



ISED Annual Survey

2018 Qualitative Business Wave

Executive Summary

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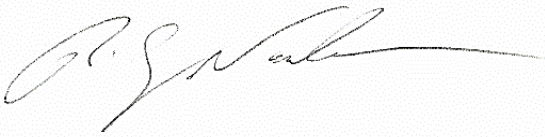


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I hereby certify as Senior Officer of Quorus Consulting Group Inc. that the deliverables fully comply with the Government of Canada political neutrality requirements outlined in the [Policy on Communications and Federal Identity](#) and the [Directive on the Management of Communications - Appendix C](#).

Specifically, the deliverables do not include information on electoral voting intentions, political party preferences, standings with the electorate or ratings of the performance of a political party or its leaders.

Signed:

A handwritten signature in black ink, appearing to read "Rick Nadeau", is written over a light blue, textured rectangular background.

Rick Nadeau, President
Quorus Consulting Group Inc.

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Executive Summary



Background and Objectives

Innovation, Science and Economic Development Canada (ISED) conducted this project to help policy makers, program designers and service providers better meet the needs and expectations of Canadian small and medium sized businesses (SMEs), entrepreneurs and innovators.

This project collected insights, opinions and views of SMEs and self-employed Canadians on various issues including business confidence in the economy; perception of government performance on priorities; the preferred role of government; government progress on addressing barriers to business growth, including breaking into new markets, support for underrepresented groups, access to talent and skilled labour, access to financing, reduction of administrative burden; and on specific initiatives supporting innovation, including the Canadian Intellectual Property Strategy, Superclusters and supply chains., progress with SMEs, services for innovation and businesses, economic development, overall satisfaction with government for business and red tape reduction.

The insights gained from the project findings will be used to help develop policies, programs and services as well as refine communication messaging and initiatives to better meet the needs and expectations of SME's and self-employed Canadians.

Research Results

Business Confidence

Most would describe the Canadian economy as “stable” or performing fairly well. The biggest challenges facing the economy these days included: access to talent and skilled labour; the cost of living for consumers; the growing difficulty with buying a home; the increasing costs of doing business, including increases in the minimum wage; the growing level of consumer indebtedness; and, domestic and international competition.

For the most part businesses would say that their businesses' performance has been either stable or better compared to a year ago and most would expect that trend to continue for the next few years. Businesses were interested in growth and barring anything unexpected, they were optimistic about the future. Some of the more noteworthy barriers to growth included:

- Access to talent;
- Finding reliable workers;
- The increasing cost of doing business;
- Competition in general;
- A challenging tax environment or just tax burden in general; and,
- Liquidity or access to capital.

Role of Government

Businesses agreed that the Government of Canada has a role to play in growing the economy and supporting SMEs. Some of the more important issues in need of government attention at this time included:

- Reducing business taxes;
- Providing more grants and funding and making it easier and simpler to obtain funding;
- Increasing awareness of government programs and sources of funding available to SMEs;
- Better overall management of the federal budget / get back to a balanced budget;
- Making more programs and funding inclusive of experienced/older entrepreneurs;
- Making it easier to do business with the federal government;
- Negotiating a favourable North American Free Trade Agreement (NAFTA) deal; and,
- Making it easier for businesses to interact with them, especially when they call in.

Businesses were hard-pressed to identify what the federal government is doing to support small and medium sized businesses. A few did mention that access to certain types of funding (like that found through the Atlantic Canada Opportunities Agency (ACOA), Scientific Research and Experimental Development (SR&ED) Tax Incentive Program, and Industrial Research Assistance Program (IRAP), etc.) was noteworthy.

2018 Budget and Initiatives to Support SMEs

When specifically asked about the recent 2018 federal budget, businesses could not identify anything in that budget that could help them achieve their business goals or that was even seen as potentially beneficial for their industry overall.

Focus group participants were provided a handout with a list of 18 initiatives either introduced in the 2017 budget or included in the 2018 budget. This exercise generated the following key reactions:

- Generally, participants supported nearly all of the initiatives even though only a select few were seen as potentially directly beneficial to their business or industry.
- Businesses felt that too little had been done to promote these initiatives and they were surprised to learn that some of these had actually been introduced in 2017.
- Some small and micro businesses noted that the initiatives seemed more geared towards technology or STEM (Science, Technology, Engineering and Math) industries, or toward larger businesses.
- Participants were especially drawn to initiatives like Futurpreneur and Innovation Canada since they addressed their general lack of familiarity with what is available to them in terms of government services, programs and funding.
- Some felt that it was difficult to dislike any of the initiatives. At the same time, they expressed some skepticism in terms of whether or not these programs *would be* rolled out and whether they would generate any meaningful results.

The initiatives businesses were most likely to select because they felt that they could be beneficial for their business or industry were: Innovation Canada; Futurpreneur; the proposed federal and regional programs designed to support women in entrepreneurship; and, cybersecurity.

The initiatives that received the lowest priority/least support from those listed were:

- **Artificial Intelligence Strategy:** Artificial intelligence (AI) was seen as taking jobs away from Canadians and because it did not apply to their industry.
- **Innovative Solutions Canada:** Some participants disliked this initiative mostly because they did not see how or why the federal government should be buying products and services it may not need or that may not be proven. Some did not understand the initiative at all (“what does government being the first customer mean?” Among some of those who did understand the program, they did not see why this is needed.
- **Venture Capital Catalyst Initiative:** Those who did not support this initiative were more likely to feel that early stage capital was the priority -- they did not understand why Canada should be providing late stage capital.
- **Innovation Superclusters Initiative:** Participants who indicated low support for this initiative said they did so mostly because they either did not understand what a “supercluster” was or how it could benefit their industry, or because the initiative was seen as only benefiting specific parts of the country.

Addressing Obstacles and Barriers for Underrepresented Segments

Female, Indigenous, young and disabled entrepreneurs were all specifically asked if they faced any particular barriers to success.

Women entrepreneurs often explained that they either did not face any barriers or that if they did, it was not because they were women (i.e., barriers might be related to finding talent, skilled labour, risk financing at start-up). Many were working in female-dominated industries, and this seemed to leave them with the perception that barriers they may have encountered were not related to being a woman. The minority of women SMEs working in industries that have been traditionally male-dominated, such as construction and STEM, indicated they had more barriers to overcome initially to be taken seriously. When prompted to consider financing however, women across most of the groups identified access to financing as a barrier, with some noting that they didn’t feel that they received the same consideration as their male counterparts when starting their businesses or that banks didn’t seem to understand their business or their approach to business.

Young entrepreneurs identified their challenges as having to learn the basics of operating a business, not having good access to mentors and coaches, lacking work experience and not having assets against which to obtain capital or loans.

Disabled entrepreneurs face the obvious obstacle of overcoming or managing whatever disability they have and that tended to be the primary barrier they discussed during their interview.

Indigenous entrepreneurs were mixed in terms of whether or not they face barriers specific to the Indigenous community. While some explained they face racism, others explained that they had the opportunity to access a variety of support programs and funding that are dedicated to the Indigenous community.

Addressing Obstacles and Barriers: Breaking into New Markets

Businesses agreed that the government should focus on initiatives that are designed to help businesses break into new markets even though most study participants had very local target markets and many did not plan to go beyond that footprint. They expect their government to work to negotiate international trade agreements (NAFTA was a prime example), to reduce regulations and to improve internal trade, with this last area noted by a few businesses as a particularly important challenge.

Addressing Obstacles and Barriers: Improving Access to Talent and Skilled Labour

Improving access to skilled labour was also seen as an important role for the government. Participants seemed to prefer initiatives that prioritized developing talent that is already in the country, improving foreign credential recognition and making it easier to work with immigrants who are prepared to fill low-wage positions that are more difficult to fill.

Venture Capital and Access to Financing

Access to capital was a common barrier although some businesses admitted that they were not necessarily interested in taking on any loans or borrowing beyond their means. Some also explained that it is very difficult to qualify for government funding, that it is a lot of work to fill out the paperwork and that they are not familiar with all the programs available.

