

The value and role of small enterprises in the Northern regions' transition the innovative way of development

Importance and role of small enterprises during the transition of northern regions to innovation development are determined. Condition, problems and development prospects of small innovation entrepreneurship are considered. Proposals on improvement of the system of governmental support and conditions, influencing survival and development of small enterprises are worked out.

Diversification, small business, organizational and economic mechanisms.



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Small-scale business is an important element of the economy of any state with the market policies and it determines the volume, the quality and the structure of the national product. Small-scale enterprises, providing economy's development, form the necessary market competitive activity and serve as the basis for the average class formation.

The accelerated monopolization of the Western economy for the recent 40 years has resulted in the falling rates of the economic growth. The Eastern countries with the rapid growth of economy occupied the first place on the rates of the economic development due to the equation among the large-scale business and the small-scale one.

Russia has the similar opportunities for the economy's revival, but on the level of the small-scale business development it considerably concedes to other states.

According to the federal legislation the small-scale business subjects include consumer cooperative societies and commercial organizations (except for state and municipal unitary

enterprises), natural persons who are carrying out enterprise activity without the formation of the legal entity, farming facilities corresponding to certain conditions [1, 2].

The key condition of the socio-economic development of the Northern regions for the transition to the innovational way of development is the state support of the small-scale business.

The Northern territories of the Russian Federation traditionally play a key role in the development of the native economy. It is caused by the significant concentration of the natural raw potential of the country in this extensive region which makes about one third of the non-polluted territory of the Earth.

According to the experts, the Northern territories contain about 80% resources of all minerals of Russia. In the Far North regions the basic resources of hydro carbonic and aluminum raw materials, of precious stones, of color and precious metals are concentrated. For example, in the Arctic zone of Russia the resources of hydro carbonic and mineral raw

material of the world value are located; according to the experts, about 90% of all Russia's shelf area are perspective in oil-gas extraction. In the Western Arctic regions the potential resources of hydro carbonic raw materials are estimated at the level of approximately 50 or 60 billion tons [3].

According to the statistical data, recently in the Russian northern territories the most part of the country's strategic export resources has been produced. 93% of the all-Russian volumes of gas, 72% of oil and gas condensate, 43% of coal are extracted, and 45% of the export wood and 33% of carving-wood are processed here; the fish-catch makes approximately 6% of all-Russian fish-taking. The role of the Northern regions of Russia is also great in manufacturing of many kinds of non-ferrous metallurgy production: 100% of all Russian diamonds and platinoids; 90% of nickel and copper; 83% of silver and about 63% of gold are extracted here [4].

It is also difficult to overestimate the role of the North as the "laboratory" on the development of the political and socio-economic conditions in the sphere of the small-scale nations' preservation, their vital activity's securing and development.

In the Northern regions the small-scale business making, especially the innovational one, will demand the decision of the problems of its branch structure's rationalization, on the development disproportions' equalization in the regions, on economic efficiency's increasing in this sector of economy.

A serious problem in the development disproportions' equalization in the Northern territories is their high socio-economic differentiation. It is caused by the impartial factors, including natural and climatic conditions, presence and distribution of resources, culture and history.

The small-scale enterprises' distribution in the northern regions of Russia is characterized by inequality (*tabl. 1*).

The most part of all small-scale enterprises operates in Komi Republic; they make 24% of small-scale enterprises in the Northern

territories. Small-scale enterprises are prevalent in Arkhangelsk region (18.2%) and in Hanty-Mansijsky Autonomous County (21.5%). About one third of small-scale enterprises are concentrated in the other six regions of the North.

In the Northern territories 5 small-scale enterprises accounts for 1000 inhabitants (*tabl. 2*); whereas in the USA the number of small-scale enterprises 13 times exceeds this ratio [6].

In the Northern territories the number of small-scale enterprises in the total amount of enterprises and organizations is 1.4 times less in comparison with the similar parameter in Russia in general (*fig. 1*).

