

# Starting a Business in British Columbia

A guide for newcomers to British Columbia



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### 1. The Small Business Climate in Canada

StartupBlink (<https://www.startupblink.com>), a website that provides data on the best places on the planet for starting a new business, has ranked Canada’s startup ecosystem as the 4th best in the world, after the United States, the United Kingdom, and Israel. Five Canadian cities made it into the top 100, with Toronto ranking 23rd, Vancouver 41st, Montreal 44th, Ottawa 68th, and Kitchener 76th.

The Canadian federal government invests heavily in the economic growth of the country by supporting Canadian businesses through a variety of funding streams. Over the course of 10 years, nearly 2 billion dollars is being allocated to five *Global Innovation Clusters*, with the aim of helping local entrepreneurs, academics, and not-for-profits work together to speed up growth within their respective industries. The Digital Technology Cluster (<https://www.digitalsupercluster.ca>) is even based out of British Columbia. Some of this money will be dedicated to start-up incubators and accelerators to help small and medium-sized enterprises (SMEs) scale up.

For a more in-depth examination of the current small business climate, including ongoing challenges and emerging opportunities, download Startup Canada’s annual *Canadian Entrepreneurship Census* (<https://www.startupcan.ca/2022-entrepreneur-census>).

You might also be interested in looking at the BDC *Canadian Entrepreneurs’ Investment Outlook* (<https://www.bdc.ca/en/about/analysis-research/investment-intentions-canadian-entrepreneurs-outlook>).

Sources:

- <https://www.canada.ca/en/services/business/grants.html>
- <https://ised-isde.canada.ca/site/global-innovation-clusters/en/about-canadas-innovation-clusters-initiative>

## 2. Special Considerations for Newcomers

You don't need to be a Canadian citizen to start a business in the province of British Columbia. You don't even need to reside in BC so long as you are able to provide a physical address for your BC business. That said, there are a few additional factors for newcomers to consider.

### ***Immigration Pathways***

If you are interested in immigrating to Canada to start a business, there are several pathways designed specifically to attract entrepreneurs, investors, and self-employed individuals.

At the federal level, there is the **Start-up Visa Program** for entrepreneurs with the potential to build innovative, globally competitive businesses that are capable of creating jobs in Canada (<https://www.canada.ca/en/immigration-refugees-citizenship/services/immigrate-canada/start-visa.html>).

There is also the **Self-employed Persons Program** for those with relevant experience in cultural activities or athletics (<https://www.canada.ca/en/immigration-refugees-citizenship/services/immigrate-canada/self-employed.html>).

If you want to start your business in the province British Columbia, another good option is the BC Provincial Nominee Program's **Entrepreneur Immigration** stream (<https://www.welcomebc.ca/Immigrate-to-B-C/Entrepreneur-Immigration>).

### ***Legal Requirements***

In addition to all the legal requirements that apply equally to everyone, non-citizens living in BC should consider the following:

1. You must be legally entitled to work as a self-employed person in Canada. Check with **Immigration, Refugees and Citizenship Canada** to ensure that you have the correct working status to work on your business in Canada. <https://www.canada.ca/en/immigration-refugees-citizenship/services/work-canada.html>
2. You will be subject to the **Investment Canada Act** and must submit a Notification or Application for Review. <https://ised-isde.canada.ca/site/investment-canada-act/en>

3. Should you structure your business as a **Federal Corporation**, residency requirements will apply. <https://ised-isde.canada.ca/site/corporations-canada/en>

More Information:

- **Small Business BC** | Do I have to be a Canadian to Start a Business?  
<https://smallbusinessbc.ca/article/do-i-have-be-canadian-start-a-business-bc>
- **Government of BC** | Doing Business in BC Guide  
<https://www.britishcolumbia.ca/wp-content/uploads/2023-Doing-Business-in-BC-Guide.pdf>  
*Note:* this guide is aimed at non-Canadians looking for general information about laws, regulations and taxes that apply to starting and operating a business in BC.