Unaided awareness of specific government programs that provide financing was limited overall. Among initiatives that were mentioned, the Business Development Bank of Canada (BDC), Export Development Canada (EDC), ACOA and Futurpreneur were common mentions. Not surprisingly for newly launched initiatives and programs, awareness was low for both Innovation Canada.ca and Innovative Solutions Canada. However, interest for both was high.

Participants agreed that there is a role to be played when it comes to supporting and developing initiatives that provide financing to businesses, although some felt that the government probably just needed to better communicate what is already out there rather than create new programs.

Intellectual Property Strategy

Overall, awareness and understanding of Intellectual Property Rights (IPRs) was quite low among businesses and most argued that IPRs were not that important to their business.

Some debated whether the Government needed to be putting more resources into increasing awareness of IPRs in the business community since businesses need to take some initiative to seek out the information already available. The Government could help by making the process more affordable or less cumbersome and if the Government were to develop more tools and resources, participants emphasized the need for non-technical content.

Innovation Superclusters and Supply Chains

Awareness of the recently announced Innovation Superclusters was very low. Based on the high-level explanation provided by the moderator, few could immediately establish any sort of connection between the new Superclusters and their own business or industry. With the limited amount of information that participants were provided, most were inclined to believe that Superclusters would be a positive development for Canada although some concerns were raised:

- They might only benefit certain industries or certain parts of the country;
- They might add more pressure on regions, like Vancouver, where prices and population growth were already an important challenge for their local economy;
- They might create regional bubble economies that do well in good times, but that really suffer when demand weakens.

Red Tape, Administrative Burden and Efficiency of Service

When asked if they face any particular administrative burden when dealing with the Government of Canada, participants were more apt to complain about telephone customer service and the Service Canada website (Canada.ca) than about specific administrative burdens. As well, few have noticed a change in whether or not their burden in dealing with government has changed over recent years.

Nearly all businesses were interested in an optional, central e-account. Among those with concerns, privacy and access to their information was at the top of the list.

Innovation Defined

For nearly all participants, innovation meant developing new products, especially for businesses in manufacturing. Manufacturers explained that innovation also involved developing new ways of processing and using new or different production inputs. Innovation was more difficult for smaller or one-person service industry businesses. These businesses tended to view innovation as anything new, including new ways of marketing their services, developing new markets, or new ways of managing their back office to become more efficient.

Among six innovation-related statements provided to participants, the most popular articulation of why innovation is important for Canada was: *Innovation is important because it can lead to breakthroughs in agriculture, medicine, green technology and service delivery, improving the quality of life for all Canadians.*

Corporate Taxes

Very few participants had heard of any recent Government of Canada announcements proposing tax changes for small businesses or “private corporations.” Awareness did increase slightly when the moderator broached the new tax changes related to income sprinkling while awareness remained very low regarding the measures related to passive investment income.

Participants seemed most comfortable assessing the fairness of the proposed income sprinkling measure, mostly because it is easier to understand and that they had heard of this practice.

- Those **opposed** to the measure felt that small businesses get so little in the way of “tax breaks” (compared to larger companies) that anything available should be allowed, especially given the risks and effort involved. A few also questioned how meaningful contributions would be defined and monitored. A few also explained that a family member does not need to work directly for the business to contribute to its success.
- Those **in support** of the proposed limits agreed that these individuals are not paying their fair share.

Business of the Future

Many businesses, especially microbusinesses in the services industry, had trouble understanding how trends in technology, like artificial intelligence or automation, could have an impact on their industry or on how they would operate their business in the future. The greater the service area or the larger their business was, the more importance they placed on keeping up with technology trends as this could help their manufacturing, distribution, operations, client service, etc.

One Word to Describe SMEs

Participants were asked to provide a term they would prefer to hear when others describe them as business owners. They most often referred to themselves as “small business owners” or “self-employed.” Other common references included “business owner”, “owner”, “businessman”, “small business operator” and “entrepreneur.”

Women in Entrepreneurship

During some of the focus groups, participants evaluated different tag lines and visual concepts related to the Women Entrepreneurship Strategy. Across the four tag line concepts tested with participants, concepts B, C and D were equally popular, with concept C (the (EM)PowHer concept) attracting the most votes, especially among women, mostly for its tag line: “*Passion. Potential. Power. Partnership.*”

In terms of the visual concepts tested, participants showed a marked preference for the strength and confidence conveyed in the overall look and feel of the *purple concept* in combination with the diversity of occupations depicted in the *multi-coloured concept*.

Methodology

The research methodology consisted of 8 traditional, in-facility focus groups and 25 telephone depth interviews (TDIs) with decision-makers from various business segments.

The target population for this research consisted of Canadian small and medium-sized enterprises, targeting the company’s main decision-maker or someone playing an important role in the decisions related to the growth and direction of the company. For the purposes of this research, small businesses were defined as those businesses with fewer than 100 employees (including self-employed Canadians), and medium businesses were those with 100 to 499 employees. Within the small business segment, the research also targeted “micro” businesses which were defined as businesses with 5 or fewer employees.

The research targeted a mix of businesses. While some sessions included general small and medium sized businesses, there was also a focus on the following sub-segments:

- Businesses that define themselves as **innovators** – for the purposes of this research these include those who are engaged in doing things better -- transforming ideas and knowledge into new products, processes and/or services which, in turn, generate economic or social benefits - introduced or developed an innovation over the past 12 months and/ or a business that, through their normal business activities, invest in the research, development and/or commercialization and export of new products, processes and/or services.
- **Growth-focused businesses**, defined as enterprises with average annualized growth greater than twenty percent per annum, over a three-year period.

- **Young entrepreneurs** are individuals who started and operate their own company and who are 18 to 34 years old.
- **Women entrepreneurs** are women who started and operate their own company.
- **Indigenous entrepreneurs / North of 60 entrepreneurs** are individuals who self-identify as a member of a First Nations community and who started and operate their own company. Some of these were located “North of 60.”
- **Entrepreneurs with disabilities** are individuals who self-identify as having a physical or mental disability and who started and operate their own company.
- **Self-employed Canadians offering professional services** (lawyers, dentists, business and financial consultants, etc.).

Other parameters of the study include:

- Quorus recruited 8 participants to achieve 6 to 8 participants per focus group;
- At the recruitment stage and at the beginning of each focus group/ depth interview, participants were informed that the research was for the Government of Canada/ ISED, that the sessions are audio/video taped and that there are observers.
- All focus groups were held in a facility that allowed the client team to observe the sessions behind a one-way mirror.
- A total of 56 individuals participated in the focus groups, as per the following grid:

Location	Segment	Language	Number of participants	Date and Time	Honorarium
Toronto, ON	Self-employed professionals	English	8	March 21 @ 6:00 pm	\$250
Toronto, ON	Medium-sized businesses	English	8	March 21 @ 8:00 pm	\$250
Halifax, NS	Small/ micro businesses	English	6	March 23 @ 6:00 pm	\$200
Montreal, QC	Self-employed professionals	French	8	March 26 @ 6:00 pm	\$250
Montreal, QC	Medium-sized businesses	French	5	March 26 @ 8:00 pm	\$300
Winnipeg, MB	Small/Micro businesses	English	6	March 27 @ 6:00 pm	\$200
Vancouver, BC	SME – Women entrepreneurs	English	8	March 28 @ 6:00 pm	\$200
Vancouver, BC	SME – Youth entrepreneurs	English	7	March 28 @ 8:00 pm	\$200

All telephone depth interviews were conducted during regular business hours and during evenings (whatever suited the respondent’s availability and preferences) using a conference call service allowing members of the client team to listen-in, and to enable audio-recording. The distribution of the interviews is presented in the grid below:

Segment	Number of participants	Language	Date and Time	Honorarium
Entrepreneurs with disabilities	4	English	March 15 – April 6	\$150
Indigenous entrepreneurs / North of 60 entrepreneurs	10	English		
Rural and remote SMEs entrepreneurs	11	9 English / 2 French		

Qualitative Research Disclaimer

Qualitative research seeks to develop insight and direction rather than quantitatively projectable measures. The purpose is not to generate “statistics” but to hear the full range of opinions on a topic, understand the language participants use, gauge degrees of passion and engagement and to leverage the power of the group to inspire ideas. Participants are encouraged to voice their opinions, irrespective of whether or not that view is shared by others.

