



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

44th PARLIAMENT, 1st SESSION

Standing Committee on International Trade

EVIDENCE

NUMBER 127

Wednesday, November 20, 2024

Chair: The Honourable Judy A. Sgro



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• (1635)

[English]

The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)): Welcome to meeting 127 of the Standing Committee on International Trade.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Monday, September 16, 2024, the committee is resuming its study of Canadian women and international trade.

With us today by video conference, we have, from the National Aboriginal Capital Corporations Association, Magnolia Perron, indigenous women and youth program manager; and from the Native Women's Association of Canada, Josie Nepinak, president.

Welcome to you both, and to our members.

We will start with opening remarks and then proceed with rounds of questions by members. You have up to five minutes to do your presentation.

Ms. Perron, I invite you to make an opening statement of up to five minutes, please. The floor is yours.

Ms. Magnolia Perron (Indigenous Women and Youth Program Manager, National Aboriginal Capital Corporations Association): Thank you.

Good afternoon, members of committee. Thank you for the opportunity to speak with you today.

My name is Magnolia Perron. I'm the indigenous women and youth program manager at the National Aboriginal Capital Corporations Association, NACCA. It is an honour to be here today to discuss the importance of supporting indigenous women entrepreneurs and the programs that help them succeed.

NACCA is the umbrella organization for a network of over 50 indigenous financial institutions, IFIs, across Canada. Over the last 35 years, these institutions have provided more than \$3.3 billion in loans to small and medium-sized enterprises in indigenous communities. These loans have supported more than 53,000 indigenous entrepreneurs, and we're proud to say that NACCA's board of directors is 100% indigenous, reflecting our commitment to uplifting and empowering indigenous communities.

In 2022, NACCA launched its indigenous women's entrepreneur program, or IWE program, which was developed in partnership with Indigenous Services Canada. The program was designed specifically to address the unique barriers that indigenous women face when starting or growing their businesses. This includes access

to capital, training and mentorship. Through this program, women have access to dedicated business support officers, regular workshops, and microloans to help them launch or expand their businesses. To date, the IWE program has supported more than 4,000 indigenous women entrepreneurs by providing advisory services and approving more than 400 loans. Many of the women we support are new to business ownership, and the training and confidence-building opportunities are absolutely essential for moving them forward with their ideas. This is not just about providing financial assistance; it's about building community, creating a support network, and ensuring that indigenous women entrepreneurs have the tools, resources and knowledge they need to thrive.

One such success story is that of Emilie McKinney, an Anishinabe entrepreneur from Swan Lake First Nation. Emilie has built a thriving business manufacturing jingle cones, which are a significant cultural item used in jingle dresses. Through her business, she now supplies over 109 stores across North America and has expanded her reach globally, exporting her products to countries like France, Sweden and South Korea. This success was made possible by the access to business support, mentorship and financing through the IWE program. Emilie's story is just one example of how this program is transforming the lives of indigenous women, helping them turn their cultural heritage into a globally recognized business.

The IWE program is a critical part of NACCA's ongoing efforts to reduce the barriers indigenous women face in the business world. However, as you can imagine, there is still much work to be done. Indigenous women remain one of the most under-represented groups in entrepreneurship and business ownership in Canada. We continue to face challenges, such as limited access to capital, training and networks. This is why investments in programs like the IWE program are so essential. Long-term support is crucial to sustaining and expanding the impact of these initiatives, not only for the women involved but for the broader economic growth of indigenous communities across Canada. Supporting indigenous women entrepreneurs is an investment in the future of our communities, in job creation and in the resilience of our cultural economies.

In closing, I want to emphasize that this work requires ongoing collaboration and investment. As we've seen with the IWE program, when indigenous women are given the right resources, they don't just succeed but lead, innovate and create opportunities for others in their communities.

Thank you for your time today and for the opportunity to speak on behalf of NACCA and the women entrepreneurs we are proud to support.

Thank you.

The Chair: Thanks very much, Ms. Perron.

Ms. Nepinak, you have up to five minutes, please.

Ms. Josie Nepinak (President, Native Women's Association of Canada): Good afternoon. Thank you so much for having me as part of this discussion today.

My name is Josie Nepinak. I am Anishinabe *ikwe*, originally from Treaty No. 4 territory. I'm also the president of the Native Women's Association of Canada. I'm very pleased to be invited to participate in the discussion.

Entrepreneurship for indigenous women is critical, as it creates a pathway to financial independence and effectively empowers indigenous women, girls and 2-spirit individuals. NWAC has done tremendous work in this area, as it is one of our huge policy areas. What we have found—this is from some of the stats—is that 22,245 indigenous women are self-employed, making a 46% increase from 15,000 in the year 2011. That is through the national household survey.

We also found that, despite some of the increases, indigenous women face challenges in accessing capital and securing financial business opportunities. We found that indigenous women often self-fund their business enterprises and usually rely on their personal savings as their main source of financing due to lack of capital. Indigenous women often self-fund because of their lack of knowledge, or the lack of access. Sometimes it has to do with lack of confidence in approaching financial institutions, and aversion to debt. For instance, the Atlantic Policy Congress of First Nations Chiefs Secretariat found that the main source of start-up funding for first nations women was their personal savings. Additionally, 16% had no funding at all, and 89% did not use any government or other support programs to start their businesses.

Some of the barriers include lack of access to financing—as I mentioned earlier—and maintaining a work-life balance. As primary caregivers, indigenous women are often sole parents and may be caring for their parents, grandchildren or other family members. There is certainly sexism and gender bias. We experience sexism at a higher rate and are often not regarded as seriously as men. It's often been shared that men are given preferential treatment in communities, as well. There's often a lack of support and training within the communities, particularly in rural and remote communities, where services are not available to them in terms of business workshops. There may be no child care available.

Another issue is the Indian Act. The Indian Act creates obstacles for indigenous people who want to start a business on their reserve. It could restrict access. It complicates ownership and transfers, and

it discriminates against women, limiting their ability to secure financing and business opportunities.

We want to say that indigenous women have a significant impact within families, communities and economies with successful businesses. Building on their strengths, indigenous women can increase returns to the economy, create and provide jobs, and enrich communities.

Some key points we've come upon are...worthy investments. Indigenous women are often seen as a risk. However, they have proven to be worth the risk. Indian Business Corporation loaned a total of \$18.6 million to indigenous women, and only 5% had loan writeoffs. In comparison, it loaned \$55.6 million to indigenous men, and 18% had loan writeoffs. Indigenous women conduct research and collect the right information prior to starting a business. They also utilize more business support services, such as grant applications, financial coaching and tax filing, compared with men.

Because I have limited time, I want to tell you a couple of stories.

• (1640)

NWAC supports programs and services for indigenous women, girls and 2S and gender-diverse peoples and advocates for their right for economic inclusion through employment, entrepreneurship, education and training.

In doing so, NWAC has established two overarching goals. One is to advocate to the Government of Canada to increase funding and entrepreneurship, training, education and the number of organizations led by indigenous women and girls and 2S+ people to develop flexible and innovative education and/or training for accessibility in urban, rural and remote communities, where indigenous people reside.

NWAC has addressed funding gaps and has supported economic programs for indigenous women. Our ongoing programs include "be the drum". This is an entrepreneurship program of indigenous women across the country. Currently, we have hundreds of women who have subscribed to this program.

In the program, we host aboriginal women's entrepreneurship workshop conferences. We do some coaching around business development, management and entrepreneurship skills as well. We also do an ISET program, which offers scholarships and training for indigenous women—

The Chair: Ms. Nepinak, my apologies for interrupting, but could you close, please, for the moment?

Ms. Josie Nepinak: Yes, I will close for now.

Investing in indigenous women in this country is the way to go. The more that we can advocate and have these conversations the better, as it's a very worthwhile venture and investment for the future.

Thank you.

The Chair: Thank you very much.

We will move on to members' questions.

Ms. Gray has the floor for six minutes, please.

• (1645)

Mrs. Tracy Gray (Kelowna—Lake Country, CPC): Thank you, Madam Chair.

Thank you to the witnesses for being here today and explaining the work that you do in your communities.

I have a few questions that I'd like to ask both witnesses. I'll ask them and then go back and forth between both of you, if that's okay.

First, Global News reported that it was “an open secret within Ottawa's procurement community that non-Indigenous companies have been finding ways to get around the program's rules” to access the billions in annual contracts meant for indigenous businesses.

Conservatives and others have been raising the alarm bells on this fraud within the indigenous procurement programs. These could be lost opportunities for indigenous companies, including women and companies that you represent.

We now know that this was true. Are you concerned that the government didn't address this even though there were warning signs on this?

I'll ask Magnolia Perron first.

Ms. Magnolia Perron: Thank you, Tracy, for your question.

This is a topic that our organization, NACCA, and our CEO, Shannin Metatawabin, have been bringing forward very recently to address the procurement issue of indigeneity.

I think it is concerning that these opportunities have been taken advantage of by companies that are not truly indigenous-owned and -controlled. I think that for the communities and entrepreneurs we represent, part of what we try to do is ensure that the entrepreneurs we're supporting are in fact indigenous. Through our network of indigenous financial institutions, we do a verification process and do our due diligence to ensure the entrepreneurs accessing our programming and loans and grants are in fact indigenous.

What I'd like to end with is that it should be indigenous communities, indigenous right holders, overseeing that verification of who in fact is an indigenous business.

Thank you.

Mrs. Tracy Gray: Thank you.

Josie Nepinak is next.

Ms. Josie Nepinak: Thank you so much for that question.