### 3. Getting Started

#### *Is Entrepreneurship for You?*

Before launching into the business planning process, consider whether or not entrepreneurship is the right path for you. If you aren't sure, here are some online questionnaires to help you answer this question:

- **BDC** | Entrepreneurial Potential Self-assessment  
<https://www.bdc.ca/en/articles-tools/entrepreneur-toolkit/business-assessments/self-assessment-test-your-entrepreneurial-potential>
- **WeBC** | Entrepreneurial Self-Assessment  
[https://we-bc.ca/online\\_resources/personal-characteristics-assessment](https://we-bc.ca/online_resources/personal-characteristics-assessment)

#### *Coming up with an Idea*

It's always a good idea to do a bit of preliminary research during the idea generation (i.e., ideation) phase to come up with a list of business options that actually stand a good chance of being successful in BC.

Here are some suggested magazines (available online as well as in print at VPL) that you can read to stay on top the local business scene and find out which industries are currently booming, which are going bust, and also identify potential market gaps that you might be able to fill.

- **Business in Vancouver**  
<https://biv.com> (go to "Lists" for a listing of the top companies in Vancouver); note that the full content is not online, but print reference copies are available at VPL)
- **BC Business**  
<https://www.bcbusiness.ca> (go to "The Lists" for a listing of the most successful entrepreneurs and companies in BC)
- **Entrepreneur | Business Ideas**  
<https://www.entrepreneur.com/topic/business-ideas>

More Information:

- **Skilled Immigrant InfoCentre | Industry Profiles**  
<https://www.vpl.ca/siic/guides/industry-profiles>
- **UBC Small Business Accelerator | Industry Guides**  
<https://sba.ubc.ca/industry-guides>

### ***Evaluating Your Idea***

Consider whether your business idea is truly viable by assessing it critically. You can use the tools below to help decide if your idea is worth pursuing or not. This can also help you later on during the market research phase.

- **Canadian Innovation Centre | Critical Factors Assessment Snapshot**  
<https://innovationcentre.ca/product-details/cfa-snapshot>
- **Small Business BC | Evaluate Your Business Idea**  
<https://smallbusinessbc.ca/resource/howtos-checklists/evaluate-your-business-idea>

### ***Preparing for the Journey Ahead***

Even with an entrepreneurial spirit and great business idea, building a successful business is a lot of hard work. Make sure you know what you're getting into by examining resources that outline the entire process from start to finish before diving into the specifics. The following resources are great to review right at the beginning of your journey, as well as to refer back to for more information as your business idea starts turning into a reality.

- **BC Government** | Starting a Small Business Guide  
[https://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/small-business/starting\\_a\\_small\\_business\\_guide.pdf](https://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/small-business/starting_a_small_business_guide.pdf)
- **Small Business BC** | Starting Your Business Checklist  
<https://smallbusinessbc.ca/resource/howtos-checklists/starting-your-business-checklist>

## 4. Creating a Plan

### ***Choosing a Business Structure***

If you've gotten this far and still want to continue, your first step will be to determine what type of business structure you want to go with: 1) *Sole Proprietorship*, 2) *General Partnership*, or 3) *Corporation* (either provincial or federal). The resources below will help you learn the relevant distinctions between these legal frameworks so you can pick the right one for your business.

- **Government of BC** | Business Structures Wizard  
<https://entity-selection-prod.apps.silver.devops.gov.bc.ca>
- **Small Business BC** | How to Choose the Right Business Structure  
<https://smallbusinessbc.ca/resource/howtos-checklists/business-structures-information-sheet>
- **Corporations Canada** | Benefits of Incorporating  
<https://ised-isde.canada.ca/site/corporations-canada/en/benefits-incorporating>  
*Note:* as mentioned earlier, federal incorporation entails certain requirements with respect to citizenship so pay attention to whether this option is available to you.

Although the three business structures outlined above are the most common in BC, franchises and not-for-profits are also potential frameworks to consider.

- **Government of BC** | Start a Franchise  
<https://www2.gov.bc.ca/gov/content/employment-business/business/small-business/resources/starting-a-franchise-in-bc>
- **Government of BC** | Not-for-Profit Organizations  
<https://www2.gov.bc.ca/gov/content/employment-business/business/not-for-profit-organizations>

## **Conducting Market Research**

Continue to explore the viability of your business idea by researching industry trends, identifying local competitors, and figuring out who your customers will be.