Due to the sample size, the special recruitment methods used, and the study objectives themselves, it is clearly understood that the work under discussion is exploratory in nature. The findings are not, nor were they intended to be, projectable to a larger population.

Specifically, it is inappropriate to suggest or to infer that few (or many) real world users would behave in one way simply because few (or many) participants behaved in this way during the sessions. This kind of projection is strictly the prerogative of quantitative research.

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For more information, please contact the Innovation, Science and Economic Development Canada at:
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Appendices



Recruitment Screener – English

Questionnaire: _____

<p><u>Focus Groups:</u></p> <p>Toronto: March 21, 2018 - ENGLISH</p> <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 20px;">Group 1: Self-employed professionals</td> <td style="padding-left: 20px;">6:00 pm</td> <td style="text-align: right;">\$ 250</td> </tr> <tr> <td style="padding-left: 20px;">Group 2: Medium-Size Businesses</td> <td style="padding-left: 20px;">8:00 pm</td> <td style="text-align: right;">\$ 250</td> </tr> </table> <p>Halifax: March 23, 2018 - ENGLISH</p> <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 20px;">Group 3: Small / Micro Businesses</td> <td style="padding-left: 20px;">6:00 pm</td> <td style="text-align: right;">\$ 200</td> </tr> </table> <p>Montreal: March 26, 2018 - FRENCH</p> <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 20px;">Group 4: Self-employed professionals</td> <td style="padding-left: 20px;">6:00 pm</td> <td style="text-align: right;">\$ 250</td> </tr> <tr> <td style="padding-left: 20px;">Group 5: Medium-Size Businesses</td> <td style="padding-left: 20px;">8:00 pm</td> <td style="text-align: right;">\$ 250</td> </tr> </table> <p>Winnipeg: March 27, 2018 - ENGLISH</p> <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 20px;">Group 6: Small / Micro Businesses</td> <td style="padding-left: 20px;">6:00 pm</td> <td style="text-align: right;">\$ 200</td> </tr> </table> <p>Vancouver: March 28, 2018 - ENGLISH</p> <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 20px;">Group 7: SME – Women entrepreneurs</td> <td style="padding-left: 20px;">6:00 pm</td> <td style="text-align: right;">\$ 200</td> </tr> <tr> <td style="padding-left: 20px;">Group 8: SME – Youth entrepreneurs</td> <td style="padding-left: 20px;">8:00 pm</td> <td style="text-align: right;">\$ 200</td> </tr> </table>	Group 1: Self-employed professionals	6:00 pm	\$ 250	Group 2: Medium-Size Businesses	8:00 pm	\$ 250	Group 3: Small / Micro Businesses	6:00 pm	\$ 200	Group 4: Self-employed professionals	6:00 pm	\$ 250	Group 5: Medium-Size Businesses	8:00 pm	\$ 250	Group 6: Small / Micro Businesses	6:00 pm	\$ 200	Group 7: SME – Women entrepreneurs	6:00 pm	\$ 200	Group 8: SME – Youth entrepreneurs	8:00 pm	\$ 200	<p>Details:</p> <p>recruit 8 for 6 to show</p> <p>2-hour sessions</p>
Group 1: Self-employed professionals	6:00 pm	\$ 250																							
Group 2: Medium-Size Businesses	8:00 pm	\$ 250																							
Group 3: Small / Micro Businesses	6:00 pm	\$ 200																							
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Group 5: Medium-Size Businesses	8:00 pm	\$ 250																							
Group 6: Small / Micro Businesses	6:00 pm	\$ 200																							
Group 7: SME – Women entrepreneurs	6:00 pm	\$ 200																							
Group 8: SME – Youth entrepreneurs	8:00 pm	\$ 200																							
<p><u>Telephone Depth Interviews:</u></p> <ul style="list-style-type: none"> • 10 indigenous entrepreneurs, including some “North of 60” • 10 rural and remote Small Business entrepreneurs (mix of micro and larger Small Businesses) • 5 entrepreneurs with disabilities 	<p>Mix of English and French</p> <p>Incentive: \$150</p> <p>Interviews are 45 minutes each</p>																								
<p>Respondent’s name: _____</p> <p>Respondent’s phone #: _____ (home)</p> <p>Respondent’s phone #: _____ (work)</p> <p>Respondent’s fax #: _____ sent? ___ or</p> <p>Respondent’s e-mail : _____ sent? _____</p>																									



A. Segment Definitions

Segment	Definition
Small-Size Business	1 to 99 FTE employees
Micro-Size Business	1 to 5 FTE employees (sub-segment of the Small-Size Business Segment)
Medium-Size Business	100 to 499 FTE employees
Self-employed professionals	1 to 5 FTE employees who offer professional services: these include healthcare professionals, lawyers, accountants, consultants (IT, management), architects, auditors, engineers, actuaries, training and development (coaching, organizational development, etc.), investment planners/ financial advisors
Medium-Size Business – Growth Focused	Medium-sized business with an average annualized growth greater than 20% per annum, over a three-year period
SME – Women Entrepreneurs	Women who started and operate their own company
SME – Youth Entrepreneurs	Individuals who are <u>currently</u> 18 to 34 years old who started and operate their own company
Innovators	Businesses that have introduced or developed an innovation over the past 12 months and/ or a business that, through their normal business activities, invests in the research, development and/or commercialization and export of new products, processes and/or services.
Indigenous Entrepreneurs	Individuals who self-identify as a member of a First Nations community and who started and operate their own company. Some of these will be located “North of 60.”
Entrepreneurs with a Disability	Individuals who self-identify as having a physical or mental disability and who started and operate their own company

Focus Group Segment Definitions	Definition
Groups 1 and 4	Self-employed professionals (Q2=YES) – obtain a mix in Q3
Groups 2 and 5	Medium-sized businesses (100-499 FTEs in Q1) with half of participants “Growth Focused” (at least 20% in Q10)
Groups 3 and 6	Mix of Micro (1-5 FTE) and larger small businesses (6-99 FTE) with half of participants from “innovator” companies (IF YES AT ANY OF Q11, Q12 OR Q13)
Group 7	Participant is a woman and Q7=YES
Group 8	Participant is 18-34 and Q7=YES

NB: All participants must be a senior decision-maker in their company who is responsible for shaping the future direction of their company.

B. Facility Information

Toronto Facility Address	Halifax Facility Address
Consumer Vision 2 Bloor Street West, 3rd floor	MQO 1883 Upper Water street 3rd floor, Collins Bank Building, Historic Properties Halifax
Montreal Facility Address	Winnipeg Facility Address
Leger 507 Place d'Armes, 6 ^e étage	NRG 213 Notre Dame Avenue, Suite 804
Vancouver Facility Address	
NRG 1100 Melville Street, Suite 1380	

C. Introduction

Hello, my name _____. I'm calling from Qorus Consulting, a Canadian market research company and we are calling on behalf of the Government of Canada.

Would you prefer to continue in English or French? / Préférez-vous continuer en anglais ou en français?

[INTERVIEWER NOTE: FOR ENGLISH GROUPS/INTERVIEWS, IF PARTICIPANT WOULD PREFER TO CONTINUE IN FRENCH, PLEASE RESPOND WITH, "Malheureusement, nous recherchons des gens qui parlent anglais pour participer à cette recherche. Nous vous remercions de votre intérêt." FOR FRENCH GROUPS/INTERVIEWS, IF PARTICIPANT WOULD PREFER TO CONTINUE IN ENGLISH, PLEASE RESPOND WITH, "Unfortunately, we are looking for people who speak French to participate in this research. We thank you for your interest."]