⇒ We can also mark the noticeable lag (1.6 – 1.7 times less) from the average Russian showings according such parameters as the number of the workers employed at the small-scale enterprises for the general number of workers employed in the economy (*fig. 2*);

Table 1. The number of small-scale enterprises, one thousand units [5]

Region	2005	2006	2007
Komi Republic	4.5	6.4	8.7
Arkhangelsk region	4.8	5.3	6.6
Murmansk region	3.0	3.1	3.2
Hanty-Mansijsky AC	5.7	7.5	7.8
Yamal-Nenets AC	1.8	1.8	2.0
Saha Republic (Yakutia)	2.6	2.9	3.3
Kamchatka territory	2.0	2.4	2.9
Magadan region	1.6	1.4	1.5
Chuckchee AC	0.3	0.3	0.3

Table 2. The quantity of small-scale enterprises for 1000 people, units [5]

Region	2005	2006	2007
Komi Republic	5	6	9
Arkhangelsk region	4	4	5
Murmansk region	3	4	4
Hanty-Mansijsky AC	4	5	5
Yamal-Nenets AC	3	3	4
Saha Republic (Yakutia)	3	3	3
Kamchatka territory	6	7	8
Magadan region	9	8	9
Chuckchee AC	6	6	6
The Northern regions	4	5	5
The Russian Federation	7	7	8

Figure 1. The share of small-scale enterprises in the total amount of enterprises and organizations, % [5]

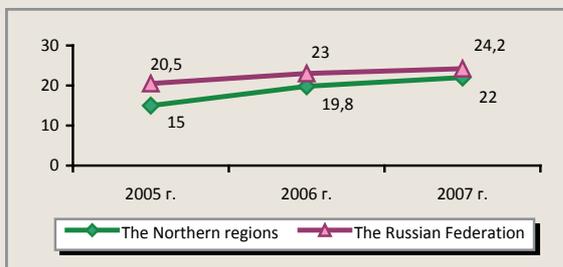


Figure 2. The share of workers employed at the small-scale enterprises for the general number of workers employed in the economy, % [5]

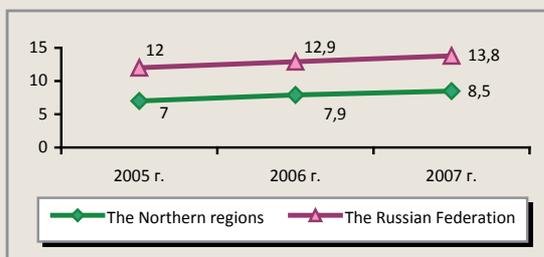
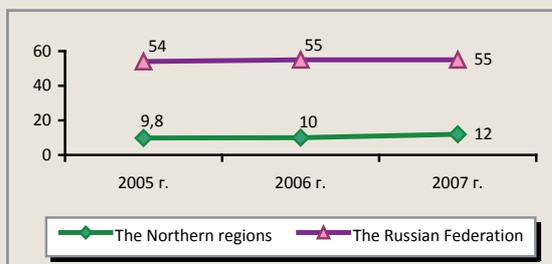


Figure 3. The turnover of small-scale enterprises, % [5]



⇒ The turnover of small-scale enterprises is 5 times less (*fig. 3*).

The branch structure of the small-scale enterprises being developed during their formation at the beginning of 1990s has not practically changed. Trading and catering enterprises make about 40% of the total number of the small-scale enterprises in the Northern regions (*tabl. 3*). The appeal of the mentioned sphere first of all can be explained by relatively fast paybacks of the invested means and by a stable customer demand.

The share of the workers employed at the small-scale enterprises to the number of all employed workers in 2007 in the economy of the Northern regions varies from 5% in the Chuckchee Autonomous County to 14.3% in Magadan region; in general in Russia this parameter makes 13,6% (*tabl. 4*). It is necessary to note, that this parameter in the countries of the European community makes 75%, in Japan in makes 80% [7].