I think it's a very, very important question, particularly as we know from the news now that there are issues. I believe that there have to be better regulations around the identification of who is an authentic indigenous business owner and to have that heavily regulated and scrutinized as well.

I say this because it is certainly an economic loss and opportunity for all indigenous people, but particularly for indigenous women. As I mentioned earlier, they are often the lone home-givers and we need to ensure that they become a part of that business. I would say that we need greater regulations and scrutiny, overseen by...or a committee of indigenous people. It's not enough to say, “Well, I live at a first nation, so that makes me indigenous.” It has to be much stronger and better regulated.

Thank you.

Mrs. Tracy Gray: Thank you very much for that.

We know the Liberal government had to remove 1,100 non-indigenous-owned businesses from the indigenous business directory after the investigation by Global News.

We also know the Liberal Minister of Employment's company, Global Health Imports, said it was a wholly indigenous-owned company while bidding on federal contracts. The minister previously identified himself as indigenous, and the Liberal Party had said that he was indigenous, but now he admits that he's not and we know he is stepping down.

Do actions like those of that minister and his former company set a bad example that companies shouldn't expect consequences if they're caught and not being honest when they're filling out applications?

We'll go first to Magnolia Perron.

Ms. Magnolia Perron: I think this goes back to what Josie shared about there needing to be scrutiny when these examples of fraudulent indigenous businesses come to light. It's important that we hold people accountable. I think that's what's going to build back trust with indigenous communities and indigenous entrepreneurs, and address some of the challenges we're facing in the procurement process and in working with indigenous rights holders and indigenous communities to identify those that are true indigenous businesses.

It's the way forward. We really need that accountability and scrutiny that we spoke about.

Thank you.

• (1650)

Mrs. Tracy Gray: Thank you.

Josie Nepinak, we have about 20 seconds.

Ms. Josie Nepinak: There has to be a vetting process prior to an application from the individuals who are claiming to have an indigenous background, and we have to go through a screening of some sort to show that they are actually a part of the indigenous community. To do that, a strong, indigenous community overseeing it would be an option.

Thank you.

The Chair: Thank you very much.

We'll go to Ms. Fortier for six minutes, please.

Hon. Mona Fortier (Ottawa—Vanier, Lib.): Thank you, Madame Chair.

Thank you so much for being here today. We decided to extend this study because we wanted to listen to indigenous voices and make sure that you were part of this study. I'm hopeful that we will have great recommendations to encourage indigenous women to participate in international trade and continue to do business across the nation.

My questions are really to help us see how we can engage indigenous women and make sure they have the platform to be able to do some trade internationally. I was wondering if you know how the women entrepreneurship strategy is helpful in bringing light and support for women to do this.

I'll start with Madame Perron. First, I understand that NACCA received over \$1.2 million to support indigenous women. Maybe that is an example you could share of how it is helping or what else we could do to support.

Ms. Magnolia Perron: Yes. Thank you for your question.

The women entrepreneurship strategy has been critical for our organization and many others to advance initiatives to support women entrepreneurship broadly and, of course, for us indigenous women entrepreneurs.

In addition to the \$1.2 million, we've received money to help us do some research and develop role model profiles of indigenous women who have successfully started businesses. We've developed a microloan fund framework so we can support women through microfinance. We've also developed training internally for our network using the gender-based analysis plus framework, the GBA+ tool, so that we can look at our own policies and practices to see where we can be more inclusive to indigenous women and other gender-diverse folks. We also deliver the women entrepreneurship loan fund that was part of the WES, and that is helping indigenous women access capital to build and grow their business.

We have two funds. With our IWE microloan fund, women can access loans of up to \$20,000, so that's really supporting women who are just starting out. Often, for new businesses, we found with

the women entrepreneurship loan fund that women are able to level up and then access a slightly larger fund through that program—\$50,000—to help them grow their business and expand their opportunities.

Thank you.

Hon. Mona Fortier: Thank you.

Madam Nepinak, would you like to answer? I'm not sure if your organization has received funds or not under WES.

Ms. Josie Nepinak: No, we haven't, but I strongly believe that the conversation we're having today needs to continue on different levels and that the continuing knowledge, awareness and building of relationships with indigenous women is part of the process.

You know, when I was considering this, I was thinking that this is a fairly new concept as well for many indigenous women. Our history has been based on bartering and trade for many years. I've seen it in my lifetime through my own family communities as well. I think it's important to note that NWAC continues to do the advocacy and to come to those policy tables and make suggestions around creating greater access, opportunities, funding and resources, and in some cases wraparound services and supports. When women are starting out, they need the child care, the education, the work and everything that's required to set that business off.

• (1655)

Hon. Mona Fortier: Can you confirm that the government should continue to invest in the women entrepreneurship strategy? If so, is there anything else we should be focusing on to make sure that there is more participation of indigenous women?

Ms. Nepinak.

Ms. Josie Nepinak: Yes. I totally agree. I believe there should be continued investment and research in terms of looking at the outcomes, the resources and the successes that are made through this program.

Thank you.

Hon. Mona Fortier: Madam Perron.

Ms. Magnolia Perron: Yes, I would say so. I would like to see a continued investment in WES as a strategy. We've been delivering our IWE program over the last three years. We just did an evaluation. One of the findings really just spoke to how we haven't fully realized the impact of our investment yet. For indigenous women, it goes back to the confidence and to the capacity development that's required. We need to make that investment for the long term if we want to see these women be successful in starting and growing and maintaining their businesses. I think we're very early in, and it requires more investment.

Hon. Mona Fortier: Just quickly, do you have any indigenous women participating in international trade? Could you send us some successful examples?

Ms. Magnolia Perron: I mentioned Emilie McKinney in my opening remarks. That's one such example. We do have a few different women we've supported who are engaged in international trade.

We have an example close to Ottawa that we can share. The company is called Mini Tipi. They're a really great example. I know they've been supported by a lot of great organizations, including Export Development Canada.

We can share a few different success stories.

Hon. Mona Fortier: Thank you.

The Chair: Mr. Savard-Tremblay, you have six minutes, please.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay (Saint-Hyacinthe—Bagot, BQ): Thank you, Madam Chair.

I wish to thank the witnesses for their presentations.

Good afternoon, ladies.

My question is not for any one of you in particular. Whoever is able to answer is free to do so.

I'm very interested in indigenous entrepreneurship. In fact, the shoes I'm wearing right now come from Bastien Industries, a company in Wendake that does a lot of exporting. It's an interesting business. I would like to point out that I, myself, am a member of the Huron-Wendat Nation. I am always pleased to go to Wendake to encourage the people of my nation, especially when the production is of high quality.

Allow me to make a somewhat political point before circling back to the economic issues. We know that the Indian Act divides first nations. Everyone has a position on it. Personally, I find the act absurd, and its title even more so. The act makes it very difficult to create, register and set up businesses on what are, sadly, called "reserves".

By making it complicated to access, create and establish businesses on reserves are we not fostering illicit trade, crime and undeclared activity?

[*English*]

The Chair: Who would like to answer that question?

Go ahead, Ms. Perron.

Ms. Magnolia Perron: Thank you.

We know that the Indian Act creates various barriers to first nations entrepreneurs looking to operate their business on reserve. In fact, our data shows that many of the businesses we support are in urban areas. They are living outside of their communities, so they're closer to various networks, customers, suppliers and financial institutions.

While I can't address your question exactly about criminal activity that could be taking place in business and entrepreneurship, I think there's a lot of misunderstanding among indigenous entrepreneurs about what it means to operate a business on reserve and what legal and regulatory requirements need to be followed.

Thank you.

● (1700)

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: Although she ceded the floor to Ms. Perron, Ms. Nepinak may still want to add something in response to this specific question.

[*English*]

Ms. Josie Nepinak: Yes. Thank you so much for the question.

You're absolutely right. The Indian Act creates obstacles for indigenous people. There are complications around land ownership and transfers, and it discriminates against women very strongly, decreasing their ability to access financing and business opportunities.

The other piece is the view that ownership is collective. For example, if there is a bison farm in the community, it does not belong to one specific family; it belongs to the entire community. Is that a barrier to entrepreneurship? I'm not sure, because collective thinking and collective ownership of this bison farm relate to sustenance, food and being able to live a good quality of life, since it's available to the community.

As for whether or not there is criminality, I believe there are systemic issues perpetuated by governments that can lead to criminality. Whether or not they do needs further study and questioning.

Thank you.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: In 2022, the government promised to award at least 5% of federal contracts to businesses led and managed by indigenous people.

Do you know where things stand? Was that promise kept? Are there any statistics on the matter, to your knowledge?

[*English*]

Ms. Josie Nepinak: I wasn't aware the government had taken that position.

I'm sorry. I can't answer that.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Perhaps Ms. Perron has something to add to that.

[English]

Ms. Magnolia Perron: My understanding is this: At least in terms of the federal government's 5% set-aside for indigenous businesses, it's been very slow-moving. I know that Indigenous Services Canada is outperforming other departments. I'm aware of that. It would be nice to see an improvement across all departments.

Of course, addressing the earlier topic of indigeneity, and fraudulent claims to indigeneity, would be necessary.

The Chair: Thank you very much.

We'll move on to Mr. Desjarlais.

Mr. Blake Desjarlais (Edmonton Griesbach, NDP): Thank you very much, Madam Chair.

Thank you to the witnesses for being present today. It really is always a good day when we have some strong indigenous voices in the House of Commons speak to the very important needs of indigenous people.