From time to time, we solicit opinions by sitting down and talking with people. We are preparing to conduct a series of these discussions on behalf of the Government of Canada and I would like to speak to the senior decision-maker in your organization who is responsible for communicating with government or who plays an important role in the decisions related to the growth and direction of the company. Is there a person available who fits that description? ...this is most likely the owner or President of your company.

ONCE APPROPRIATE CONTACT HAS BEEN REACHED – REPEAT INTRO IF NEEDED AND CONTINUE:

We are reaching out to you today to invite you to a research session to share your feedback on the opportunities and challenges your business faces and the kind of role you expect the Government of Canada to play in relation to these.

Other decision makers from small and medium sized companies located in Canada will be taking part in this research, all of them involved in shaping the direction of their company. It is a first-name basis only discussion so nobody, including the Government of Canada, will know the companies being represented. For their time, participants will receive a cash compensation.

Participation is voluntary and all opinions will remain anonymous and will be used for research purposes only in accordance with laws designed to protect your privacy. We are simply interested in hearing your opinions, no attempt will be made to sell you anything. The format may be a “round table” discussion or a telephone interview lead by a research professional.

[INTERVIEWER NOTE: IF ASKED ABOUT PRIVACY LAWS, SAY: “The information collected through the research is subject to the provisions of the Privacy Act, legislation of the Government of Canada, and to the provisions of relevant provincial privacy legislation.”]

But before we invite you to attend, we need to ask you a few questions to ensure that we get a good mix/variety of businesses. This should only take about 5 minutes. In case you are uncertain, **all my questions pertain to your company’s Canadian operations.** May I ask you a few questions?

- | | | |
|-----|---|--------------------------------|
| Yes | 1 | CONTINUE |
| No | 2 | THANK & DISCONTINUE |

D. Business and Participant Profile

1. Approximately how many full-time staff (FTE) does your company currently employ in Canada? **(RECORD ACTUAL NUMBER)**

_____ Full-time equivalent staff

- 1 to 5 **[SMALL BUSINESS AND A MICRO BUSINESS]**
- 6 to 99 **[SMALL BUSINESS]**
- 100 to 499 **[MEDIUM BUSINESS]**
- More Than 500 **[THANK & TERMINATE]**

ASK MICRO BUSINESSES

2. Do you consider yourself a self-employed professional?

- Yes
- No

ASK SELF-EMPLOYED PROFESSIONALS

3. What profession do you practice? **DO NOT READ LIST – IF “OTHER” PLEASE CONFIRM ELIGIBILITY WITH SUPERVISOR**

- Healthcare professional: dentist, physiotherapist, physician, psychiatrist, psychologist, etc.
- Lawyer
- Accountant / Auditor / Actuary
- Engineer
- Training and development professional (e.g. coaching, organizational development, HR, etc.)
- Investment planner / financial advisory
- Consultant (e.g., IT consultant, management consultant, marketing, communications, etc.)
- Architect
- Farmer
- Other – please specify: _____

4. **RECORD GENDER** (Note: Ensure a good mix in and across all sessions/interviews other than *Group 7 - “Women Entrepreneurs”*)

- Male
- Female
- Other – Please specify

5. We have been asked to speak to decision-makers from all different ages. May I have your age please? **READ CATEGORIES AS NEEDED** (Note: Ensure a good mix in and across all sessions/interviews other than *Group 8 - “Youth Entrepreneurs”*)

- Under 18
- 18 to 24 years
- 25 to 34 years
- 35 to 44 years
- 45 to 54 years
- 55 to 64 years
- 65 to 74 years
- 75 years or older

THANK/DISCONTINUE

6. How many years have you owned or managed this company? **Record number** _____ years

- **[DO NOT READ]** Don't know / Not Sure

7. Are you one of the individuals who founded this company?

- Yes **[ENTREPRENEURS]**
- No

FOR VANCOUVER FOCUS GROUPS:

- *IF RESPONDENT IS ONE OF THE FOUNDERS AND A WOMAN, RECRUIT FOR GROUP 7*
- *IF RESPONDENT IS ONE OF THE FOUNDERS AND BETWEEN 18-34, RECRUIT FOR GROUP 8*

[ASK ENTREPRENEURS ONLY]

8. Please let me know if you fall into any of the following categories:

	Yes	No
a) Are you an Indigenous person, that is, First Nations, Métis or Inuk (Inuit)? First Nations includes Status and Non-Status Indians.	<input type="checkbox"/>	<input type="checkbox"/>
b) Are you a person who is blind or has any difficulty seeing even when wearing glasses or contact lenses?	<input type="checkbox"/>	<input type="checkbox"/>
c) Are you a person who is physically disabled, for instance you have difficulty walking, using stairs, using your hands or fingers or doing other physical activities?	<input type="checkbox"/>	<input type="checkbox"/>
d) Do you have any difficulty learning, remembering or concentrating?	<input type="checkbox"/>	<input type="checkbox"/>
e) Do you have any emotional, psychological or mental health conditions?	<input type="checkbox"/>	<input type="checkbox"/>
f) [ASK SMALL BUSINESSES ONLY (1-99 FTE)] Your business is located in a town, village or rural area with a population of less than 10,000 and you are at least a two-hour drive from a city of at least 50,000	<input type="checkbox"/>	<input type="checkbox"/>

*Source: 2017 Canadian Survey on Disability

FOR TELE-DEPTH INTERVIEWS:

- *IF YES AT Q8A – RECRUIT AS INDIGENOUS ENTREPRENEUR*
- *IF YES AT ANY OF Q8B-E – RECRUIT AS ENTREPRENEUR WITH A DISABILITY*
- *IF YES AT Q8F – RECRUIT AS RURAL AND REMOTE ENTREPRENEUR*

9. On average, for each of your company's past 3 fiscal years, have your company's revenues increased, decreased or remained roughly the same?

- Increased
- Remained the same
- Decreased

[ASK IF INCREASED]

10. And, on average, by what percentage did your revenues increase for each of the past 3 fiscal years? _____%

IF 20% OR GREATER, FLAG AS "GROWTH FOCUSED"

11. Do you conduct research and development as a regular part of your business?

- Yes
- No

12. Do you commercialize and export new products, processes and/or services as a regular part of your business?

- Yes
- No

13. Has your company introduced or developed a new product, process and/or service over the past 12 months, or does it plan on introducing or developing one within the next 12 months?

- Yes
- No

IF YES AT ANY OF Q11, Q12 OR Q13, FLAG AS "INNOVATOR"

14. In which industry or sector does your company operate? If you are active in more than one sector, please identify the main sector. **DO NOT READ LIST. ACCEPT ONLY ONE RESPONSE. CONFIRM RESULT WITH RESPONDENT AS NECESSARY.**

- Agriculture/Fishing/Hunting/ Forestry
- Utilities
- Manufacturing
- Retail Trade
- Information and Cultural Industries
- Professional, Scientific and Technical Services / IT / Computers
- Waste Management
- Art/Entertainment/Recreation
- Other (specify)
- Oil/Gas/Mining
- Construction
- Wholesale Trade
- Transportation and Warehousing
- Finance and Insurance/Real Estate and Rental
- Administrative and Support
- Remediation Services
- Accommodation/Food Services/ Tourism

15. Can you please provide me with your job title?

16. Participants in discussion groups or interviews are asked to voice their opinions and thoughts, how comfortable are you in voicing your opinions in front of others? Are you... **READ OPTIONS**

- Very comfortable **MIN 5 PER GROUP**
- Fairly comfortable
- Not very comfortable **TERMINATE**
- Not at all comfortable **TERMINATE**

17. Have you ever attended a discussion group or interview on any topic that was arranged in advance and for which you received money for your participation?