The small-scale enterprises contribute an insignificant share of investments into the fixed capital (*tabl. 5*).

On the whole it is possible to note, that nowadays the small-scale business brings the insufficient contribution to the economy of the Northern regions.

The analysis of the North economy's functioning is evidence of the inevitability of its transition to the development on the basis of innovations' and new technologies' use. The potential of the non-innovational development can lead to the inevitable reduction of the resources' export; to the gross national product's reduction, to the population incomes' decrease; to the growth of poverty and to the other negative consequences [8].

The economy of the North of Russia prevented from the opportunities of the innovational technologies' realization, can only carry out the function of the raw appendage of the country. The unique potential of the North should not be lost. The social and industrial infrastructure of the North has already been created; all that is necessary is its preserving, using, renovation and expansion.

One of the significant reasons of the state role's increase in the conditions of the transition to a new paradigm of the economic development of the Northern territories is, that the market directs privately owned companies to the receiving of the predicted commercial results and high incomes in the short-term prospect, tendency to the leadership retainer in the market both due to the monopoly on the

Table 3. Distribution of the small-scale enterprises according to the types of economic activity in 2007, % [5]

Region	Processing production	Construction	Wholesale and retail trade; repair of vehicles, motorcycles, household products and subjects of personal using	Other branches
Komi Republic	6.90	14.94	36.78	41.38
Arkhangelsk region	12.12	10.61	39.39	37.88
Murmansk region	12.50	9.38	43.75	34.38
Hanty-Mansijsky AC	7.69	21.79	37.18	33.33
Yamal-Nenets AC	5.00	25.00	35.00	35.00
Saha Republic (Yakutia)	9.09	21.21	30.30	39.39
Kamchatka territory	13.79	10.34	34.48	41.38
Magadan region	6.67	6.67	33.33	53.33
Chuckchee AC	0.00	33.33	33.33	33.33
The Northern regions	9.09	15.70	36.91	38.29
The Russian Federation	11.31	11.49	44.89	32.31

Table 4. The share of the workers employed at the small-scale enterprises to the number of all employed workers in the economy of the Northern regions, % [5]

Region	2005	2006	2007
Komi Republic	10.5	12.2	13.0
Arkhangelsk region	5.2	8.9	10.5
Murmansk region	6.9	6.5	6.7
Hanty-Mansijsky AC	6.2	6.3	7.3
Yamal-Nenets AC	5.7	6.0	6.5
Saha Republic (Yakutia)	4.8	5.0	5.9
Kamchatka territory	8.7	8.9	10.2
Magadan region	17.8	14.6	14.3
Chuckchee AC	6.5	5.1	5.0
The Northern region	6.9	7.7	8.6
The Russian Federation	12.0	12.8	13.6

Table 5. The share of the small-scale enterprises' investments into the fixed capital in the total amount of investments, %

Region	2005	2006	2007
Komi Republic	3.93	4.34	9.75
Arkhangelsk region	0.46	0.64	1.05
Murmansk region	1.34	2.87	1.07
Hanty-Mansijsky AC	0.38	0.10	0.11
Yamal-Nenets AC	0.42	0.24	0.87
Saha Republic (Yakutia)	0.29	0.40	0.41
Kamchatka territory	7.85	9.30	16.45
Magadan region	2.22	3.12	2.44
Chuckchee AC	0.00	0.15	0.01
The Northern region	0.87	0.86	1.24
The Russian Federation	3.41	3.74	3.91

separate production factors' possession (raw materials, technologies and so forth), and due to the artificial obstacles' formation for other innovational companies [9].

The further development of the small-scale business should serve for solving a number of socio-economic problems, including providing for the conditions of the political stability, the formation of the efficient economic structure, the reduction of unemployment, especially during the crisis, the growth of the budget profitable part. The small-scale innovational enterprises are important for the regions' transition to the innovational way of development.