This study, as you just heard from some of the questions earlier, was originally focused on Canadian women in international trade. It was expanded to help include indigenous people, particularly indigenous women, who face some of the greatest economic barriers across the country. You're doing an immense job. You're lifting boulders, massive boulders, that women have been carrying in our country for a very long time and smashing barriers with them. I want to just say thank you for your immense service and contribution to indigenous people, particularly indigenous women, as we strive to see our nations rebuilt and taking their rightful place in our economy.

You know just as well as I do that indigenous people have long stewarded this place. We have big trade agreements that stem from nation to nation for thousands of years. How else do you get an obsidian arrowhead all the way up to Tuktoyaktuk? That's through trade. That's through commerce. You're rebuilding something that colonialism has taken away from us, which is our very, very important opportunity for the next generation to prosper.

We've noted several challenges to that prosperity today. One of them, of course, is this significant issue of the lack of verifiability of people who are claiming to be indigenous for the purpose of federal grants. This is a serious issue. We've been dealing with this issue here in the House of Commons. We're talking about millions of dollars at risk. One of my previous colleagues just mentioned that 1,100 companies were just delisted—1,100. That's immense. That's the amount of inappropriateness that's taking place when it comes to federal grants and services.

I'm concerned when we think about, for example, the women entrepreneurship strategy. I'm concerned that indigenous women or non-indigenous people could be claiming to be an indigenous company for the purpose of even this fund. We don't know how far this issue goes. It's really an incredibly important issue that we address here at the House of Commons. We need to have verifiability of indigenous people are applying for grants, services and programs so

that those truly get to the people they're meant to get to. The risk we run when we allow persons to apply who are not indigenous and not verified is money out of the pockets of indigenous people. That's why indigenous people are so angry—legitimately angry and legitimately upset—about this very critical issue.

I was really pleased that you mentioned one of the solutions to this, which is to involve indigenous people. Wow, that's incredibly important advice that I wish that we would have taken credence of prior to some of these very serious issues.

In addition to bringing awareness to this issue, what other advice do you have for lawmakers trying to ensure that if or when we create a program for indigenous women, we can create verifiability for that work? How do you do that in your own organizations? I think that could maybe even be a model that can help us to understand why this is a credible issue.

That's for both of you, maybe starting with Madame Perron.

● (1705)

Ms. Magnolia Perron: For us, when we developed our indigenous women's entrepreneur program, we defined an indigenous women-owned business as a business that is owned over 51% by an indigenous woman, but they also have to have effective control over their business. That means that they have to be essential to the operations and the success of the business.

We also added additional layers, particularly around husband and wife and whether they would be eligible for the program. Ultimately, based on an advisory council that was formed, made up of members of our indigenous financial institutions, they felt that they would not be eligible for the business. In that case, that, then, is not truly an indigenous woman-led or owned business. Ultimately, the husband is the one running the business, and it would fall outside of who we're trying to support.

Those are some of the mechanisms we put in place. We also rely heavily on our indigenous financial institutions that are located across the country in communities and have those connections to verify indigenous identity.

Thank you for the question.

Mr. Blake Desjarlais: Madam Nepinak.

Ms. Josie Nepinak: Yes, thank you. It's nice to meet you, Mr. Desjarlais, online.

I believe that taking those contracts and grants from indigenous applicants or pretending that you're indigenous is bordering on criminality and fraudulent behaviour. Would this happen to other non-indigenous entities? Would they get away with it? They've been getting away with it for far too long, right? Unless we involve indigenous women, indigenous communities and all communities in that bidding process and have them participate in what that model and that framework will look like, we're going to continue to have those loopholes through which people will have the opportunity to somehow sneak in to gain some of the access to those dollars that rightfully should go to the rights holders and the first peoples of this land, to indigenous people.

Thank you for your question.

The Chair: Thank you, Ms. Nepinak.

Your time is up.

Mr. Blake Desjarlais: Thank you.

The Chair: We're moving on to Mr. Baldinelli.

If we can remember, though, this is about a women's entrepreneurship strategy and how we can improve it as we move forward, I gather.

Mr. Blake Desjarlais: I can speak to your comment, if you like.

The Chair: No, you don't need to. Thank you very much. I just want to make sure we stay focused.

Mr. Blake Desjarlais: I believe it's incredibly important, so I have a point of order.

The Chair: Go ahead on a point of order. Okay.

Mr. Blake Desjarlais: Thank you very much, Madam Chair.

To your last comment, I believe that's debate. What you're mentioning is contributing to the debate on this. I would agree with my colleagues that the questions we pose in this place, particularly when it comes to who can access the fund we're talking about today.... That was the question I was posing.

If your comment was directed at me....

It's okay, as long as we make sure we can continue to have a scope in our discussion that allows indigenous people's questions and answers posed fairly included in the study.

• (1710)

The Chair: It's an important response we're getting from the witnesses. Absolutely.

Mr. Blake Desjarlais: I hope you agree.

The Chair: Mr. Baldinelli.

Mr. Tony Baldinelli (Niagara Falls, CPC): Thank you, Madam Chair.

Thank you to the witnesses for being here this afternoon.

I'm going to start with Ms. Perron.

I would suggest that the Government of Canada has a lot of work to do when it comes to making up for lost opportunities for women-led indigenous businesses, particularly tourism opportunities and the tourism sector. We have a former minister of tourism and em-

ployment who misrepresented himself as indigenous, and then proudly proclaimed this during his time in office, particularly when they were doing consultations on the national tourism strategy. When that strategy was tabled, it included a pillar for a national strategy, including indigenous tourism. Yet, it over-promised and under-delivered, which is typical of this government's record of disappointment.

Just think: In budget 2022, the only mention of tourism was the \$20 million for indigenous tourism. It was a two-year program, but the funding never flowed for, essentially, two years. Ten million dollars was promised to the Indigenous Tourism Association of Canada. Yet, they had to wait two years for that funding.

The other \$10 million—Ms. Perron, that's why I'm going to be coming to you—was promised to the National Aboriginal Capital Corporations Association. That \$10 million is going to the signature indigenous tourism experiences stream. It's a pilot project with grants from \$500,000 to \$1.25 million, and it's going to fund from eight to 12 projects.

Now, have the criteria been developed for that, have applications been submitted and, in particular, are you seeing women-led businesses applying for it?

Ms. Magnolia Perron: Thank you for your question.

I'm not directly involved in that project within my organization, but I am aware that we've received the funding. Applications have been received and reviewed. I believe the selected candidates have been chosen. I know we had applications from indigenous women-owned businesses, which was great to hear and see. However, I can't speak about whether the selected applicants have been notified at this point, and what percentage of those are indigenous women-owned businesses.

What I will also add is that tourism is an important industry—indigenous tourism, in particular. This is a project that we saw high demand for and that we'd like to continue to deliver in the future, because we see there's a need and an interest. We can help our communities advance in the tourism industry, and increase economic prosperity.

Thank you very much.

Mr. Tony Baldinelli: Thank you for that.

However, at the same time, we have a national association that is the voice for indigenous tourism in Canada. Yet, that additional \$10 million went to your corporation and not to ITAC.

Why do you think the federal government selected NACCA as a delivery vehicle for this program and not the Indigenous Tourism Association of Canada?

Ms. Magnolia Perron: I'll speak about why NACCA was selected as the delivery organization.

I think that goes back to our track record. We're a national indigenous organization. We've been around for over 35 years. We have member associations across the country that have been working with indigenous entrepreneurs and community-based businesses. We also have a high repayment rate and very few loan writeoffs and losses. We've built what I would say is a very good relationship with the federal government and established that trust to deliver results on a program like this tourism project.

Thank you very much.

Mr. Tony Baldinelli: Madam Chair, how much time do I have?

The Chair: Seconds.

Mr. Tony Baldinelli: Ms. Perron, if you could then just respond to me, what is the relationship between your organization and ITAC?

• (1715)

Ms. Magnolia Perron: We maintain good relationships with various national indigenous organizations, ITAC being one of them.

I know we're short on time. Thank you.

The Chair: Thank you very much.

We'll move on to Mr. Sidhu, for five minutes, please.

Mr. Maninder Sidhu (Brampton East, Lib.): Thank you, Madam Chair, and thanks to our witnesses for being here on this important study.

I was reading on the NACCA website the importance of federal funding, and I just want to make sure I read this into the record.

It says:

The inclusion of NACCA in Budget 2024 demonstrates the government's commitment to advancing Indigenous economic prosperity. This funding will enable us to continue our transformative work, breaking down systemic barriers and fostering economic participation aligned with Indigenous cultural values. We acknowledge and thank the Government of Canada for their strong belief, support and inclusion of NACCA and the network of IFIs as we look forward to a continuance of collaborative positive outcomes towards Indigenous Prosperity.

Ms. Perron, speaking to some of this funding that's been supportive of many indigenous entrepreneurs, especially female entrepreneurs, can you speak to what this means to NACCA, what it would mean to the hundreds of women whom you currently support through maybe micro grants or other programs that you run.

Ms. Magnolia Perron: Thank you so much.

We were very pleased and very appreciative for budget 2024's inclusion of our organization. That funding means that we will be able to continue our indigenous women's entrepreneurship program over the next five years, so rather than winding it down this March, we'll actually be ramping it up.

What that means for the almost 30 business support officers that have been hired across the country, many of whom are indigenous women themselves, is that they have that job security to stay in their role and continue to work with indigenous women entrepreneurs. A really important part of the program is having women in client facing roles.