- Yes **MAXIMUM 5 PER GROUP**
- No **GO TO INVITATION**

18. When did you last attend one of these discussion groups or interviews?

- Within the last 6 months **TERMINATE**
- Over 6 months ago

19. How many discussion groups or interviews have you attended in the past 5 years?

- Fewer than 5
- 5 or more **TERMINATE**

E. Focus Group Invitation

I would like to invite you to participate in the focus group in your city. The discussion will be led by a researcher from a Canadian market research company, Quorus Consulting. The group will take place on **[DAY OF WEEK]**, **[DATE]**, at **[TIME]**. It will last two hours. People who attend will receive **[INSERT INCENTIVE BASED ON GROUP]** to thank them for their time. This will be provided to you at the facility after the session. Would you be willing to attend?

- Yes
- No

TERMINATE

Sometimes participants are also asked to write out their answers on a questionnaire. Is there any reason why you could not participate?

- Yes
- No

TERMINATE

If you require reading glasses, please remember to bring them with you, as you may be required to read some materials during the session.

TERMINATE IF RESPONDENT OFFERS A VERBAL LANGUAGE PROBLEM OR A CONCERN WITH NOT BEING ABLE TO COMMUNICATE EFFECTIVELY.

The session will be audio and video recorded for research purposes and representatives of the Government of Canada research team will be observing from an adjoining room. You will be asked to sign a waiver to acknowledge that you will be video recorded during the session. The recordings will be used only by the Quorus Consulting research team and will not be shared with others. As I mentioned, all information collected in the group discussion will remain anonymous and be used for research purposes only in accordance with laws designed to protect your privacy.

The focus group will be at the following location: **REFER TO PAGE 3**

We ask that you arrive fifteen minutes early to be sure you find parking, locate the facility and have time to check-in with the hosts. The hosts may be checking respondent's identification prior to the group, so please be sure to bring some personal identification with you (i.e. driver's license).

As we are only inviting a small number of people, your participation is very important to us. If for some reason you are unable to attend, please call so that we may get someone to replace

you. You can reach us at **1-800-XXX-XXXX** at our office. Please ask for **[recruiter to provide]**. Someone will call you the day before to remind you about the discussion.

So that we can call you to remind you about the focus group or contact you should there be any changes, can you please confirm your name and contact information for me? **COLLECT ON FRONT PAGE**

Thank you very much for your help!

F. Telephone Interview Invitation

I would like to invite you to participate in a telephone interview with a senior research consultant from a Canadian market research company, Quorus Consulting. We would like to schedule the interview with you between **DATE START** and **DATE END** at a time that works best for you. Would you have time on **[INSERT DATE AND TIME OPTIONS]**? It will last roughly 45 minutes, depending on how much feedback you provide. People who participate will receive \$150 to thank them for their time – we will get this to you either by email transfer or by mailing you a check at the conclusion of the interview.

SCHEDULE INTERVIEW THAT FITS RESPONDENT AND INTERVIEWER SCHEDULES

The session will be audio recorded for research purposes and representatives of the Government of Canada research team may be on the line as remote observers. You will be asked to acknowledge that you will be audio recorded during the session. The recordings will be used only by the Quorus Consulting research team and will not be shared with others. As I mentioned, all information collected in the group discussion will remain anonymous and be used for research purposes only in accordance with laws designed to protect your privacy. Over the coming days we will be sending you an email with the conference call logistics with the specific telephone number you will need to dial, the participant passcode, as well as the date and time of the call. There will also be contact information in the email in case you need to change the date or time of the interview.

As we are only inviting a small number of people, your participation is very important to us. If for some reason you are unable to participate, please call so that we may get someone to replace you. You can reach us at **1-800-XXX-XXXX** at our office. Please ask for **[recruiter to provide]**. Someone will call you the day before to remind you about the discussion.

So that we can send you the email with the call logistics, call you to remind you about the interview or contact you should there be any changes, can you please confirm your name and contact information for me? **COLLECT ON FRONT PAGE**

Thank you very much for your help!

Focus Group Moderation Guide – English

A. Introduction (5 minutes)

- Introduce moderator
- Thanks for attending/value you being here
- Explain general purpose of focus group discussions:
 - Gauge *opinions* about issues/ideas/products
 - Not a knowledge test; no right or wrong answers (interested in opinions)
 - Okay to disagree; want people to speak up if hold different view
 - Do not need to direct all comments to me; can exchange ideas with each other
 - Tonight, we're conducting research on behalf of the Government of Canada but the moderator is not an employee of the Government of Canada.
 - Looking for candor and honesty; comments treated in confidence; reporting in aggregate form only; video-taping and note-taking for report writing purposes only; observers behind one-way glass.
 - If you have a cell phone, please turn it off.

So let's go around the table and have everyone introduce themselves...I'll be curious to know the following:

- What is your role or your position?
- What type of business do you own/operate/manage?
- Did you start the business yourself?
 - **ENTREPRENEURS:** And briefly, what attracted you to business – to become an entrepreneur / business owner?

B. Business Confidence (15 minutes)

- I'd like to start off with a broad discussion about **business confidence and the economy overall** – how would you say the Canadian economy is doing?
- What are the biggest challenges facing the Canadian economy today?
- And now how about **your company**? Would you say that your business is doing better, worse or about the same as compared to a year ago? **[SHOW OF HANDS]**
- Looking ahead, do you think that two years from now, your company will be doing better, worse or about the same?
- If we focus on where your company is today, what is holding your company back from growing as fast as you would like? What are the most important barriers to growth that you face?

DRILLDOWN AS NEEDED IF THESE THEMES ARE RAISED:

- Capacity to innovate / can't innovate easily:
 - What is missing here exactly? ...is it skillset, capital, time, etc.?
- Access to new markets:
 - Regionally? Within Canada? Foreign?
 - What is impeding you from growing into those markets? ...or conversely, what would make it easier to grow into those markets?

C. Role of Government (15 minutes)

Let's now turn our attention to the role the Government of Canada could or should be playing when it comes to growing the economy and supporting small and medium sized businesses like yours. (Let's try to stay focused on the role of the Federal government and not the roles the provincial or municipal governments play.)

- From a business/industry perspective, what are the most important issues at this time in need of government attention? (FLIP CHART)
 - **MODERATOR TO ALWAYS BRING THE DISCUSSION BACK TO "YOUR BUSINESS":**
So what impact would this have on your company? What difference would this make for your company?
- What should the guiding principle be for the GC when it comes to helping small and medium sized businesses like yours?

- What is the federal government **doing right** these days to support small and medium sized businesses like yours?
 - Have you heard of any upcoming measures, programs or initiatives that could be beneficial to small and medium sized businesses like yours?
 - Which ones? How did you hear about that?
- And what is the government **doing wrong**?

D. Budget and Initiatives to Support SMEs (15 minutes)

- What have you heard regarding the federal budget that was just released?
 - Was there anything in the budget that could help you achieve your business goals?
 - **IF YES PROBE:** What do others think about **(ITEMS MENTIONED)**?
 - Anything you don't like?
 - **IF YES PROBE:** What do others think about **(ITEMS MENTIONED)**?
 - What are your overall impressions of the budget? Did you see your concerns addressed in this budget?
 - What is the government doing right? What is the government doing wrong?
 - Are there any initiatives that stand out for you in terms of how they could help you achieve your business goals?

HANDOUT #1 – LIST of 2017 Initiatives & LIST of Budget 2018 additions

I'm going to give you a handout with a list of initiatives included in the budget. Please give each a thumbs up or thumbs down. Then, circle what you feel the best initiative on this list is. Next, I'd like you to put check marks next to the ones you feel will have a positive impact on your business/industry.

PROBE:

- What do you think about this list of initiatives?
- What is the government doing right? What is the government doing wrong?
- Are there any initiatives that stand out for you in terms of how they could help you achieve your business goals?