The main purposes of the state policy in the sphere of the small-scale business' development in the Northern regions are as follows:

- the small-scale business subjects' development with a view of the economic competitive sphere's formation;
- providing with favorable conditions for the small-scale business subjects' development;
- providing for competitiveness of the small-scale business' subjects;
- assistance to the small-scale business' subjects in distribution of the goods produced by them (works, services) and of the intellectual activity's results at the Russian market and the foreign one;

- the increase in the small-scale business subjects' quantity;
- providing the population with the employment and the opportunities for self-employment;
- the increase in the share of the goods (works, services) made by the small-scale business' subjects in the volume of gross national product;
- the increase in the share of taxes paid by the small-scale business' subjects in the tax incomes in the Russian Federation's budget and in local budgets.

In the northern regions the following measures can be provided for the state policy's realization:

- the special tax a mode, the simplified rules of the tax account's conducting; the simplified forms of tax declarations for the small-scale enterprises under separate taxes and tax collections;
- the simplified system of the account conducting for the small-scale enterprises;
- the simplified order of drawing up the statistical reporting by the small-scale business' subjects;
- the preferential procedure of payments for the state and municipal property privatized by the small-scale business' subjects;
- the measures on providing the small-scale business' subjects with financial support;
- the measures on the development of the infrastructure supporting the small-scale business' subjects.

Nowadays during the crisis time, the major factor of the small-scale business' development and the condition of its successful functioning is easy access to the financial resources.

The basic purpose of the Northern regions' financial policy on the matter of the small-scale business' support is the elimination of the small-scale enterprises' adverse position in the market of credit and investment resources, and also financing of separate target programs and the projects providing real support to the small-scale enterprises in their development and increase of competitiveness.

As nowadays the small-scale business in the Northern regions is one of the most risky sectors of the financial investments, it's necessary to create the effective system of guarantee mechanisms. In these conditions banks and other credit establishments, having necessary financial assets, usually do not risk them to put in small-scale enterprises (especially in conditions of inflation).

The perspective way of this policy's realization includes distribution of the investment risks between the state and the private capital. For this purpose it is necessary to create the multilevel system of the guarantee mechanisms, capable to provide preferential, priority financing of enterprise projects and programs, to compensate commercial risks and possible losses of the financial assets.

Practical solving of the mentioned problem includes the creation of guarantee reserves on the basis of the Federal fund on the small-scale business' support (along with the regional network of the similar funds); for this purpose it is necessary to allocate the financial assets from the federal budget on the program of credit risks' warranting and to stimulate banks to simplify the conditions of credit granting to the small-scale enterprises and the increase of their crediting volumes.

Both budgetary and off-budget means should serve as the sources of credit guarantees' financing programs. The basic criteria of the guarantee system's efficiency are:

- creation of mutually advantageous conditions of the small-scale enterprises' access to the financial resources of the credit organizations;
- attraction of the maximum likely means of banks, enterprises and other credit and financial establishments to the small-scale enterprises' financing;
- minimization of the commercial risks;
- providing the maximum possible covering of the state investor's probable losses from non-returns with the purpose of exclusion of the financial assets' decrease in the volumes of the small-scale enterprises support.

As the advanced countries' experience in the field of the small-scale business' development and support shows, the credit risks' distribution between banks and the state is the effective mechanism of providing for businessmen' access to the credit resources.

The relations in the tax sphere are the major element of the state regulation, support and development of the small-scale business. As it was already marked above, the small-scale enterprises' activity is connected with limitation in financial and manpower resources. High tax burden can deprive the small-scale enterprises of the opportunity to effectively form turnaround means and to operate them because of tax obligations' covering that directly reflects in the financial, economic, industrial and other enterprise activity's parameters. The necessity of carrying out complex accounting compels the enterprises to involve the additional staff or to spend means for getting various sort of consulting services [10].

It is necessary to note, that in industrially advanced countries the mechanism of fringe benefits' granting is used much more widely, than in Russia (*tabl. 6*).

