

**Little Information:** The study also indicated that visible minority business people were not familiar with the use of government programs and services for small and medium size businesses. The majority of respondents in the survey had not used government assistance, and there is some suggestion that information is not reaching certain visible minority business sectors.

**Specific Focus:** The Committee urges the Federal Business Development Bank to assist visible minority businesses. FBDB, a Crown corporation, provides financial and management services in particular to small firms, but does not have any policies directed to any specific group. The Bank will try to fill community requests when approached. The Committee exhorts the FBDB to develop an active outreach program for visible minority businesses to ensure that this particular community is served by the Bank's financial, management and counselling programs. Programs and services should be examined to ensure that they are accessible, and there should be officers trained to work with minority entrepreneurs.

**U.S. Model:** In developing its outreach program, the FBDB should look at the Office of Minority Small Business and Capital Ownership Development in the United States. While minority groups in the United States are eligible for all small business programs, additional ones are specifically targeted to increasing the number of minority small businesses and improving their chances for success. Under one section of the Small Business Act, the Small Business Administration Agency is authorized to enter into contracts with federal departments and agencies for federal goods and service purchases. The Agency is then permitted to subcontract this federal work to small firms owned by minority persons.

**Community Based:** Governments should show greater receptivity to community-based economic development initiatives. This concept focuses on community controlled profit-making businesses which use their profits to finance community social services. An umbrella group referred to as a "community development corporation" provides the organizational framework and functions as a non-profit holding company. This community concept is particularly useful for the development of disadvantaged areas by assisting in job creation and by providing social and cultural services. It has been tried with some success across the country.

**New Dawn** Enterprises in Sydney, Nova Scotia is an example of a community development corporation.

**Co-operative Action:** There is a history of co-operative action by minority groups to establish institutions within their communities for the provision of social services and economic and employment assistance.

**The Committee** wishes to emphasize that criteria for assistance to visible minority businesses should be established. Annual sales, number of employees, and the nature of the industry are factors that need to be considered when decisions are being made for assistance. It is also the case that the government and the business enterprise should agree upon a fixed term which specifies a maximum period of support.

#### **RECOMMENDATION:**

**The Federal Business Development Bank should develop an Outreach Program to ensure that visible minority businesses are served by its financial, management and counselling programs.**