INNOVATION AND SKILLS PLAN: ADDRESSING OBSTACLES AND BARRIERS TO BUSINESS GROWTH

- **ONLY ASK FEMALE, INDIGENOUS, YOUNG OR DISABLED ENTREPRENEURS:** A number of the initiatives are intended to **address barriers to innovation and business growth** for small businesses, women, and young entrepreneurs and other underrepresented groups.
 - As a [female entrepreneur / Indigenous entrepreneur / entrepreneur with a disability/young entrepreneur], are there barriers to success that are unique to you?
 - Do you have any advice in terms of how the government can meet its commitment to support entrepreneurs like you?
- **BREAKING INTO NEW MARKETS:** You may have also noticed that some initiatives are designed to help businesses **break into new markets**. Through the initiatives listed in the handout exercise and recent announcements, the GC has indicated an intention to ...
 - Help business expand into new markets abroad / Promote export / Develop trade
 - Reduce regulations, and,
 - Improve internal trade
- How do you feel about the GC focusing on these types of initiatives?

IMPROVING ACCESS TO SKILLED LABOUR -- Finally, some initiatives are designed to help businesses by **improving access to skilled labour**.

- How do you feel about the GC focusing on these types of initiatives?

SPECIFIC BUDGET MEASURES

E. Venture Capital/Access to Financing (5 minutes)

(SKIP FOR SELF-EMPLOYED GROUPS – ASK ONLY OF SMALL and MEDIUM BUSINESSES)

In terms of access to financing and capital...

- What barriers to capital do you/have you experienced lately?
 - How did you overcome those barriers, if at all?
- Are you aware of government programs that provide financing? **(DO NOT PROMPT, LISTEN FOR BDC, EDC, CANADA SMALL BUSINESS FINANCING, RDAS (ACOA, FEDDEV, FEDNOR, CANNOR, CEDQ/DEC, WD))**

- Are you aware of government accelerator or incubator financing? **(DO NOT PROMPT, BUT RECORD GOVERNMENT DEPARTMENTS, EG. ISED, NRC, IRAP)**
 - **IF YES:** Have you considered these sources of operating capital for your business? If not, why not?
- Are you aware of Innovation Canada.ca (an application to help businesses find services and programs available to them)?
- Some budget initiatives are designed to help businesses **access financing**. One of these initiatives is **Innovative Solutions Canada** – had anyone heard of this initiative before today?
- How do you feel about the GC focusing on access-to-financing initiatives?

F. Intellectual Property Strategy (5 minutes – All GROUPS)

Now a few questions on intellectual property.

The proposed new National Intellectual Property Strategy aims to support the development and commercialization of intellectual property rights (IPRs), which include patents, trademarks, copyright, and industrial designs.

- At what level would you assess your awareness and understanding of IPRs? Just roughly, on a 10-pt scale where 10 means you are an expert...**MODERATOR QUICKLY GOES AROUND THE TABLE**
- How would you describe the importance of IPRs to the success of your business?
- So how much emphasis should the GC place on increasing awareness of IPRs in the business community to ensure Canadians better take advantage of intellectual property when building their business strategies? ...are they doing enough already or is more needed?
- What would help you learn more about IP and how it can be used to help your business grow?
 - Where have you gone for this type of information, and, in an ideal world, where would you *like* to find this information?

G. Innovation Superclusters & Supply Chains (DO NOT ASK OF SELF-EMPLOYED PROFESSIONALS) (5 Minutes)

Who has heard of the Innovation Superclusters? Government is co-investing with industry in ambitious proposals to strengthen Canada's most promising clusters and build Superclusters at scale. Five Superclusters have been announced so far for the following industries: digital technology, the protein industries, advanced manufacturing, Artificial Intelligence-Powered Supply Chains and the Ocean industries supercluster.

- What might the Supercluster initiative mean for your business?
- Would you be interested in learning more about how your business could be engaged or become part of the supply chain supporting the Innovation Superclusters?
- Where would you turn for help to learn more about becoming part of the supply chain in your region or in another region of Canada?

H. Red Tape / Administrative Burden / Efficiency of Service (5 minutes)

- How big of a burden is dealing with the government of Canada?
 - What are the biggest administrative burdens you face? (**LISTEN FOR, BUT DO NOT READ: access to financing/capital or grants; taxes; statistical reporting; permits; regulatory compliance / regulations; applying for grants; managing IP; access to / bidding on government contracts / procurement, etc.**)
- Do you think it is much better now, about the same, or worse compared to a few years ago? ...if better, in what ways?
- If the government offered your company an optional, central e-account that would tailor government data to your needs and allowed you to pre-populate forms based on information different departments already have, would you use it? [**SHOW OF HANDS**]
 - If yes, what specific administrative burden would you want it to lighten?
 - What concerns, if any, do you have about this approach?

I. Innovation Defined (10 minutes)

- What does “innovation” mean...
 - ...in your industry?
 - ...to your business?

HANDOUT #2 - Innovation Statements

J. Corporate Taxes (15 minutes)

- Have you heard of any recent Government of Canada announcements proposing tax changes for small businesses (i.e. “private corporations”)?

Budget 2018 introduced a series of new tax changes for SMEs:

- **Income sprinkling:** Here is how it works: Owners of private corporations – many of whom are in a higher personal tax bracket – can sprinkle income with family members. This can reduce the total income tax paid by the family because these family members face lower personal tax rates or aren’t taxable at all. The Government now proposes to move forward with changes to the tax rules to limit income sprinkling using private corporations. The new rules will not impact businesses as long as family members make meaningful contributions to the business.
 - Have you heard about this change?
 - How do you feel about this change?
 - Does this make the tax system more or less fair?
- **Passive investment:** This refers to situations where an incorporated business owner or professional saves money **within** the corporation. The advantage of saving in this manner is that **corporate** income tax rates are generally much lower than **personal** income tax rates.
 - Have you heard about these proposed changes to the tax rules regarding passive investment income?
 - What have you heard about the Government’s reason for making changes in this area? Do you think the Government’s reasons are fair?

Recently, the Government said that it heard that savings held in a business can be for **business** purposes, such as future expansion or new equipment, but also to deal with **personal** needs, such as maternity leave, sick days and retirement.

The Government proposes to make changes to the tax rules to limit the use of passive investments within a private corporation – but **also** provide greater flexibility for business owners to save for both business and personal purposes. For example, the Government will provide a passive income threshold of \$50,000 per year for go-forward investments. There will be no tax increase on investment income below this threshold. Assuming a 5-per-cent rate of return, earning \$50,000 today means you would have to have \$1 million in savings

- Have you heard about this recent adjustment to the Government's approach?
- Does it seem reasonable to you that business owners need more flexibility to save – for both business and personal reasons?
- Or do you think additional flexibility gives business owners an unfair advantage?

K. Business of the Future (10 minutes)

- When you think of things like trends in technology -- from automation to artificial intelligence – how will your business need to evolve to succeed in the economy of the future?
- What specifically do you think the Government of Canada should do to help Canadian businesses prepare for the economy of the future?
- Before today, had you heard of anything that suggests the GC is working on helping Canadian businesses fill their labour and skills gaps?
 - Are they succeeding?

L. SMEs: ONE WORD TO DESCRIBE (5 minutes)

[ENTREPRENEURS/ BUSINESS OWNERS ONLY]

Magazines, the media, government – they all have a host of words or labels that they like to use when they talk about individuals like you or businesses like yours. But we are interested in hearing how you would describe yourself as a business owner – what word or expression would you use to describe the category that you fall into?

What about the category your business falls into?

M. Women in Entrepreneurship (10 minutes)

Two Concepts and Messaging

- What comes to mind when you see....
- What do you like about each concept?
- What don't you like?
- In your opinion, which concept best communicates the opportunities for women entrepreneurs, innovators and business owners?
- In your opinion, which message communicates the opportunity most clearly (test of tag lines)

N. THANK AND CLOSE (1 MIN)

[BACKROOM CHECK]

In parting, is there anything that you think I should have asked but I didn't?