The interests of the Northern regions in the tax policy's field concerning the small-scale business are distributed among four basic spheres [11, 12, 13]:

1. Economic interest includes the creation of competitive, flexible, adaptive economy as the result of small-scale enterprises' development and the small-scale business' withdrawal from "the shadow economy".

2. Social interest includes the labor-market development, the workplaces number increase, the reduction of the amount of unemployed and socially unguarded by their involving into economic life.

3. Fiscal interest includes the incomes' increase to the budget due to the taxes paid by the small-scale business, and also from the natural

Table 6. Preferential taxation's conditions in different countries [10]

Type of privilege	Its actual realization	Examples of the countries
Preferential rates of taxation	Specially stipulated rates for the small-scale business Application of various profit tax rates depending on the turnover amount	Great Britain, the USA, Switzerland
Concessionary terms of tax obligations' payment and simplified reporting	Tax calculations for the small-scale enterprises are made less times a year, than for other enterprises The absence of necessity to be registered as the payer of the VAT for the enterprises with a small turnover The simplified account and declarations under taxes, preferential terms of the reporting submissions	Italy, Spain Great Britain, Sweden France, Italy, Sweden, Spain
Tax exemption	Exemption from the VAT at a small turnover	Russia, Great Britain, France
The special procedure of taxable base's payments	Tax payment by the small-scale enterprises on cash receipts, instead of on shipment, as for other companies Payment of the VAT not on the actual turnover, but by its estimation under the mutual coordination with the tax bodies The simplified principle of the added cost definition or of the taxable profit. In connection with that the small-scale enterprises conduct the simplified reporting, all the charges should not be proved documentary. Therefore they are determined in a simplified way, as the certain interest from the income The enterprises with a small turnover can reduce taxable profit on the local income tax to 50% Free minimum for which the taxable profit decreases The sanction of corporation losses' carrying to individual shareholders	Great Britain France Italy Italy Germany The USA
Privileges for the newly-created small-scale enterprises	Exemption from some taxes	Russia, France, Sweden, the USA, Switzerland

persons' incomes who have received their workplaces at the newly-created or developing small-scale enterprises.

4. Political interest involves the creation of the "average class", of the proprietors' class, which is the authority's support.

One of the major factors determining the intensity of the small-scale business' development is granting tax privileges and statistical and accounting reporting simplification for the small-scale business subjects.

As a rule, usually two types of the privileges given to the small-scale enterprises are allocated; they are tax and non-tax.

Privileges of not tax character are as follows:

- concessionary terms of crediting;
- concessionary terms of insurance;
- granting the state orders' share;
- support of the foreign trade activities of the small-scale business' subjects (by the indemnity of some part of charges on this activity's realization);
 - creation of the corresponding informational infrastructure providing the receiving of the information, necessary for the effective development;
 - provisioning industrial and technological support;
 - assistance in supplying with the modern equipment and technologies;
 - support in the field of preparation, re-training and raising the level of the small-scale business staff's skill.

The tax and the connected to them privileges for the small-scale enterprises regarding the taxation are subdivided into two groups:

- "Direct" privileges under taxes;
- "Indirect" tax privileges which directly do not mention the rate of the tax, or the order of its calculation; but its application results in the taxable base's reduction (for example, privileges on the equipment amortization).

The basic direct privileges within the general system of taxation are the following ones [10]:

- ➔ preferential rates of taxation;
- ➔ concessionary terms of payments under tax obligations;

- ➔ delays of tax payments to the budget;
- ➔ tax calculations' change;
- ➔ the simplified system of the account under taxation;
- ➔ the special procedure of the taxable base's payments on a number of taxes;
- ➔ tax payments' privileges for the newly-created small-scale enterprises.

Foreign countries' experience showed the effectiveness of the mentioned steps. Unfortunately, in Russia this practice is not used, though it is registered in the law [1].