It also means that we'll be able to expand the programs we offer. We're looking at building a program for young indigenous entrepreneurs, youth between the ages of 18 and 39, as well as enhancing our other core aboriginal entrepreneurship program.

Thank you.

Mr. Maninder Sidhu: Thank you for that.

Our government remains focused on growing trade, unlocking doors and giving Canadian products access to new markets around the world. We recently announced a Canada-Indonesia trade agreement that would help give access to over 200 million people, 200 million more consumers for Canadian products in Indonesia.

Where do you see trade fit in with indigenous entrepreneurs, especially women? Is there a focus on that by your organization going forward maybe five, 10 or 15 years from now, or is that something that you want to prioritize now?

Ms. Magnolia Perron: Trade is an important part of the entrepreneurial journey. Our current IWE program, as I mentioned, is focused more on micro-lending, so we're supporting women with smaller, part-time, home-based types of businesses. However, the intention is to help them grow their business, expand on the type of capital they are able to access by building that track record with our financial institutions and, hopefully, being able to grow, expand, export and trade internationally. That's certainly on the horizon for us for our indigenous women entrepreneurship program.

Then, of course, for NACCA more broadly and all the indigenous entrepreneurs we support, that's an important part of what we do and what we want to support our members with.

Mr. Maninder Sidhu: Thank you for that.

Maybe I can turn to Ms. Nepinak, and maybe, Ms. Perron, you can comment on this as well.

What more can the government do to assist women entrepreneurs and women in trade? From your perspective, what more can we do in the coming years?

Ms. Josie Nepinak: I would recommend to continue doing what you're doing with increased resources so that we start women from the very developmental stages. Women are using their savings. They continue to look after their children or other family members.

How do we do that step-by-step process? I believe that, with every step, there would be funding, support and wraparound services. What is international trade? How do I access that? What is the coaching? What is the mentoring that should be involved in that process as well? Indigenous women are very interested in being part of that entrepreneurship, but without the supports.... In many cases that support has not been there, and we have to ensure the continuity and build on that.

• (1720)

The Chair: Mr. Savard-Tremblay, go ahead for two and a half minutes, please.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Thank you, Madam Chair.

Ms. Perron, let's turn to the supply chain.

Right now, companies have to register. Regular businesses have to do so in order to get a business number. For example, Quebec businesses have a Quebec enterprise number, also known as the NEQ. I'd imagine every province has something similar. For an indigenous business to access certain benefits, it has to register with the Canadian Aboriginal and Minority Supplier Council.

How is that going? How straightforward is it? As we know, some articles have documented cases where non-indigenous businesses have accessed funding.

I'd imagine this must be upsetting for first nations people.

[English]

Ms. Magnolia Perron: I have some examples of entrepreneurs who have experienced this type of activity in terms of businesses approaching them simply because they have an indigenous business, wanting to partner on a bid for a procurement opportunity, but they're not meaningfully involved or are not benefiting from the project.

There's a specific example, when they were initially approved for the project, where they had an indigenous partner, and the contract was continuously renewed year after year. However, the indigenous partner was dropped and was no longer part of the project. That non-indigenous business was still benefiting from the contract that was put aside for an indigenous business.

These types of scenarios continue to happen. We need to have a mechanism in place to prevent it. Prevention needs to be our focus going forward. We're seeing that those businesses, which truly aren't indigenous, are facing some consequences in terms of being removed from the directory, but further action will need to be taken.

The Chair: Mr. Desjarlais, go ahead for two and a half minutes, please.

Mr. Blake Desjarlais: Thank you very much, Madam Chair.

Thank you again to the witnesses for being present in this study. I really thank you for your contribution related to this idea of companies partnering with indigenous companies simply for the purpose of accessing procurement opportunities.

When it comes to a person who's pretending to be indigenous, we call them a "pretendian". This is more colloquial, in a way, where we say "rent a feather". You've probably heard this before, the idea that you can rent a feather and can get access to any procurement you want.

We dealt with this issue when there was a company, federally, called Dalian. Dalian was a company that we had to stop giving money to through the ArriveCAN scenario—the big issue. The company had to admit that it didn't even know the indigenous procurement standards in the federal government. Worse yet, it didn't have 50% indigenous control. Then the owner himself didn't know if he was indigenous. Therefore, I really take what you're saying

about this idea of renting a feather for the purpose of advancing one's own interests very seriously.

I want to ask you a question related to the fact that you are leaders in this space. Women and a lot of indigenous people look up to you. I know a lot of indigenous women who have—and you mentioned this at the onset—built these companies with their own money, and then they find it difficult to commercialize what they've built. What's your message to women who are in that position today, Ms. Nepinak?

Ms. Josie Nepinak: I think my message to them would be that, despite all the colonial constructs that have been a part of our lives, we're breaking down those barriers. We are strong. We are resilient, and we can do this. Let's do it. Let's be a business. Let's do what we can to gain that self-sufficiency.

Thank you.

• (1725)

The Chair: Ms. Perron.

Ms. Magnolia Perron: My recommendation or advice would be to find their support systems, mentors, other entrepreneurs and indigenous women entrepreneurs who can support them and who are business like-minded individuals. Take advantage of opportunities, in terms of training, that come their way, and continue to build and to grow themselves personally. That will ultimately help them to be more successful in business.

Thank you.

The Chair: Thank you very much.

Mr. Williams, you have three minutes.

Mr. Sheehan, you will then have three minutes to finish the round.

Mr. Ryan Williams (Bay of Quinte, CPC): Thank you, Madam Chair.

Thank you to our witnesses. It's been great testimony today. I love that "strong and resilient" statement. I think it speaks truth to what entrepreneurs have to be.

Ms. Nepinak, you talked about how there are already massive barriers to aboriginal-led businesses and women. We've heard in the past that start-ups of women-led organizations in Canada, as a whole, receive less than 2% of funding for what we call venture capital. It's extremely difficult. What I've heard today is not just about the barriers. You talked about a lack of support and even sexism. Going further, 1,100 businesses were delisted because of the lack of verifiability. We heard about what that means for businesses.

I'd like to ask both of you, Ms. Perron and Ms. Nepinak, about access to capital. What has the government done to allow, first, more access to capital—not just funding, but from banks? We talk about something called open banking, which allows banks to be able to bank other businesses, including indigenous businesses.

How has the access to capital been for indigenous-led businesses, and how do we improve that as a whole?

Let's start with Ms. Perron.

Ms. Magnolia Perron: Thank you for your question.

For us, this was the whole reason we developed a microloan fund. It was so we could reduce the barriers for indigenous women, particularly those who had smaller micro-businesses, as I mentioned, that are part-time or home-based, and reduce some of the requirements to make it more accessible.

In terms of other financial institutions, like mainstream banks, etc., what would be valuable is for those institutions to go through some kind of diversity and equity inclusion or cultural sensitivity and awareness training so that when they're working with indigenous women entrepreneurs, they can do it in a more respectful way.

Those first impressions are really important, and what makes our network so unique when we're working with indigenous entrepreneurs is that it's really about the relationship. As indigenous peoples, we're relational and we have to build trust. Particularly with non-indigenous financial institutions, the trust is not there. It really takes time to get to know the entrepreneurs and build that foundation of trust so that they can move forward.

That's some advice. Those are some things I would recommend.

Thank you very much.

The Chair: Thank you very much.

We will move on to Mr. Sheehan for three minutes, please.

Mr. Terry Sheehan (Sault Ste. Marie, Lib.): Thank you very much for your testimony. It's very informative.

I'm from Sault Ste. Marie. It's right on the St. Marys River. It has been a traditional place for first nations to come to fish the whitefish, and they would smoke them there. This was before the settlers came. They came from all over Canada and the United States. Naturally, when people gathered in Sault Ste. Marie—the area they're in, which we call Turtle Island, or Bawating—it became a place of trade, and it's really grown exceptionally.

There are some things I want to ask about. In northern Ontario, for example, we have FedNor, which is a regional economic development agency. That has been combined with the department of Patty Hajdu, the Minister of Indigenous Services. The thought behind that was economic reconciliation.

To either one of you, have you had many dealings with various regional economic development agencies, or any other federal program, as you layer things for your clients for support?

• (1730)

Ms. Magnolia Perron: For us, our indigenous women's entrepreneur program initiative was really a patchwork of accessing funds through different federal government departments, but primarily Indigenous Services Canada and Innovation, Science and Economic Development Canada. We also worked with the regional development agency for Ontario.

Of course, for our indigenous financial institutions, we funnel funding out to them. They have relationships with their regional development agencies as well.

Mr. Terry Sheehan: Does anyone else have a comment?

Ms. Josie Nepinak: I'm sorry. I can't really add to that question, but I do believe those connections would very likely be required moving forward.

Mr. Terry Sheehan: The relationship with each individual first nation is absolutely important, as they're autonomous unto themselves with their chiefs and councils all having their own economic development officers and agencies. For instance, I just announced \$747 million from Environment Canada for a variety of projects that will help save the Great Lakes and the flora and fauna around them. One in four people get their drinking water from the Great Lakes. As Chief Karen Bell said, they're the natural stewards.

Do you see a lot of work with indigenous female entrepreneurs as it relates to the environment in Canada?

Ms. Josie Nepinak: I would say so. Certainly the work in the community, in terms of safe drinking water and in terms of the plants and fauna around us, is very critical to the air we breathe. Ensuring that the beauty of the landscape and our connection to the land are part of that development is critically important.

I believe indigenous women have played a strong role—for instance, through harvesting medicines through the land—in ensuring that the land is healthy. That was traditionally the role of the women. We want to ensure that this is sustained over generations and lifetimes. If those opportunities exist, that work absolutely should be promoted.