Please remember to sign out as you leave the focus group room – this is just to confirm you've received the incentive we promised you. [**FOR GROUP 1:** Take care as well not to discuss what has been discussed here as you leave the facility since I have participants from my next session in the lobby/ waiting area.]

Thanks again! And have a great evening!



Telephone Interview Guide – English

A. Introduction (2 minutes)

- Introduce moderator
- Thanks for participating
- Explain general purpose of the interview:
 - Gauge *opinions* about issues/ideas/products
 - Not a knowledge test; no right or wrong answers (interested in opinions)
 - Conducting research on behalf of the Government of Canada but the moderator is not an employee of the Government of Canada.
 - Looking for candor and honesty; comments treated in confidence; reporting in aggregate form only; audio-recording and note-taking for report writing purposes only; observers may be on the line.

So I'd like to get to know you a bit better...I'll be curious to know the following:

- What is your role or your position?
- What type of business do you own/operate/manage?
- Did you start the business yourself?
 - **ENTREPRENEURS:** And briefly, what attracted you to business – to become an entrepreneur / business owner?

B. Business Confidence (6 minutes)

- I'd like to start off with a broad discussion about **business confidence and the economy overall** – how would you say the Canadian economy is doing?
- What are the biggest challenges facing the Canadian economy today?
- And now how about **your company**? Would you say that your business is doing better, worse or about the same as compared to a year ago?
- Looking ahead, do you think that two years from now, your company will be doing better, worse or about the same?
- If we focus on where your company is today, what is holding your company back from growing as fast as you would like? What are the most important barriers to growth that you face?

DRILLDOWN AS NEEDED IF THESE THEMES ARE RAISED:

- Capacity to innovate / can't innovate easily:
 - What is missing here exactly? ...is it skillset, capital, time, etc.?
- Access to new markets:
 - Regionally? Within Canada? Foreign?
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C. Role of Government (7 minutes)

Let's now turn our attention to the role the Government of Canada could or should be playing when it comes to growing the economy and supporting small and medium sized businesses like yours. (Let's try to stay focused on the role of the Federal government and not the roles the provincial or municipal governments play.)

- From a business/industry perspective, what are the most important issues at this time in need of government attention?
 - **MODERATOR TO ALWAYS BRING THE DISCUSSION BACK TO "YOUR BUSINESS":**
So what impact would this have on your company? What difference would this make for your company?
- What should the guiding principle be for the GC when it comes to helping small and medium sized businesses like yours?

- What is the federal government **doing right** these days to support small and medium sized businesses like yours?
 - Have you heard of any upcoming measures, programs or initiatives that could be beneficial to small and medium sized businesses like yours?
 - Which ones? How did you hear about that?
- And what is the government **doing wrong**?

D. Budget and Initiatives to Support SMEs (7 minutes)

- What have you heard regarding the federal budget that was just released?
 - Was there anything in the budget that could help you achieve your business goals?
 - Anything you don't like?
 - What are your overall impressions of the budget? Did you see your concerns addressed in this budget?
 - What is the government doing right? What is the government doing wrong?
 - Are there any initiatives that stand out for you in terms of how they could help you achieve your business goals?

INNOVATION AND SKILLS PLAN: ADDRESSING OBSTACLES AND BARRIERS TO BUSINESS GROWTH

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 - Help business expand into new markets abroad / Promote export / Develop trade
 - Reduce regulations, and,
 - Improve internal trade
- How do you feel about the GC focusing on these types of initiatives?
- **IMPROVING ACCESS TO SKILLED LABOUR:** Finally, some initiatives are designed to help businesses by **improving access to skilled labour**.
- How do you feel about the GC focusing on these types of initiatives?

SPECIFIC BUDGET MEASURES

E. Venture Capital/Access to Financing (2 minutes)

(SKIP FOR SELF-EMPLOYED GROUPS – ASK ONLY OF SMALL and MEDIUM BUSINESSES)

In terms of access to financing and capital...

- What barriers to capital do you/have you experienced lately?
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- Are you aware of government programs that provide financing? ***(DO NOT PROMPT, LISTEN FOR BDC, EDC, CANADA SMALL BUSINESS FINANCING, RDAS (ACOA, FEDDEV, FEDNOR, CANNOR, CEDQ/DEC, WD))***
- Are you aware of government accelerator or incubator financing? ***(DO NOT PROMPT, BUT RECORD GOVERNMENT DEPARTMENTS, EG. ISED, NRC, IRAP)***
 - **IF YES:** Have you considered these sources of operating capital for your business? If not, why not?
- Are you aware of Innovation Canada.ca (an application to help businesses find services and programs available to them)?
- Some budget initiatives are designed to help businesses **access financing**. One of these initiatives is **Innovative Solutions Canada** – had you heard of this initiative before today?
- How do you feel about the GC focusing on access-to-financing initiatives?

F. Intellectual Property Strategy (2 minutes – All GROUPS)

Now a few questions on intellectual property.

The proposed new National Intellectual Property Strategy aims to support the development and commercialization of intellectual property rights (IPRs), which include patents, trademarks, copyright, and industrial designs.

- At what level would you assess your awareness and understanding of IPRs? Just roughly, on a 10-pt scale where 10 means you are an expert...
- How would you describe the importance of IPRs to the success of your business?
- So how much emphasis should the GC place on increasing awareness of IPRs in the business community to ensure Canadians better take advantage of intellectual property when building their business strategies? ...are they doing enough already or is more needed?
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Have you heard of the Innovation Superclusters? Government is co-investing with industry in ambitious proposals to strengthen Canada's most promising clusters and build Superclusters at scale. Five Superclusters have been announced so far for the following industries: digital technology, the protein industries, advanced manufacturing, Artificial Intelligence-Powered Supply Chains and the Ocean industries supercluster.

- What might the Supercluster initiative mean for your business?
- Would you be interested in learning more about how your business could be engaged or become part of the supply chain supporting the Innovation Superclusters?
- Where would you turn for help to learn more about becoming part of the supply chain in your region or in another region of Canada?

H. Red Tape / Administrative Burden / Efficiency of Service (2 minutes)

- How big of a burden is dealing with the government of Canada?
 - What are the biggest administrative burdens you face? (**LISTEN FOR, BUT DO NOT READ: access to financing/capital or grants; taxes; statistical reporting; permits; regulatory compliance / regulations; applying for grants; managing IP; access to / bidding on government contracts / procurement, etc.)**)
- Do you think it is much better now, about the same, or worse compared to a few years ago? ...if better, in what ways?
- If the government offered your company an optional, central e-account that would tailor government data to your needs and allowed you to pre-populate forms based on information different departments already have, would you use it?
 - If yes, what specific administrative burden would you want it to lighten?
 - What concerns, if any, do you have about this approach?

I. Innovation Defined (4 minutes)

- What does “innovation” mean...
 - ...in your industry?
 - ...to your business?

HANDOUT #1 - Innovation Statements

J. Corporate Taxes (5 minutes)

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- **Passive investment:** This refers to situations where an incorporated business owner or professional saves money **within** the corporation. The advantage of saving in this manner is that **corporate** income tax rates are generally much lower than **personal** income tax rates.
 - Have you heard about any proposed changes to the tax rules regarding passive investment income?
 - What have you heard about the Government's reason for making changes in this area? Do you think the Government's reasons are fair?

Recently, the Government said that it heard that savings held in a business can be for **business** purposes, such as future expansion or new equipment, but also to deal with **personal** needs, such as maternity leave, sick days and retirement.

The Government proposes to make changes to the tax rules to limit the use of passive investments within a private corporation – but **also** provide greater flexibility for business owners to save for both business and personal purposes. For example, the Government will provide a passive income threshold of \$50,000 per year for go-forward investments. There will be no tax increase on investment income below this threshold. Assuming a 5-per-cent rate of return, earning \$50,000 today means you would have to have \$1 million in savings

- Have you heard about this recent adjustment to the Government's approach?
- Does it seem reasonable to you that business owners need more flexibility to save – for both business and personal reasons?
- Or do you think additional flexibility gives business owners an unfair advantage?