- **Government of Canada** | Conducting Market Research  
<https://www.canada.ca/en/services/business/research/conductingmarketresearch>
- **Skilled Immigrant InfoCentre** | Market Research Resources  
<https://www.vpl.ca/siic/guide/small-business/market-research-business-plan-resources-your-small-business>

## **Securing Financing**

How much money will you need upfront to launch your business? What about ongoing expenses? How much of a contingency fund should you set aside in case of unexpected emergency? You can use the tool below to start estimating the costs associated with your business venture.

- **Government of Canada** | Financial Performance Data  
<https://ised-isde.canada.ca/site/financial-performance-data/en>

Once you have a better idea of how much money you'll require, where is it going to come from? There are many different financing options to choose from including government grants and small business bank loans. You don't need to have all your funds in place right away, but you should at least have an idea of what financing options are available to you.

- **Innovation Canada** | Business Benefits Finder  
[https://innovation.ised-isde.canada.ca/innovation/s/?language=en\\_CA](https://innovation.ised-isde.canada.ca/innovation/s/?language=en_CA)
- **Government of Canada** | Canada Small Business Financing Program  
<https://ised-isde.canada.ca/site/canada-small-business-financing-program/en>

More Information:

- **Skilled Immigrant InfoCentre** | Financing Your Small Business  
<https://www.vpl.ca/siic/guide/small-business/financing-your-small-business>
- **Small Business BC** | Funding for Small Business  
<https://smallbusinessbc.ca/business-topic/funding/>

## **Writing the Business Plan**

Now it's time to compile all the work you've done so far by filling out your business plan. This document will not only guide your process and keep you focused, but can be indispensable when it comes to obtaining grants and loans or attracting investors.

Best Practices:

- **BDC** | How to Write a Business Plan  
<https://www.bdc.ca/en/articles-tools/start-buy-business/start-business/how-write-business-plan>
- **Small Business BC** | How to Write a Business Plan  
<https://smallbusinessbc.ca/article/how-write-a-business-plan>

Sample Plans:

- **UBC Small Business Accelerator** | Industry Guides  
<https://sba.ubc.ca/industry-guides>
- **Bplans** | 550+ Business Plan Examples to Launch Your Business  
<https://www.bplans.com/sample-business-plans>

Tools and Templates:

- **Futurpreneur** | Business Plan Writer  
<https://www.futurpreneur.ca/en/resources/start-up-business-planning/tips-tools/business-plan-writer>
- **BDC** | Business Plan Template  
<https://www.bdc.ca/en/articles-tools/entrepreneur-toolkit/templates-business-guides/business-plan-template>
- **Small Business BC** | Business Plan Template & Cash Flow Forecasting Tool  
<https://smallbusinessbc.ca/article/how-write-a-business-plan>

## **5. Fulfilling Legal Obligations**

Once you've got a solid plan in place and you're committed to launching your business, it's time to make it official by going through all the steps needed to register or incorporate your business, apply for the necessary licences and permits, and comply with other regulations as required.



### ***Naming Your Business***

Before you can register a business in BC, you generally need to get approval from the government to operate under the name of your choosing. You can do this online through the **BC Business Registry** (<https://www.names.bcregistry.gov.bc.ca>).

If you've decided to incorporate in BC but don't want to name your company, you can opt to skip this step and operate under an assigned incorporation number (random number followed by *B.C. Ltd.*). This type of company is known as a "Benefit Company." You can also skip this step if you will be operating a sole proprietorship or general partnership under your own legal name.

If you've decided to incorporate at the federal level, you will instead follow the naming directives provided by **Corporations Canada** (<https://ised-isde.canada.ca/site/corporations-canada/en/naming-corporation>).

More Information:

- **Government of BC** | Request Approval for a Business Name  
<https://www2.gov.bc.ca/gov/content/employment-business/business/managing-a-business/permits-licences/businesses-incorporated-companies/approval-business-name>

### ***Registering Your Business***

The process for registering your business depends on which legal structure you've decided to employ.

For sole proprietorships and general partnerships, as well as for BC benefit (i.e., numbered) companies, you will first need to create a *BC Registries Account* (<https://www.account.bcregistry.gov.bc.ca/choose-authentication-method>). You can then log in to **BC Registries** (<https://www.bcregistry.gov.bc.ca/login>) and navigate to the *My Business Registry* page to complete the registration process online.

For named BC corporations, you will first need to create a *BC OnLine Account* (<https://www.bconline.gov.bc.ca>). You can then access **Corporate Online** (<https://www.corporateonline.gov.bc.ca>) and navigate to the *File an Incorporation Application* page to complete the provincial incorporation process online.