The Chair: Thank you.

We have completed the first two rounds. Thank you so much for this very valuable information. I wish you both much success in the future as you move forward.

I will stop for a moment while we change witness panels.

Thank you very much.

• (1730)

(Pause)

• (1735)

The Chair: I will bring this meeting to order.

Let me introduce those we have with us now. From Indigenous Tourism Alberta, we have Brenda Holder, Cree traditional knowledge-keeper, by video conference. From Startup Canada, we have Kayla Isabelle, chief executive officer.

Welcome to you both. We will start with opening remarks for up to five minutes from each of you. Then we will go into questions from the members.

Ms. Holder, go ahead, please. You have up to five minutes.

Ms. Brenda Holder (Cree Traditional Knowledge-Keeper, and Chair, Indigenous Tourism Alberta): Great. Thank you.

[Witness spoke in Cree and provided the following text:]

Tansi, nitotoem, Brenda nitishinihkâson. Nia tanite oci asiniwacia.

[Witness provided the following translation:]

Hello, friends, my name is Brenda Holder. I am originally from the mountains.

[English]

I am coming to you from Treaty 6 territory originally, as one of the original people from Jasper National Park. I'm a Cree knowledge-holder. I run my own indigenous tourism company and am the sole owner of my company. I am also the chair for Indigenous Tourism Alberta, which I believe I am representing today. I am happy to be here.

Thank you.

The Chair: Ms. Isabelle, go ahead, please. You have up to five minutes.

Ms. Kayla Isabelle (Chief Executive Officer, Startup Canada): Thank you, Madam Chair and members of the committee. It's a privilege to bring the perspectives of the Startup Canada community to your important discussions here around Canada's inclusive international trade policies.

My name is Kayla Isabelle, and I'm the CEO of Startup Canada. I also sit on the Allied for Startups Continental Council, working on international start-up policy, and I'm a board member on the Ottawa Board of Trade, where we champion the needs of the local business community.

Startup Canada is a national non-profit that supports and advocates for early-stage Canadian entrepreneurs, start-ups and small businesses. Our mission is to help accelerate the growth of founders by providing access to the thousands of resources, programs and support organizations that exist locally, provincially, nationally and internationally. With over 250 annual partners, we play a vital role in driving the entrepreneurial spirit across the country through collaboration.

We have three programs that are relevant to today's conversation and that inform our perspective.

Our start-up women program engages over 4,900 women annually from over 278 cities across Canada. This program for early-stage women founders across all industries provides access to a diverse women's support ecosystem, including ecosystem players like The Forum and private sector partners like the Scotiabank women initiative. Top industries represented are arts, media, entertainment, digital technologies, health care, social assistance, bioscience, and professional scientific and technical services.

Our start-up global program also engages a number of founders—over 6,000 early-stage aspiring exporters from 164 cities across the country. We connect them with support organizations like Export Development Canada, private sector partners like UPS and Google, and export-focused non-profit organizations like the Forum for International Trade Training, also known as FITT. Notably, we have over 36% female representation in this program, which highlights the growing interest among women entrepreneurs to expand globally. Unfortunately, we've seen the number go down since 2020, when gender parity existed in the program. Top industries represented here are agriculture, forestry, agri-food, professional scientific and technical services, and clean technology.

Lastly, due to the demand for support specifically at the intersection of women's entrepreneurship and international expansion, Startup Canada, in partnership with UPS, developed a women exporters program. It was designed with a focus on consumer packaged goods—also known as CPGs—companies looking to expand globally. In year one, we engaged a cohort of 150 women founders and achieved a 9.2 net promoter score out of 10, which speaks to the success of and satisfaction with the program.

Against this backdrop of experience, I want to take this opportunity to highlight several key points that are central to the ongoing discussions in the context of Canada's international trade landscape, specifically through the lens of women entrepreneurs.

Number one is access to funding and allocation of funding. I know you've heard this message consistently from many of those testifying here today, and on previous days. The number one challenge reported by women founders when discussing international expansion is access to capital. According to a 2023 report from the Canadian Women's Foundation, and as many of you know, women-led businesses receive only 2% of venture capital funding in Canada. We've heard frustration, as well, from founders over the accessibility of things like the CanExport program, particularly as an early-stage entrepreneur without traction.

We at Startup Canada have also experienced difficulty accessing government funding to deliver our programs. This year, we saw cuts to our trade commissioner service funding due to budget constraints, despite six years of demonstrated results. Further, we continue to see a disproportionate amount of funding go to high-growth, male-led companies, which is an ongoing concern in the entrepreneurship space. We need to be deploying capital to women founders who are looking to scale up globally, and to trusted ecosystem players with existing established networks of women entrepreneurs. When government investments are made, we must ensure a firmer gender balance in terms of program participation, funding allocation and accountability, with specific metrics to measure progress.

Number two is streamlined access to resources, tools and community. We hear from founders, time and again, that they'd like to expand internationally, but they simply do not know where to start. For instance, a 2022 survey by our partners at the Forum for International Trade Training, or FITT, found that 55% of Canadian SMEs are unaware of government export programs and support. This lack of awareness can be a critical barrier to accessing resources, such as the trade accelerator program, also known as TAP. If women founders are unaware of these initiatives, or if they simply do not feel that these are spaces for them, we are perpetuating a cycle of exclusion.

● (1740)

We need to ensure that programming is tailored to industries more often dominated by women, such as CPG and retail, and that community is built in collaboration with trusted organizations with existing access to women founders. Women entrepreneurs want to scale. They need to be connected to the right organizations and resources that are the right fit at the right time of their development and with an industry-specific representation outside of just traditional tech.

Thirdly, on the potential of women-led companies, there is no shortage of women-led companies aspiring to go global. In fact, 33% of Canadian women entrepreneurs reported international expansion as one of their top business priorities, according to a 2023 study by the Business Development Bank of Canada, another one of our partners. These entrepreneurs need access to capital, a supportive network and a stronger platform to share their story and position Canada's leading businesses on the global stage. It's critical that we address these gaps and ensure women founders have equal opportunities to succeed in the international market.

In closing, I urge the committee to consider these barriers and take meaningful action to create a more inclusive, accessible environment for women entrepreneurs looking to expand globally.

I look forward to engaging with the committee, providing further insights and answering any questions you may have. Thank you.

The Chair: Thank you very much. We'll move on to committee members.

We have Mr. Baldinelli for six minutes, please.

Mr. Tony Baldinelli: Thank you, Madam Chair.

Thank you for the presentations by the witnesses today.

I'm going to begin with Ms. Holder.

My understanding is that in addition to your role as chair of Indigenous Tourism Alberta, you're also the vice-chair of the Indigenous Tourism Association of Canada. Is that correct?

Ms. Brenda Holder: Yes, that is correct.

Mr. Tony Baldinelli: I know that this past summer the president of ITAC publicly expressed concern that ITAC was facing major cuts that could set indigenous-led tourism—including women-led tourism businesses—back a decade. In July, at the height of the tourism season, he informed staff that around half the organization's staff could be laid off.

I'm wondering if you could update us on the status of that. They also talked about office closures. Did that indeed happen?

Ms. Brenda Holder: Well, before I state that, one of the things I want to make very clear is that indigenous women entrepreneurs in the tourism industry are approximately 30% of that part of the industry, which I think really needs to be shouted from the rooftops.

Yes, we indeed have suffered very significant staff losses due to significant cutbacks to our industry, and specifically to ITAC. We have continued to maintain the office. For how long that will happen, I'm not sure, but we're certainly doing our best to continue to move forward despite these cutbacks.

Mr. Tony Baldinelli: Thank you for that. People don't realize that before COVID, the fastest-growing tourism segment was the indigenous tourism experience and segment, at \$1.9 billion. I believe that was in 2019 alone.

With COVID, that all but vanished, including all of the supports that went there too. I remember that during COVID and the government support programs there were a lot of concerns expressed, many associated with what we heard earlier on the procurement side and about funding and the concerns that ITAC was raising that tourism businesses were providing indigenous experiences yet these experiences were not led by indigenous organizations or businesses or women-led entrepreneurs.

I was wondering if you could comment on that and some of the concerns you have there.

● (1745)

Ms. Brenda Holder: Yes, I certainly can.

I will give one specific case, to be quite honest: I'm not going to name the company, but it is a large well-known company that is really appropriating indigenous knowledge and indigenous experiences to promote their own business. They partnered very briefly with a community and got their stories to do with night skies and various other things. They paid this community a very small fee, in my opinion. I believe it was around \$40,000.

This company continues to benefit from those stories even though they have essentially released this community from the partnership. This is gross appropriation and utilizing indigenous knowledge to further themselves but giving a one-time fee to a community. I think it's abysmal.

Mr. Tony Baldinelli: Thank you, Ms. Holder. I guess that's why ITAC took the steps of working towards an accreditation program. It's called the Original Original Accreditation Program. Sadly, I think a minister missed that memo when this program was being created.

I was just wondering if you could talk about the Original Original mark of excellence, that accreditation program that's been established by ITAC.

Ms. Brenda Holder: I can speak very briefly on that. The accreditation of Original Original is to ensure authenticity within the indigenous tourism industry, and not only to ensure authenticity but also to ensure that the recipients of that accreditation are export ready, that they have the community behind them. There are numerous hoops to jump through, so to speak, that, in my opinion, make an incredibly exceptional experience for our guests. It really sets up the operators, or the community, or the indigenous organization for success. And also it ensures that when our tourists show up in Canada, or if they're local tourists, they can be assured that the experience that they are going to be engaging in is authentic and it is an indigenous experience and not one led by somebody who's just doing an indigenous theme program.

