

# PLACE-BASED POLICY OPTIONS FOR ENTREPRENEURSHIP IN A POST-COVID CANADA

Action Canada Fellowship 2020-2021  
Task Force #1

TATHEER ALI, DOUGLAS W. JUDSON,  
JOHN MANSELL KIMMEL, KHAROLL-ANN SOUFFRANT

**ACTION  CANADA**  
BUILDING LEADERSHIP FOR CANADA'S FUTURE





# THE FELLOWS OF TASK FORCE #1



**TATHEER ALI**

FEDERAL PUBLIC SERVICE  
OTTAWA, ON



**DOUGLAS W. JUDSON**

LAWYER & MUNICIPAL COUNCILLOR  
FORT FRANCES, ON



**JOHN MANSELL KIMMEL**

SERIAL TECH ENTREPRENEUR  
CHARLOTTETOWN, PE



**KHAROLL-ANN SOUFFRANT**

SOCIAL WORKER & PHD CANDIDATE  
MONTREAL, QC

## **OUR FOCUS:**

**“How can governments support Canada’s small businesses and foster entrepreneurship as Canada moves into a period of recovery?”**

**“Small businesses are the  
backbone of our economy”**

- EVERY POLITICIAN RUNNING FOR OFFICE, EVER

**UP TO 200,000  
SMEs SHUTTERED  
DUE TO COVID-19**

- CANADIAN FEDERATION OF INDEPENDENT BUSINESS, 21-01-2021



# 6 RECOMMENDATIONS:



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**1.** Developing refocused and locally-determined RDA's from the bottom-up for home-grown scalability



**2.** Incorporating micro-credentialing and continuous learning goals into government-tied funding



**3.** Creating a new immigration stream focused on business succession



**4.** Enabling marginalized youth to engage in entrepreneurship by deferring repayments and pausing interest on student loans



**5.** Creating a new placement stream for YESs to connect youth with ex-urban SMEs, facilitating reverse mentorship & skills development



**6.** Creating local social procurement goals within all levels of government

# 3 KEY RECOMMENDATIONS TODAY:



**3.** Creating a new immigration stream focused on **business succession**



**4.** Enabling marginalized youth to engage in entrepreneurship by **deferring repayments and pausing interest** on student loans