K. Business of the Future (3 minutes)

- When you think of things like trends in technology -- from automation to artificial intelligence – how will your business need to evolve to succeed in the economy of the future?
- What specifically do you think the Government of Canada should do to help Canadian businesses prepare for the economy of the future?

- Before today, had you heard of anything that suggests the GC is working on helping Canadian businesses fill their labour and skills gaps?
 - Are they succeeding?

L. SMES: ONE WORD TO DESCRIBE (1 minute)

[ENTREPRENEURS/ BUSINESS OWNERS ONLY]

Magazines, the media, government – they all have a host of words or labels that they like to use when they talk about individuals like you or businesses like yours. But we are interested in hearing how you would describe yourself as a business owner – what word or expression would you use to describe the category that you fall into?

What about the category your business falls into?

M. Women in Entrepreneurship (DO NOT INCLUDE IN INTERVIEWS)

N. THANK AND CLOSE (1 MIN)

In parting, is there anything that you think I should have asked but I didn't?



We will notify the team that invited you to participate in this interview that the interview has been completed and they will take care to send you the incentive we promised you as soon as possible.



Thanks again! And have a great evening!

Handout 1 – English

HANDOUT #1 – Programs and Policies Supporting Small Businesses & Entrepreneurs

The government supports a broad array of programs and policies intended to support business growth, innovation, enhance manufacturing competitiveness, and secure investment.

	Like	Dislike
Please give a thumbs up or thumbs down for each initiative identified by a letter. Then, circle what you feel the best initiative on this list is. Next, put check marks next to the ones you feel will have a positive impact on your business/industry.		
REMOVING BARRIERS TO INNOVATION AND GROWTH		
SUPPORTING SKILLS OF TOMORROW		
Programs and policies geared to provide Canadians with the tools, skills and experience they need to succeed in the workforce and helping employers access the high-skill talent they need to succeed, including:		
a) Global Skills Strategy -- Expedites processing of visas and work permits for low-risk, high-skill talent.		
b) Cancode program – Invests in the digital literacy of Canadian youth		
c) Futurpreneur – Offers financing, mentoring, and business support to young Canadians		
d) Mitacs internships Helps Canadian students prepare for the modern-day workforce and helps employers create more workplace learning opportunities for students in science, technology, engineering and business programs.		
e) National Intellectual Property Strategy – to help Canadian entrepreneurs better understand and protect their intellectual property – copyright, trademarks, patents and industrial designs. The objective of the strategy is to support the scale-up and growth of Canadian businesses and the successful commercialization of Canadian innovations.		
SUPPORTING BUSINESS GROWTH THROUGH ACCESS TO INNOVATION AND FINANCING		
f) Innovation Superclusters Initiative -- areas that contain a dense concentration of large and small companies, post-secondary schools and research institutions who work together to create new business opportunities and jobs for people in the area through innovation.		
g) Strategic Innovation Fund – Funding open to all industries to encourage R&D that will: <ol style="list-style-type: none"> 1. accelerate technology transfer and commercialization of innovative products, processes and services 2. facilitate the growth and expansion of firms in Canada 3. attract and retain large scale investments to Canada 4. advance industrial research, development and technology demonstration through collaboration between academia, non-profit organizations and the private sector 		

Please give a thumbs up or thumbs down for each initiative identified by a letter. Then, circle what you feel the best initiative on this list is. Next, put check marks next to the ones you feel will have a positive impact on your business/industry.	Like 	Dislike 
h) Innovative Solutions Canada – Supports early stage R&D and late stage prototypes for innovators who wish to scale-up and grow their business <u>by having the federal government act as a first customer.</u>		
i) Innovation Canada , a new collaborative platform that makes it easier and faster for Canada’s innovators and entrepreneurs to access government programming.		
j) Artificial Intelligence Strategy - retains and attracts top researchers and trainees studying artificial intelligence.		
k) Venture Capital Catalyst Initiative -- increases the availability of late stage venture capital in Canada.		
l) Regional Economic Growth Strategies – supporting Innovation and skills through programs including regionally tailored programs including Women in Entrepreneurship and initiatives such as the Rick Hansen Institute (to achieve breakthroughs in spinal cord injury research and care).		
m) Clean technology – financing to help Canada’s clean technology firms grow and expand		
n) Substantial investments in scientific research to set a solid foundation for Canada’s capacity to innovate.		
Programs and Polices Supporting Small Businesses and Entrepreneurs and Innovation New Programs for 2018		
SUPPORT WOMEN IN ENTREPRENEURSHIP		
o) Proposed federal and regional programs designed to support women in business and women in entrepreneurship by: <ol style="list-style-type: none"> 1. improving access to capital for women and support growth of their businesses 2. identifying opportunities related to trade for women, 3. increasing the participation rate of women entrepreneurs in the federal procurement supply chain 4. improving representation in corporate Canada 		
SUPPORTING BUSINESS AND MARKETPLACE INFRASTRUCTURE		
p) Cybersecurity: Helping business improve their security and safeguard their prosperity in a digital world.		
q) Broadband -- new technological solutions required to improve service (through the Strategic Innovation Fund) for rural Canada.		
r) Marketplace Frameworks <ol style="list-style-type: none"> 1. Protecting Canadian’s pensions and retirement security – taking a whole of government approach and consulting with pensioners, workers and companies. 2. Addressing Corporate Integrity – strengthening legislation and tools to hold corporate offenders to account 3. Modernizing Canada’s regulatory frameworks – focused on supporting innovation and business investment, making Canada’s regulatory systems more agile, transparent, and responsible 		

Handout 2 – English

Innovation is important because...	Agree	Neutral	Disagree	The best reason to invest in innovation is... (SELECT ONE)
a) ...it can lead to breakthroughs in agriculture, medicine, green technology and service delivery, improving the quality of life for all Canadians.				
b) ...the time has come to change not just what we do, but how we do it.				
c) ... by investing in skills and training, we're making sure Canadians have the tools they need to get jobs of the future, and that no one gets left behind.				
d) ...Canada needs to keep up with other nations.				
e) ...it ensures the continued prosperity of our nation.				
f) ...we need technology that works for us and not against us.				



Handout 3 – English

Concept/Idea	Tag Line Options	Call to Action
<p>A) The “EntreprenHER” Concept</p> <p>Canada’s EntreprenHER strategy</p>	<p><input type="checkbox"/> Sustaining, growing and empowering women-owned businesses.</p>	<p>#EntreprenHER</p>
<p>B) The “...By Her” Concept</p>	<p><i>Check your favourite(s) from this list:</i></p> <p><input type="checkbox"/> Envisioned by her</p> <p><input type="checkbox"/> Started by her</p> <p><input type="checkbox"/> Grown by her</p> <p><input type="checkbox"/> Built by her</p> <p><input type="checkbox"/> Powered by her</p> <p><i>We are here for her.</i></p>	<p>#EntreprenHER #InvestHER</p>
<p>C) The “(Em)PowHer” Concept</p> <p>The Canadian economy, powered by women</p>	<p><input type="checkbox"/> Passion. Potential. Power. Partnership.</p> <p><i>Empowered by women. Promoted by the Government of Canada.</i></p>	<p>#EmpowHER</p>
<p>D) The “CDN-Women-Can” Concept</p> <p>Canadian women can...</p>	<p><i>Check your favourite(s) from this list:</i></p> <p><input type="checkbox"/> Women can... build the economy</p> <p><input type="checkbox"/> Women can...create the jobs of tomorrow</p> <p><input type="checkbox"/> Women can... bring ideas to market</p>	<p>#cdnwomencan</p>

Now choose your preferred concept overall (circle): **A** **B** **C** **D**