Mr. Tony Baldinelli: Lastly—

The Chair: You have 30 seconds left.

Mr. Tony Baldinelli: How have rural and remote indigenous communities in Alberta done in their recovery since COVID-19?

Ms. Brenda Holder: There is a really mixed bag. I know there are certain businesses that have worked very hard and recovered well. The story is not the same across the entire province. We are gearing up to do better and Indigenous Tourism Alberta is offering all the support we can and really trying to ensure that indigenous tourism thrives in this province.

The Chair: Thank you very much.

We go now to Mr. Arya for six minutes.

Mr. Chandra Arya (Nepean, Lib.): Thank you, Madam Chair.

I welcome Ms. Isabelle from Startup Canada.

I have to recognize that a majority of the board members of Startup Canada are women. I think, including the team, the majority of them are women. It's good to know that. I know that you are not women-focused only, but it still is good to see that a majority of the board members and the management team are women.

Before my question, I just want to mention that, today, 27% of the board positions across Canada are held by women—27%. That is up from 11% in 2014. In fact, among the TSX-listed companies, 30% of the board positions are held by women. It did not happen just like that. We did pass a bill in 2016, Bill C-25, where we asked the publicly listed organizations to mention their diversity policies in their annual statements to the stakeholders. I remember that I had to fight to get the definition of “diversity”. The bill did not mention it. Even now, the legislation does not mention the definition of “diversity”, but I think I compromised when the regulation identified that diversity includes women, indigenous people, visible minorities and people with disabilities.

Though 30% of the TSX-listed companies have women on the board, only 10% of the overall number of board members, including men and women, are visible minorities, and only 1%, including men and women, of all the board members are indigenous people. When you look at the 30% who are women and dig deeper.... We don't have the statistics for this, but I'm sure that the percentage of women belonging to visible minorities and indigenous people will be less than 1%, or a maximum of 1%. It may be 2% if you want to be very generous. There are still a lot of things that need to be done, and that is where we are going.

Ms. Isabelle, I have a couple of questions for you.

I have a small objection to one thing in your speech. Again, you come before the committee like many witnesses, saying, “We need more funds. We need more funds.” That is like a broken record, and it's in spite of the government's providing a record amount of funds to various programs for women entrepreneurship and women in business. In fact, part of your statement also indicated that the problem is not with the amount of funding that is made available. Forget the cuts that some of the political parties are proposing. The problem is not with the amount of funding that is available, because in part of your statement you also said that 56% of the women founders did not know that there were programs. The problem is not with the funds; it is with the knowledge, the education.

You also mentioned that they have problems with exporting. Let's talk about exports. Before joining politics, I was part of a small company, an export-oriented company. I know that part of your funding comes from EDC, if I'm not wrong. You should know that EDC has programs for small businesses, both women-owned and not. If they get the contract, I think 70% of that is getting funded by EDC. There are funds available. EDC has hundreds of millions of dollars available to fund exports. It is the education that is required for women entrepreneurs to take advantage of the funding that is available.

Now we come to my question. You mentioned helping women entrepreneurs in different sectors, different segments of the economy. Maybe I missed it, but you didn't mention the manufacturing sector. In general, the knowledge-based sector was very small, if I'm not wrong. Am I right?

● (1750)

Ms. Kayla Isabelle: The knowledge-based sector is actually quite high in our programming.

Mr. Chandra Arya: Okay. What in the knowledge-based sector is high, and what percentage of women are in these knowledge-based industries?

Ms. Kayla Isabelle: It depends on the program that we engage, whether it's our startup women program or our startup global program.

Mr. Chandra Arya: I'm sorry. I was not talking about the program that the women entrepreneurs are accessing. My question is about how, in the knowledge-based sector itself, outside of the programs that you run, there are very few women in manufacturing. It's increasing, but there's still a small percentage of women in knowledge-based industries.

You know the various funding programs that are available from the government, like IRAP and SR and ED. My specific question to you is this: Would it be good if we carved out a portion of those existing funding programs and directed a percentage towards companies managed by or owned by women?

Ms. Kayla Isabelle: There are two parts to that. I appreciate the challenge of the testimony in that there is a tremendous amount of funding available. I completely agree with you, but I think a lot of it is either left on the table or, in the moment, doesn't go to a woman founder; it ends up perpetuating the cycle by going to a male-led business.

Targeting specific industries absolutely makes sense. Where there could be some opportunities is looking at that intersection of identity.... In the manufacturing space, there are probably programs and organizations that have that niche subject matter expertise. I can't think of a lot of women's support organizations within my network that also have that expertise.

If there's a way, not necessarily to build more funding or look at building something net new, but to leverage collaboration to bring both of those characters into one program or explore this with a pilot, that is the model moving forward, instead of building too many net new programs across all of these intersections.

There is such a tremendous amount of programming out there that I hesitate to add too much more.

• (1755)

The Chair: Thank you very much.

We'll move on to Mr. Savard-Tremblay for six minutes, please.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: Thank you, Madam Chair.

Thank you to both of our witnesses.

My first question is for Mrs. Isabelle.

In fact, I'm going to ask you the same question I asked our first two witnesses a little earlier in the first hour of this meeting. I think it will be all the more interesting given that your organization helps start-ups.

Do you think there are ways the Indian Act hampers start-ups in what are unfortunately called "reserves"?

In the first half of the meeting, both witnesses said yes. In your work with start-ups, would you say you're noticing the same thing?

On a day-to-day basis, when you work with indigenous businesses, how do you deal with these obstacles? What are your tactics?

[*English*]

Ms. Kayla Isabelle: That's a great question. Thank you for posing it.

Within our programs, 4% of our support goes to indigenous founders. We always partner with indigenous-led organizations. We have no indigenous-specific programming at Startup Canada. We will partner with indigenous podcasters. We'll partner with folks like Magnolia at NACCA. That's our approach to ensure that their programs are integrated into Startup Canada's initiatives, and if there's something that's beneficial for their community, they also get that access.

There are a lot of barriers. Magnolia mentioned before in her testimony trust building in showcasing a diverse community of indigenous founders. We have some great success stories that I can think of, like Jenn from Cheekbone Beauty. We can look at Bobbie Racette, who is an incredible tech entrepreneur who has raised the largest amount of any indigenous founder in Canada.

We have these great champions whose businesses are the next ones we really need to profile. I think there's a beautiful opportunity for partnership with indigenous-led entities and folks who are supporting every type of entrepreneur. Tell those stories from a wider podium so that more indigenous entrepreneurs are inspired by that more varied community of indigenous founders who are really scaling as well as speaking to the global topic.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: From what you're saying, then, indigenous start-ups represent a tiny minority of your clientele.

Why aren't there more of them? Why aren't they better represented?

In fact, when we think of start-ups, we mostly visualize young people, younger generations. Are there any young indigenous entrepreneurs?

What would it take for them to dare to become entrepreneurs?

[*English*]

Ms. Kayla Isabelle: Thank you for that question.

In terms of why there's not more representation, it takes a lot longer to develop relationships with indigenous communities than it has historically with other partners we have. That is intentional. That needs to be a part of the process. We need to build that trust.

For example, Startup Canada did a national tour this year. We also did one last year, and it intentionally began in Whitehorse. There are incredible indigenous communities in the north. It took us two years to enter into some of those conversations, build trust on the programming and have them understand our perspective and where we were coming from, and then we could really enter into a partnership.

There's also no funding for those types of relationship-building activities, nor do I necessarily think there should be, but it needs to take a cultivated and very thoughtful approach to build these relationships.

For indigenous youth, I've seen some great announcements funded through the private sector supporting indigenous communities. The Mastercard Foundation made an announcement this week at the Indigenous Prosperity Forum. I believe it announced a program to support 2,000 indigenous youth and equip them with both mentors and programming. There are those types of supports.

Again, it comes to the intersection of larger, indigenous-led programming across the country and trying to develop partnerships to inspire that next generation and make sure that indigenous youth are included in that.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: During the first hour of the meeting, we heard about some deceitful things happening, of businesses not actually being indigenous. They might have been once, but they aren't anymore. That said, they continue to benefit from assistance programs.

Have you heard of this? Have you witnessed this kind of thing?

[*English*]

Ms. Kayla Isabelle: I haven't witnessed it personally, but I obviously trust the comments made by my colleagues.

We have seen this with women founders, though—women in leadership positions who are quickly taken out of those leadership positions as they apply for funding. I think this goes to the question of not just checking boxes. We have to look very thoroughly at, and be deeply accountable to, ensuring we have representation from diverse communities.

• (1800)

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: I'd imagine there aren't many among your members, given that you mainly represent start-ups, whereas businesses generally need to have several years of experience before they start receiving government contracts.

Do you know of any of these businesses managing to find their way into government agencies to win contracts?

[*English*]

Ms. Kayla Isabelle: Nobody comes to mind at the moment.

Government procurement always seems like this beautiful opportunity. It's a carrot that I often feel is dangled at many early-stage founders, but government is not going to partner with a very early-stage company. We receive quite a few partner testimonies about this.

I can think of the gay and lesbian chamber of commerce. They do a great job bridging some of their diverse founders and ensuring direct access to the folks who have that procurement vehicle in government.

