awareness” on the importance of training, inability to develop a tailor-made training program and loss of trained employees.

The workshop was a result of a commitment between Industry Canada and HRSDC to jointly examine skills issues faced by SMEs in Canada.

## *Small Business Quarterly* Small Business Policy Branch

The *Small Business Quarterly* (SBQ) provides a quick and easy-to-read snapshot of the recent performance of Canada's small business sector. The SBQ is published by the Small Business Policy Branch of Industry Canada.

If you want to subscribe, please send your request to [prg-sbp@ic.gc.ca](mailto:prg-sbp@ic.gc.ca). If you have questions or comments about the content, please send them to the editor:

Manique Weerasinghe  
E-mail: [weerasinghe.ranmalmanique@ic.gc.ca](mailto:weerasinghe.ranmalmanique@ic.gc.ca)  
Small Business Policy Branch  
Industry Canada  
235 Queen Street  
Ottawa ON K1A 0H5  
Tel.: 613-941-1462  
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## INTERNATIONAL COUNCIL

### *for Small Business World Conference*

The 53rd International Council for Small Business (ICSB) World Conference will be held at the World Trade and Convention Centre in Halifax, Nova Scotia, June 22–25, 2008. Held each year in different locations, the conference attracts researchers, educators, policy-makers, business service providers, students and business owners with an interest in the areas of small business and/or entrepreneurship. This year's theme, “Advancing Small Business and Entrepreneurship: From Research to Results,” will focus on bridging the gap between research and action.

The 2008 ICSB conference offers an opportunity to:

- meet with leading international researchers;
- engage in dialogue on the latest research, policy issues and development trends in small business and entrepreneurship support; and
- network with SME/entrepreneurship organizations, institutions and experts from around the world.

For more information on the conference, and registration details, please visit [www.icsb2008.org](http://www.icsb2008.org).