**6.** Creating local **social procurement goals** within **all levels of government**

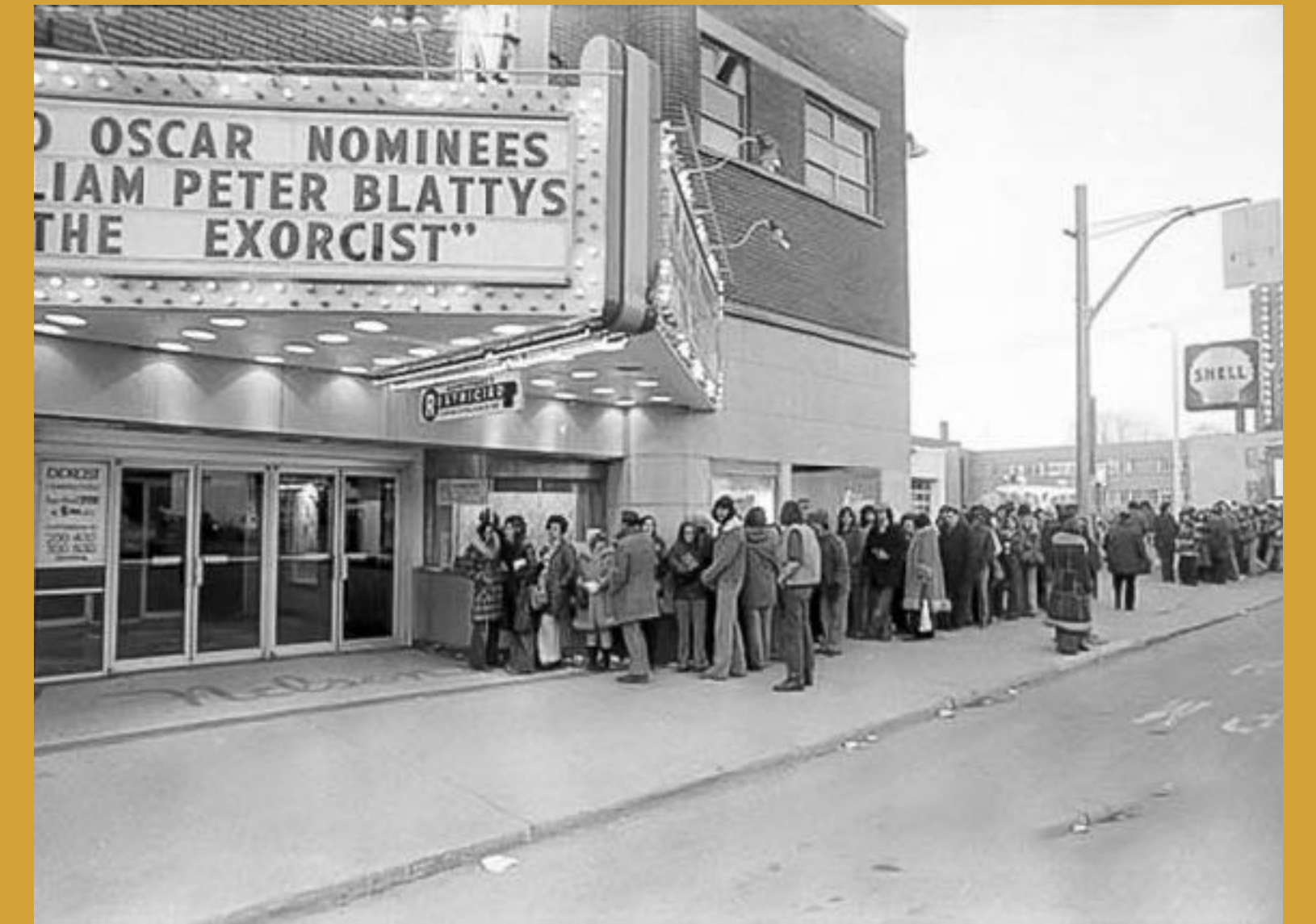
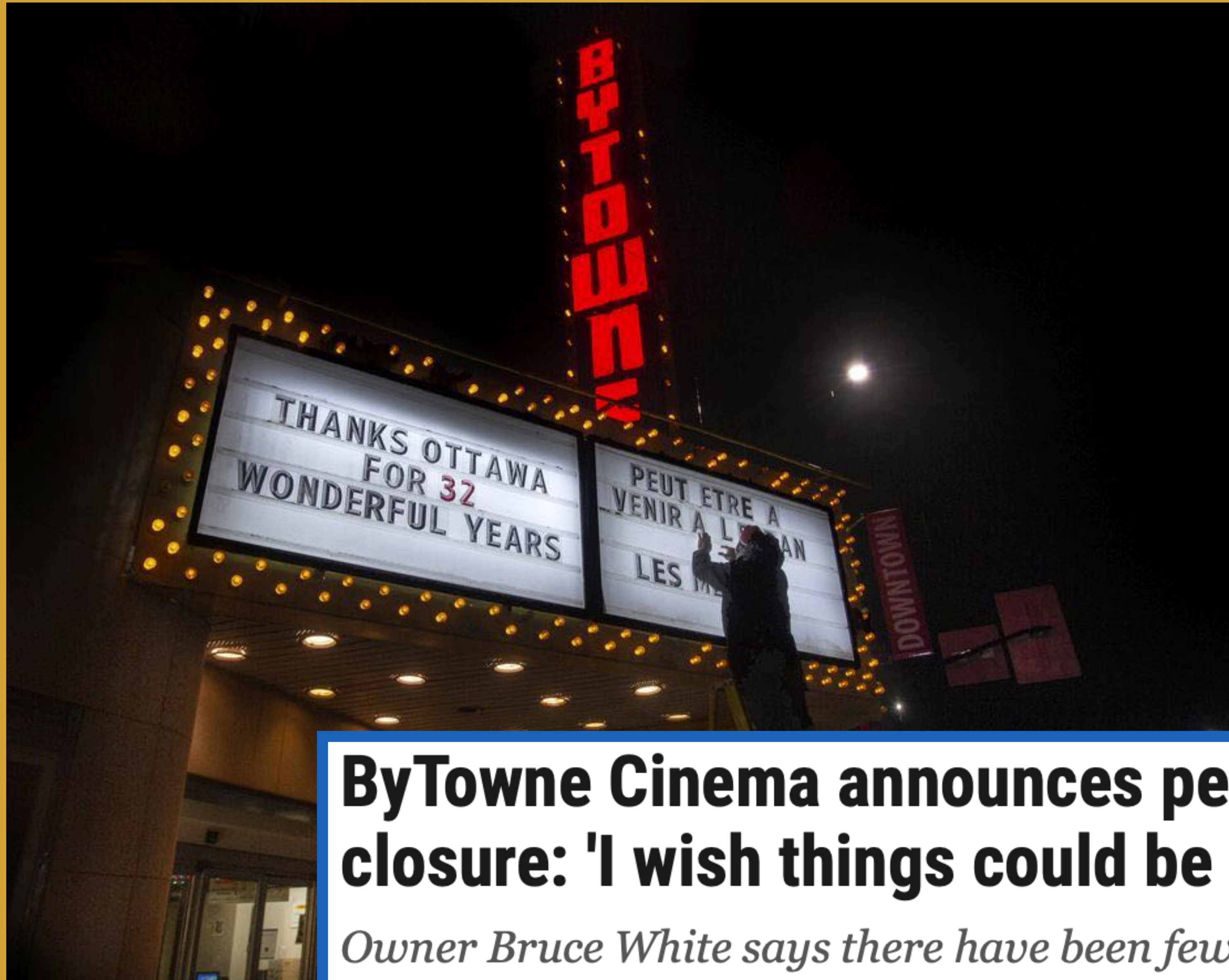