Many of our companies have zero to nine employees. They're under a million dollars in revenue. Some of them are too much in their infancy. The idea is, how do we make those connections? We do this through our start-up gov program, so they at least know who to call once they're in that space and at that stage. However, the process itself—as we hear time and again—is very laborious and difficult. Founders are working on building their businesses. They don't necessarily want to be doing all the paperwork.

The Chair: Thank you very much.

Mr. Desjarlais, go ahead for six minutes, please.

Mr. Blake Desjarlais: Thank you very much, Madam Chair.

I want to thank the witnesses, again, for being present with us today in this important study.

It's one of the greatest barriers we have in our country. The low level of women's representation on senior executive boards was mentioned by my colleague Mr. Arya. There has been, of course, movement on this. Canada should be a leader in this space, though. It's not going fast enough. You spoke about international access. I think that's a very important issue. I'd like to speak to the members of the committee, and spend some time on that issue, after I spend some time speaking about the importance of indigenous tourism with Ms. Holder.

Ms. Holder, I have a bio of you here. I'm not certain if we've ever met before, to be very frank, but I see that you're a descendant of former Iroquois chief Michel Kwarkwante. I am also a descendant of Michel Kwarkwante. It's likely we're related somewhere, deep down that line from the late 1800s. It's good to meet a cousin from a long time away.

You are the vice-chair of the Indigenous Tourism Association of Canada, and its Alberta director. One of the largest issues we're hearing about when it comes to indigenous tourism is the barrier to capital. We talked about that capital barrier. There's a consequence to not accessing capital, which is that indigenous women are often taking their own savings, which they generated, as source revenue to build those companies. That's huge. We admire them for that. I'm sure you know exactly what it feels like to build up a company. However, there's a critical moment in there: How do you commercialize it? When I talk to people right across Alberta, particularly women who want to get involved in indigenous tourism, this is a barrier. They do everything right. They literally build this beautiful site, just as you have. Then they don't know what to do after that. They have the stories. They have the pride. They have everything, but they don't have the clients. They don't know how to bridge that gap.

What could you recommend as a program or service that supports this work? What do you recommend these women do in this circumstance?

Ms. Brenda Holder: That is a fantastic question and I appreciate your asking that. It is such a delight to meet you. Thank you, cousin.

This is most certainly a very difficult question to answer because there are so many nuances involved in it. If I kind of take a step back and think about my own journey as an indigenous woman within the tourism industry, I had probably one of the most difficult journeys of my entire life in trying to get funding. I worked very hard to do all the right things. I ended up having some support from what was back then called Aboriginal Business Canada. It was a very small amount of money. They offered, I believe, 70% of the grant money and I had to provide 30%. In order to do that, I was expected to get a loan from the bank.

I was refused seven times, even with an absolutely outstanding business plan that was written and provided by Aboriginal Business Canada at the time. They found somebody who could do a good business plan for me. I really was not very high risk, but I really had to work hard to try to establish myself as a credible person who was going to be able to carry this out.

Over time, it feels like you're just being chipped away at and chipped away at. You go through all of these hard things and then you're faced with this absolute monster called "marketing". As an aboriginal or indigenous woman, that is a word that we just simply, truly don't understand in terms of how we are to procure all of these clients, especially overseas, when we're told, "Oh my God, Germany is going to fall all over itself for you." It certainly doesn't happen.

I kind of feel that the ball has really been dropped, not only with the financial aspect of it, but also with all of the other supports that we require to educate ourselves enough to be able to understand how to move forward in a business.

One of the things we're working on with Indigenous Tourism Alberta is something called the "six senses" program, which is absolutely magical. It is providing that support for entrepreneurs, along with some excellent mentors who've been there and done that.

• (1805)

Mr. Blake Desjarlais: Among what you mentioned today, the marketing challenge in particular is the biggest one. I hear that all the time, too. I hear it, whether it's in relation to Germans, Europeans, folks from the United States or from Asia. They all want to see what we have to offer. They all want access to this unique, authentic experience and the ability to do that in a really good way.

I think you've given us a very important answer today, which is this challenge about capital access and marketing. The capital access portion is shocking to hear. You, someone of very high credibility with a business plan, were rejected seven times. That's a significant barrier.

I don't have enough time, but in the next round we'll hopefully have a chance to delve deeper into that.

Thank you, Chair.

The Chair: We'll go on to Mrs. Gray for five minutes, please.

Mrs. Tracy Gray: Thank you, Madam Chair, and to the witnesses for being here.

I'll start my questions with Startup Canada. Thank you for being here.

One thing you mentioned in your opening address was that capital and access to capital are among the biggest challenges for women entrepreneurs, including start-ups.

The Canadian Venture Capital and Private Equity Association co-signed a letter with the Canadian Chamber of Commerce to the finance minister saying that the Liberals' proposed capital gains tax increase "sows division at a time when we need a Team Canada approach to economic growth."

My question is, will the capital gains tax hike impact the start-ups you work with and their ability to access capital in order to grow and potentially export?

Ms. Kayla Isabelle: Absolutely. Thank you for that question.

I cannot say that I've heard from a single founder how the capital gains tax is going to benefit them. I think that's probably my answer.

Mrs. Tracy Gray: Wow.

Do you have any sense as to a dollar figure for the lost opportunities that might result?

Ms. Kayla Isabelle: No. I think there's an overall fear. I think that, potentially, might be clouding what will become the actual net of it.

I don't think there was a concrete understanding as to why it was put into place and what benefit it was intending to serve. I can say unequivocally that all of the feedback we've received through our advocacy and programming has been concern about the capital gains tax.

Mrs. Tracy Gray: That's very impactful because you are definitely working with a lot of women entrepreneurs, are you not?

Recent calculations by renowned economist Jack Mintz show that the capital gains tax hike across all sectors will reduce Canada's GDP by \$90 billion, real per capita GDP by three per cent, the capital stock by \$127 billion and employment by 404,000.

Based on what you know, the work that you do and the women entrepreneurs whom you work with, will Canada be less competitive for talent, investment or capital in the global market because of the Liberal capital gains tax hike?

Ms. Kayla Isabelle: I think this sentiment around competitiveness and ensuring that we are not only maintaining Canadian companies, but also maintaining Canadian talent to feed into those incredible companies has been a topic of conversation for quite some time, before my time at Startup Canada. I think we are constantly losing incredible founders because of the environment and the perception of comfort with risk in Canada and the supports that I think a lot of founders perceive that we may not have.

To my point earlier, I think that access to capital is actually the challenge. It's not that there isn't money to access or support. To ensure that we have incredible businesses that are staying in Canada and growing and that we have more exits stay in Canada.... I'm sure that the capital gains tax will impact that, especially when we see our southern neighbour's very—I don't want to use the word "positive"—appealing tax environments.

I do think it's an important variable, but we need to be very serious if we want to be competitive and really wave our Canadian flag proudly internationally. We need to be looking at why so many Canadian companies are going to the U.S. and shifting from Waterloo to Silicon Valley and beyond.

• (1810)

Mrs. Tracy Gray: We are seeing a lot of businesses and entrepreneurs moving to the U.S. Are you hearing that as well?

Ms. Kayla Isabelle: I think that's been the case for quite a while; I don't think that's new. I think there's an appetite for risk in the U.S. that is higher. I think people think they can get bigger cheques in the U.S., that they can also stand on a larger podium.

When I do my international work across the EU, I don't think any of them could mention a Canadian founder if you asked them to name somebody successful. They would be able to provide an inventory of American entrepreneurs, but also may have thought that a Canadian founder was American, so we really need to do a job as a collective, the entire ecosystem, to proudly showcase Canadian innovation globally.

Mrs. Tracy Gray: Based on your experience and the entrepreneur you work with, over the last nine years, has Canada become a more challenging country for entrepreneurs to access venture capital and private equity? Has the capital pool shrunk or grown?

As part of that as well—because we're almost out of time here—how much do you think cutting taxes as well as red tape and bureaucracy in the tax system would improve our economic growth?

Ms. Kayla Isabelle: I think red tape reduction needs to be a number one priority. We consistently hear that and have for years. When we talk about the overall capital pool, it's been very encouraging to see more women-led VCs enter the space. I can think of a handful. I know my colleague Sonya Shorey mentioned a number who partner with folks like SheBoot. That is an important part of the equation, women writing cheques to women-led ventures. We also need to see more male-led VCs writing larger cheques to Canadian women, being that champion and that ally with their purse strings and not just saying that they support women and have one on their leadership team.

The Chair: I'm sorry. That's such valuable information, but I have to cut you off.

Terry, go ahead for five minutes.

Mr. Terry Sheehan: Thank you very much to both presenters.

My first question is for Startup, Kayla.

We have a mutual friend, I believe, Nevin Buconjic from Sault Ste. Marie. He founded StartUP Sault Ste. Marie in 2012. He used to work for me at a small business enterprise and entrepreneurship centre that I ran. He has started a multitude of businesses and written a bunch of books. Right now he is working with his daughter, Hannah, and they wrote a book together. She's in elementary school. He and I have had opportunities to speak, and he really wants to push entrepreneurship for young people, in particular women, like his daughter.

What advice do you have for this committee for how the federal government could help get to young people? I know that education is a provincial matter, but perhaps there are things like start-ups that your business is doing.

Ms. Kayla Isabelle: Thank you so much for that question.

I'm a huge fan of Nevin. For anybody who's looking for a holiday stocking stuffer, his book that he developed with his daughter, Hannah, has a lot of different start-up ideas that any young person can create. That's definitely a great shout-out to their work.