The activity's increase of the small-scale business and its involving into the sphere of the innovational activity is an undoubtedly important practical task. First of all, it is caused by the fact that the small-scale enterprises act as the major part in the innovational system, providing the development and the realization of the researches' results received in scientific research high schools, innovational products, services, and equipment at the market.

The basic parameters of the small-scale enterprises' innovational activity concerning extractive, processing manufactures, the sphere of production and distribution of the electric power, gas and water in Russia and accordingly in the Northern regions are [14]:

- ◆ the share of the enterprises carrying out technological innovations, in the general number of the enterprises makes 1, 17%;
- ◆ the share of the innovational goods, works and services produced by the small-scale enterprises in the total amount of the loaded innovational production makes 0.30%.

The existing practice of the non-profile activity kinds' transfers by the large-scale companies gives the Northern regions great opportunities for the small-scale innovational business' development in the sphere of technological innovations' production that it is necessary to take into account while forming the control system of technological development at the local level. Within this system it is necessary to create the structure the basic functions of which will be planning and forecasting of technological development.

At this point the innovational business' activation and support in the Northern regions are necessary for the regional innovational systems' formation. The basic purpose of creation of small-scale business' incubators, scientific and technical centers is the small-scale business subjects' support. The innovational infrastructure of the small-scale innovational business' support serves as a link between the scientific and technical development and the production, manufacturing of high technology production and its sale. The purpose of the supporting infrastructure's formation is creation of the optimal conditions for the small-scale business' functioning on the basis of the complex help to the small-scale enterprises in various directions.

In the Northern regions there exists a network of the organizations promoting the innovational activity's development (tabl. 7). It is necessary to note, that the innovational infrastructure's objects can solve only a part of problems and the innovational activity cannot depend on the presence or the quantity of the corresponding objects of the infrastructure. So as to function successfully, the innova-

tional system should also have the appropriate normative-legal base and the effective system of the innovational products' presentation at the markets.

The data show that the Northern regions' share in the total number of innovational infrastructure objects makes less than 4%.

Nowadays in the majority of the northern regions the innovational infrastructure subjects are absent, except some rare cases (tabl. 8). Among them are the regions with high scientific and technical potential, such as Murmansk region and Arkhangelsk region, Komi Republic, Hanty-Mansijsky autonomous county and Saha Republic (Yakutia).

It is necessary to place the professional training centers on the innovational activity among the innovational infrastructure subjects. No region has such specialized organizations, and all business support structures, as a rule, are engaged in the professional training. Also the significant number of the educational organizations in the Northern regions carries out preparation and retraining of experts in the sphere of innovational management.

Table 7. Innovational infrastructure objects in the Northern regions [15]

Names of innovational infrastructure objects	Russia	The Northern regions	
		The number of objects in infrastructure	Their share in the general amount, %
Technologies' transfer centers	333	8	0.6
Bodies coordinating the innovational activity	336	9	0.7
Business-incubators, bases	197	9	0.7
Financial companies, venture funds	174	3	0.2
Scientific and technical informational centers	229	11	0.9
In total	1,269	40	3.15

Table 8. The quantity of innovational infrastructure subjects in the Northern regions [15]

Region	Technologies' transfer centers	Bases	Business-incubators	In total
Komi Republic	1	1	1	3
Arkhangelsk region	1	1		2
Murmansk region	3	1	1	5
Hanty-Mansijsky AC	2	–	1	3
Yamal-Nenets AC	–	–	–	0
Saha Republic (Yakutia)	1	3	–	4
Kamchatka territory	–	–	–	0
Magadan region	–	–	–	0
In total	8	6	3	17

In the majority of the Northern regions there have been formed business support funds (*tabl. 9*). The condition of innovations' financing at the stage of creation and application of the innovational products is rather bad. Only in two regions there are the financial institutions which are carrying out innovational activity's financing. However the specialized institutions of venture financings, as well as the funds of research and development financing, are not presented in the Northern regions.