# RECOMMENDATION 3:

**A NEW IMMIGRATION STREAM  
DEDICATED TO BUSINESS SUCCESSION  
IN RURAL AND REMOTE AREAS**







**ByTowne Cinema announces permanent closure: 'I wish things could be different'**  
*Owner Bruce White says there have been fewer customers and also fewer films to screen because of the COVID-19 pandemic.*



**[Owner Bruce White] revealed one other reason for the closure, saying he started considering a 'succession plan' more than a year ago to sell the business to someone willing to 'carry on the tradition.' "If there's eventual interest from someone, you may see ByTowne 2.0 someday. No one will be more delighted than me, and I'll be there as one of you, a happy spectator of amazing movies."**

- AEDAN HELMER, OTTAWA CITIZEN - 04-12-2020



**HALF OF ONTARIO'S RURAL  
BUSINESSES DON'T HAVE A  
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HOWEVER...

**NEARLY 4 IN 10 OWNERS INTEND  
TO LEAVE THEIR BUSINESS IN THE  
NEXT 5 YEARS**



## RECOMMENDATION 3:

CREATE A NEW STREAM UNDER **RNIP** THAT IS DEDICATED TO ATTRACTING NEWCOMERS AND FOCUSED ON MATCHING SKILLS AND EXPERIENCE FOR BUSINESS SUCCESSION



**CANADIAN IMMIGRANTS HAVE  
TWICE THE ENTREPRENEURIAL  
RATE OF NATIVE-BORN  
CANADIANS**

- BUSINESS DEVELOPMENT BANK OF CANADA

# RECOMMENDATION 4:

**STUDENT LOAN REPAYMENT RELIEF  
FOR MARGINALIZED STUDENTS  
ENGAGING IN ENTREPRENEURSHIP**



AVERAGE UNDERGRAD  
DEBT AT GRADUATION:  
\$28,000 IN 2015



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GRADUATION: \$28,000 IN 2015

**AVERAGE TUITION COSTS  
CONTINUE TO SOAR:  
6.5% INCREASE 2015>2020**

# HIGHEST STUDENT DEBT LOADS COME FROM STUDENT IN MARGINALIZED GROUPS

- **NEWCOMERS**
- **FIRST GENERATION STUDENTS**
- **RACIALIZED STUDENTS**
- **INDIGENOUS STUDENTS**
- **POOREST POSTAL CODES IN CANADA**



## **RECOMMENDATION 4:**

**SUSPEND STUDENT LOAN REPAYMENTS AND  
FREEZE INTEREST FOR MARGINALIZED STUDENTS  
PARTICIPATING IN ENTREPRENEURIAL  
ACTIVITIES AND BUSINESS CREATION**



# RECOMMENDATION 6:

**DESIGN PROCUREMENT PROGRAMS  
THAT INCENTIVIZE LOCAL  
GOVERNMENTS TO SUPPORT LOCAL  
ENTREPRENEURS AND SMALL BUSINESS**



**SOCIAL PROCUREMENT VIEWS PUBLIC  
PURCHASING AS A POLICY TOOL TO  
GENERATE COMMUNITY CAPITAL AND  
INTENTIONAL ECONOMIC BENEFIT**

SOCIAL PROCUREMENT  
SUCCESS STORIES:

**FROM TORONTO, ON  
TO  
VILLAGE OF CUMBERLAND, BC**



**SOCIAL PROCUREMENT USES  
PUBLIC SPENDING TO ADDRESS  
LOCAL ECONOMIC GOALS**



## RECOMMENDATION 6:

PILOT A LOCALLY-FOCUSED PROGRAM TO INCENTIVIZE COMMUNITIES TO **ADOPT SOCIAL PROCUREMENT POLICIES SUPPORTING THEIR OWN BUSINESSES AND GROWTH GOALS BY LINKING IT TO GAS TAX FUNDS**

# 3 KEY RECOMMENDATIONS MADE TODAY:



**3.** Creating a new immigration stream focused on **business succession**



**4.** Enabling marginalized youth to engage in entrepreneurship by **deferring repayments and pausing interest** on student loans



**6.** Creating local **social procurement goals** within **all levels of government**



# 3 MORE RECOMMENDATIONS IN OUR REPORT:



1.

Developing **refocused and locally-determined RDA's** from the **bottom-up** for home-grown scalability



2.

Incorporating **micro-credentialing and continuous learning goals** into government-tied funding



5.

Creating a **new placement stream for YESS** to connect youth with ex-urban SMEs, facilitating **reverse mentorship & skills development**

**Continue today's conversation about  
Place-Based Policy Options for  
Entrepreneurship in a Post-COVID Canada  
in the breakout rooms!**

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# BEFORE WE FINISH:

## **We emphasize:**

- These recommendations depend on positioning entrepreneurship as a priority for **equitable recovery**
- Any policies and pilots undertaken require a foundational focus on **gender, equity, inclusion, ethno-cultural diversity**
- The **specific needs of aboriginal communities** cannot be understated in post-COVID recovery





# THANK YOU

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