Gross domestic product is a key measure of economic production that can be used to compare any two industries’ value added, i.e., the value that an industry, through its activities, adds to its inputs. The main advantage of the GDP concept is that it avoids double counting; hence, it is considered superior in gauging economic performance over, for example, revenue, business counts or even employment. Although the studies discussed below expand the scope of the definition of small business to include businesses with no paid employees, the self-employed and indeterminate businesses, there are very few studies available that measure the contribution of small businesses to GDP. Due to the different approaches to measuring GDP, estimates vary greatly.

The Government of British Columbia’s Statistical Service (BC Stats) measures the small business contribution to GDP by province using the income-based approach of the System of National Accounts. BC Stats defines small businesses as those with fewer than 50 employees, plus those operated by the self-employed with no paid employees. The summary of BC Stats findings is presented in Figure 1N, which shows small businesses’ contribution to GDP (including public and private sectors) for Canada and each province in 2014.

Based upon BC Stats data, in 2014 small businesses in British Columbia and Alberta contributed the most to GDP at 33% and 32% respectively. This is above the national average of small businesses contributing 30% to national GDP. Contributions from Saskatchewan and Quebec are equal to the national average. The lowest contributions to GDP by small businesses came from New Brunswick, and Newfoundland and Labrador (25% and 23% respectively).

**BUSINESS OWNER CHARACTERISTICS**

Figure 1P indicates that SMEs owned by females are concentrated in the service sector, most commonly in information, administration, health care and recreation; and other services (24.1% and 23.0% respectively). Construction and agriculture/primary have the lowest values for majority ownership by females (5.1% and 6.2% respectively). Agriculture/primary has the highest share of equal partnerships between male and female owners (32.6%). Wholesale trade and manufacturing have the same proportion of majority ownership by females (8.8%).