The informational support of the innovational activity being the important direction of the innovational infrastructure's formation is presented in the Northern regions. All business support structures carry out the informational support of the innovational activity, including consulting services.

In this field in almost all regions there exist organizations' networks including regional systems of the state scientific and technical informational centers (*tabl. 10*). For example, in Murmansk Region the specialized innovational portal has been created.

A great deal of information on the innovational matters is placed in Internet. For instance, there exists the Internet-portal of the National Informational Analytical Center on monitoring of the scientific and technical activity's innovational infrastructure and of the regional innovational systems (NIAC MSTAIIRIS) [16].

Table 9. Quantity of innovational activity's supporting funds in the Northern regions [15]

Region	Business supporting funds	Venture funds, financial companies	In total
Komi Republic	4	2	6
Arkhangelsk region	1	–	1
Murmansk region	2	–	2
Hanty-Mansijsky AC	1	–	1
Yamal-Nenets AC	2	1	3
Saha Republic (Yakutia)	1	–	1
Kamchatka territory	–	–	0
Magadan region	–	–	0
In total	11	3	14

The analysis allows drawing the conclusion, that in the North all the necessary preconditions for the small-scale business development have been created. They are:

- ▶ presence of the historical business roots;
- ▶ constitutional guarantees, opportunities and freedom of enterprise activity's realization in the Russian Federation;
- ▶ presence of the legislative base fixing the small-scale business status as a special kind of economic activities;
- ▶ steps on the state support of Russian businessmen;
- ▶ assimilation of the business development experience of the new period.

As the result of the analysis the negative phenomena in the economic, political and public life of the Northern regions, interfering the effective small-scale business development have also been revealed:

- instability and incompleteness of the legislative base regulating the small-scale business' activity;
- a great number of administrative barriers and the corruption in the state administration and in supervising bodies;
- negative behavior stereotypes (punitive measures' use) of the power structures concerning tax laws' carrying out and breaking the norms of the civilized business dealing by the majority of the Russian businessmen;
- high level of taxation;

Table 10. Presence of the scientific and technical informational centers in the Northern regions [15]

Region	Centers of the scientific and technical information
Komi Republic	2
Arkhangelsk region	2
Murmansk region	2
Hanty-Mansijsky AC	–
Yamal-Nenets AC	–
Saha Republic (Yakutia)	3
Kamchatka territory	1
Magadan region	1
In total	11

- difficulties with getting credits;
- shortage of the qualified personnel;
- complexities with the production space rent and high rent;
- population's mistrust to the state policy in the business field therefore instead of the investment the finance preservation by private persons and the latent (shadow) enterprise activity are observed;
- low business culture, absence of the long-term prospects in businessmen's behavior;
- low activity of businessmen in the protection of their rights.

All the listed phenomena and facts have the certain historical and psychological roots. This situation can only be changed by means of the state concrete and consecutive actions in the political, economic, ideological, educational, administrative, law spheres [17].

Despite of the listed lacks and hardships of the small-scale business development, having both impartial and subjective reasons in their bases, the majority of economic forecasts concerning the prospects of the small-scale business development can be counted optimistic. For realizing all these forecasts the more active state help in the financial, legal, organizational and tax spheres is necessary.

In all Northern regions the programs on the small-scale business support which realization should promote the creation of organizational, economic, legal and financial conditions for the enterprise activity are already developed. Meanwhile the structures of the bodies providing the small-scale business support are unequal in different regions. In this connection the realization of the regional programs of the small-scale business support does not always properly focus businessmen on the decision of the priority regional problems and on the expansion of the activity's spheres by economic methods.

The system of the small-scale business' support, being carried out in the Northern regions, demands the development of such actions as:

1. Perfection of the governing by the small-scale business development:

– due to the formation of the mechanism of the property support realization of the small-scale business' subjects through the property objects' registry for transferring to the small-scale business subjects' possession;

– formations of the public informational registry of the small-scale business subjects (addressees of the state support);

– providing the small-scale business subjects' and the infrastructure objects' access to the financial resources; development of micro financing, granting of subsidies;

– organizing and carrying out joint actions on the enterprise activity's matters, including carrying out business days, conferences, meetings, "round tables" and so forth with the business representatives.