To incorporate federally, follow the instructions provided by **Corporations Canada** (<https://ised-isde.canada.ca/site/corporations-canada/en/business-corporations/how-incorporate-business>).

### **Obtaining Licences & Permits**

Depending on where in BC you plan to operate your business, different regulations will apply. At the very least, you will likely need to obtain a business license from your municipality. Launch **BizPal** (<https://bizpal.ca>) to quickly and easily find out which licences and permits might be relevant to your business.

Depending on the type of business you plan to operate, there may also be industry-specific or even occupation-specific regulations that you'll need to pay attention to.

More Information:

- **Small Business BC | Industry Regulations**  
<https://smallbusinessbc.ca/article/industry-regulations-for-small-business>
- **Government of BC | Professional Regulatory Authorities**  
<https://www2.gov.bc.ca/gov/content/governments/organizational-structure/ministries-organizations/regulatory-authorities>  
*Note:* if your business involves a regulated profession in BC (e.g., accounting firm, architectural consultant), specific certification and licencing requirements may apply.

### **Paying Taxes**

Depending on the product/service your business will be providing and your overall taxable revenue, you may have to register to collect provincial (PST) and/or federal (GST/HST) sales tax. Find out if these obligations apply to your business, and if so, how you can register and start collecting sales tax.

- **BC Ministry of Finance | Provincial Sales Tax (PST)**  
<https://www2.gov.bc.ca/gov/content/taxes/sales-taxes/pst>
- **Canada Revenue Agency | GST/HST for Businesses**  
<https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses.html>

More Information:

- **BDC | Does My Business Have to Collect Sales Taxes?**  
<https://www.bdc.ca/en/articles-tools/money-finance/manage-finances/small-business-taxable-revenues>

There are a number of additional fiscal obligations and implications for small business owners in Canada. These will differ depending on your business structure as well as other factors such as whether you have employees and whether you are importing or exporting goods. At minimum, be prepared to start declaring your business revenue and expenses. Examine the checklist below to find out which obligations will apply to you.

- **Canada Revenue Agency | Checklist for Small Businesses**  
<https://www.canada.ca/en/revenue-agency/services/tax/businesses/small-businesses-self-employed-income/checklist-small-businesses.html>

### ***Insuring Your Business***

Protect your business by making sure that you have appropriate liability and property insurance coverage. Learn more about the types of business insurance that are available and which ones you should consider purchasing.

- **Insurance Bureau of Canada | How Business Insurance Works**  
<https://www.ibc.ca/insurance-basics/business>
- **Small Business BC | How to Identify the Correct Small Business Insurance**  
<https://smallbusinessbc.ca/article/how-to-identify-the-correct-small-business-insurance>

### ***Hiring Employees***

If you will need employees in order to effectively operate your business, ensure you are in compliance with the relevant employment, workplace, and occupational health and safety regulations in BC.

- **Government of BC | Employment Standards**  
<https://www2.gov.bc.ca/gov/content/employment-business/employment-standards-advice/employment-standards>
- **WorkSafeBC | For Employers**  
<https://www.worksafebc.com/en/for-employers>  
Note: unless except, all BC employers must register for workers compensation coverage through WorkSafeBC.

## 6. Additional Resources

- **Government of BC | Resources for Small Businesses and Entrepreneurs**  
<https://www2.gov.bc.ca/gov/content/employment-business/business/small-business/resources>
- **BDC | Articles and Tools**  
<https://www.bdc.ca/en/articles-tools>
- **Small Business BC | Business Resources**  
<https://smallbusinessbc.ca/our-resources>
- **Government of Canada | Business and Industry**  
<https://www.canada.ca/en/services/business.html>
- **Skilled Immigrant InfoCentre | Small Business**  
<https://www.vpl.ca/siic/guides/small-business>
- **UBC Small Business Accelerator | Need Small Business Support in BC?**  
<https://sba.ubc.ca/bc-business-support-directory>

**Questions? Please ask the Information Staff in the Central Branch, Vancouver Public Library or telephone 604-331-3603.**

Please note that the information in this guide is also available online through the Skilled Immigrant InfoCentre website at <https://www.vpl.ca/siic/>