2. Projects' and programs' realization in the small-scale business sphere:

– due to the organization of competitions among businessmen, including the competitions on the professional skill, on the best trade and catering objects' registration, for the best quality of goods and services, and other competitions supporting the positive image of businessmen;

– advocacy and popularization of the enterprise activity and of the family business, television programs development, brochures' and booklets' edition about businessmen and their achievements, about enterprises and the best examples of the business organizations;

– creations of the regional informational system on the basis of the modern communicational technologies.

3. Preparation and retraining of the small-scale business' personnel and the system of its support, including the government work's formation for the business educational services, preparation of the administrative staff under the Presidential Program on Preparation of the Administrative Staff for the National Economy, preparation of the engineering

personnel, professional training on working specialties, holding “master-classes”, organizing and carrying out specialized seminars for businessmen, etc. In the modern conditions, it is especially during the crisis, the serious personnel changes are necessary in the state and municipal management. It is necessary to generate the effectively working creative collective consisting of professionals, first of all of the licensed managers, in each department on the small-scale business’ development and support.

For the decision of these problems the state regulation and the support of the located in the North universities, preparing corresponding experts, is required.

It is especially necessary to mark the importance of the professional skills’ improvement of the innovational managers who are capable to effectively control the small innovational enterprises’ development in the new socio-economic conditions and focused on innovations as the result of the Northern territories’ innovational economy development depends on the competence of managers at all levels and all specializations.

The mentioned actions’ realization will lead to the changes in the economy, in the social and other spheres. The small-scale business will become a significant element of the northern economy. Thus even in the smallest business there will be qualitative changes, and not only in the branch structure, but also from the point of view of increasing the salary along with the labor productivity growth, creation of the modern workplaces with the corresponding protection of labor.

The small-scale business development, especially in the innovational sphere, will make positive influence on the technologies’ transfer from the scientific sphere into the industrial one. The long-term experience of foreign countries is the best confirmation for that (more than 80% of innovations are created and realized by the small-scale innovational enterprises).

It is necessary to note, that the Government of the Russian Federation undertakes a number

of concrete actions on the improvement of the situation in the small-scale business, including the global financial crisis’ times. The program of anti-recessionary actions of the Government of the Russian Federation for 2009 stipulates a complex of measures on the decrease of the small-scale business’ tax loading, and on the access expansion of the small-scale business’ subjects to the state and municipal purchases. It is also planned to establish the reduced rates for the technological connection to the electric networks, to define the preferential rates of the federal property’s rent by the small-scale and medium-scale companies. Within the framework of the programs’ realization on the small-scale business’ development the Government plans to create 500 thousand new workplaces.

It is planned to develop the mechanism, generated by the Russian credit organizations, of the credit refinancing of the small-scale and medium-scale business’ enterprises, and also to provide the development of the non-bank financial system of institutions for rendering the financial support to the small-scale enterprises and to businessmen-beginners, due to “VneshEconBank’s” means. The program of the small-scale and medium-scale business’ financial support will be expanded by “VneshEconBank” up to 30 billion rubles.

A very important measure for the innovational activity’s acceleration is the acceptance of the acts allowing the educational and scientific organizations to create small-scale enterprises (August, 2009). It is considered, that the given measure will create more than 2.5 thousand small-scale enterprises and will generate up to 30 thousand workplaces, first of all for the high school graduates.

The government of the Russian Federation also plans to distribute grants of the federal budget for the small-scale and medium-scale business’ development pro rata to the share of the small-scale and medium-scale companies working in a region. For the co-financing level’s definition the rated budgetary security of the Russian Federation’s subject will be taken into account.

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