When it comes to activating and inspiring young potential entrepreneurs, this has ebbed and flowed. I've been with Startup Canada for just over five years. When I started, entrepreneurship was what everybody wanted. You would see all of “overnight successes” pop up, and everybody wanted to be a founder, disrupting some type of space. Now, after going through the pandemic, after seeing how uncertain that type of lifestyle is and how much risk you're taking on, and after throwing in interest rates, economic uncertainty, global conflict and Canada Post strikes that impact thousands of small businesses right before Black Friday, many young potential aspiring entrepreneurs are seeing a lot of this noise and a realistic perspective on what it is to be a founder. You're shifting from nine-to-five work to 24-7 work, as they say.

We need to look at that risk appetite and ensure that folks can build businesses that are going to radically transform the future of Canada and the world. We need to bring in those perspectives and those ideas. We do need to be hopeful, but there is a pretty intense and difficult climate that they're navigating into. We also need them to understand that full risk before going all in, especially when it comes to women founders.

To Mr. Desjarlais' point of leveraging their own capital, women entrepreneurs are way less likely to take on debt, and they're more likely to use their own funding—their own chequing accounts and banking accounts. That comes with tremendous risk as well.

We need a full understanding of what entrepreneurship entails. We need a hopeful message. I'm a very glass-half-full person. There's so much potential in bringing these incredible ideas that come from academic institutions, from all across the country. The youth have the ideas that are going to change the future and the world that we live in, so we need to make sure that they're helping to build it.

• (1815)

Mr. Terry Sheehan: Nevin also mentioned that, in his mind, because the unemployment rate is so low, people have jobs. When the unemployment rate is high, people make their own jobs. He was talking about the curriculum and some of the stuff that he's interested in.

We would also be interested in learning about networking and what kind of start-up networking you do that is helpful to women entrepreneurs, and about mentorship—women mentoring women in business. I know a lot about Futurpreneur, the federal program for 18- to 39-year-olds. It has helped over 18,000 entrepreneurs with over 14,000 business start-ups, and 44% of them are women entrepreneurs, which is a better number than it was years before. What can we do to get that number up higher, as well, if you don't mind?

Ms. Kayla Isabelle: I love that question.

As it pertains to networking, that is really our bread and butter at Startup Canada. It's providing access for these early-stage founders to the network of support that exists.

I think of programming that we do like our Startup Canada tour. We travel to a number of different destinations all across the country, from Whitehorse to Halifax, from Calgary to Brampton and to all of these different spaces. We create a physical environment

where the support ecosystem partners and the private sector come to engage, as do early-stage founders and the governments. We engage all of the stakeholders involved in entrepreneurship.

If I have an emerging business and a great idea, then I can enter into this space and can find an incubation program. I can potentially find an angel investor if that's the right path for me. I can find the right government partner, once I'm ready for procurement.

We are trying to decrease the tension points in that access, because if you're a small business Googling “how to start my company”, you're going to get a whole bunch of different resources. Our tour is a way of really bringing that to life.

On the mentorship piece in particular, five years ago when I began at Startup Canada, there were a tremendous number of mentorship programs. That was where a tremendous amount of funding was going toward building more and more mentorship.

How do we actually focus on the mentorship programs that most meaningfully support women founders? I think of The Forum. It received WES funding, and it has an excellent mentorship program. Now, instead of building our own, we point to that and ask that it leverages this fantastic session and initiative for them, and then it gets better stats.

The Chair: Thank you, very much.

I apologize for cutting you off.

Ms. Kayla Isabelle: I'm sorry, but I could talk about this all day.

The Chair: You need to come back. You have a huge amount of information to share with us.

Some hon. members: Oh, oh!

The Chair: We'll go to Monsieur Savard-Tremblay for two and a half minutes, please.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: Mrs. Isabelle, I'd like to ask you a quick question before moving on.

Are you also active in Quebec?

[*English*]

Ms. Kayla Isabelle: Yes, we are. In partnership, we've held our Startup Canada tour and some export programming specifically in Montreal.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: Madam Chair, there is no interpretation.

Ms. Kayla Isabelle: Yes, a little bit in Montreal—

Mr. Simon-Pierre Savard-Tremblay: You can start over in English. I want to make sure it works.

[English]

Ms. Kayla Isabelle: We have done programming in Quebec. We do so in partnership with a lot of Quebec-based organizations. We've partnered with Bonjour Montréal and Main. I know that Startup Montréal and some of those entities have shifted. We actually held a women's session in partnership with Startupfest to ensure that we weren't adding duplication into the ecosystem. We do so in true collaboration with other Quebec-based organizations, but we need to do more.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: You would be welcome, and I'm sure many businesses would be happy to work with you.

Do you have many exporting companies as members?

[English]

Ms. Kayla Isabelle: Absolutely. Through our program Startup Global, we have about 6,200 entrepreneurs engaged. Of that community, I'd say 45% are actually exporting. Many of them are aspiring exporters.

• (1820)

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Most women-owned export businesses tend to be smaller than comparable men-owned ones.

Do you have any idea why that is?

[English]

Ms. Kayla Isabelle: Yes. Absolutely. From our standpoint, we have the pipeline. The issue is not the pipeline in companies that have scaling potential, that have great leadership and that have incredibly strong Canadian roots. To go back to my point around accessing capital for that international expansion, I don't think women founders know where to access that. To the point around Export Development Canada, etc., yes, there are some small business initiatives, but often that's mid-market and for more of the scale-up community coming through some of our partners. Where is that support for early-stage founders? We try to connect them there.

As for our other programs, we always have a pro-exporting narrative. Our women's program is not exclusively for exporters, but it's about the storytelling opportunity. We need to showcase how women are exporting. I can think of Nita at Dalcini Stainless. She's an unbelievable exporter who's often profiled, but she shares a lot of hurdles around exporting her product. We try to both champion those perspectives to government and also have her serve as bit of a mentor and guide to other aspiring women exporters.

The Chair: Thank you very much.

We'll go to Mr. Desjarlais for two and a half minutes.

Mr. Blake Desjarlais: Thank you very much, Madam Chair.

Ms. Holder, in our previous round of questioning, we talked about some of the barriers related to international access to clientele for indigenous tourism. There's an international trade agreement that our honourable chair is quite familiar with. That's the Indigenous Peoples Economic and Trade Cooperation Agreement. Are you familiar with that agreement?

Ms. Brenda Holder: I am not.

Mr. Blake Desjarlais: It's a more recent agreement. For quick transparency about it, the agreement tries to see greater economic co-operation of indigenous peoples between Canada and other countries that have indigenous peoples, such as New Zealand, Australia and Taiwan. All of us have the very unique and ultimate blessing, I'd say, of having indigenous people within the boundaries of our communities. We need to see these groups co-operate.

I'm a champion of this agreement. I think it's a very good agreement that the government has entered into for the purpose of this. My criticism of this, however, comes from trying to engage indigenous people into it. You don't know about it. Many indigenous people I've spoken to don't know about it. I would like to see indigenous people come together with our partners in these communities to ensure that we have a greater framework for the indigenous peoples economic and trade co-operation agreement.

I think it's incumbent upon our committee. We should contemplate studying in the future how we can create a guiding framework for the implementation of IPETCA that would hopefully see tourists, for example, between all of our great countries be able to share resources and share ideas, but also, most importantly, that network, so that we can streamline people into tourism.

Would you be interested, for example, in participating in the Indigenous Peoples Economic and Trade Cooperation Agreement work, should it ever be studied in this committee?

In addition to that question, what do you think the opportunities are for tourists in the Asia-Pacific region?

Ms. Brenda Holder: I really appreciate that question a great deal.

First of all, yes, I would certainly be interested in that. One thing I will point you to is that recently ITAC has teamed up with AIANTA in the United States and Māori Tourism to create a new committee known as DO-IT, Destination Original Indigenous Tourism. This is a global effort that we are currently working on.

I would highly encourage you to seek that out and to get more information on that. It's something that we announced last year at the international indigenous tourism conference. We just recently had two of our executive board members, as well as our CEO and our vice-president, go to Louisiana to meet for their official first signing of the agreement.

The Chair: Thank you very much.

Ryan, you have three minutes.

Mr. Ryan Williams: I'll take it.

The Chair: As well, we have three minutes for Ms. Fortier.

Mr. Ryan Williams: Thank you.

Thank you very much to our witnesses. This is great testimony. We're hearing a lot today.

Obviously, there are big barriers and challenges for start-ups in general in Canada, but specifically for women in business. We have heard from past witnesses that VC—venture capital—for women businesses is less than 2%.

Ms. Holder, we're hearing from you that you were denied seven times by our banks, by traditional banks. I've been talking a lot at the House of Commons about competition in banking, and that's open banking.

I'll start with you, Ms. Isabelle. I was also a founding member of Startup Bay of Quinte back in 2017, so I know your organization well. You do a great job.

Can you tell me about the benefits of open banking and what it would help for those founders and for those women entrepreneurs specifically who are struggling in looking for funding?

• (1825)

Ms. Kayla Isabelle: Thank you so much for that question.

It's great to see a community leader joining and having the perspective of obviously running communities across the country.

I think that when it comes to banking, open banking and fintechns that are trying to emerge across Canada and innovate in that space, in looking at the private sector overall, we work very closely with a number of banks through Startup Canada. That's actually how we get a lot of our sponsorship and how we survive. I've seen a lot of great programming, actually, coming through Scotiabank doing the Scotiabank women initiative and various folks like that.

When it comes to open banking, I think it's something that could dramatically transform entrepreneurship in general. Obviously, I think that with women's entrepreneurship it could be something positive as well, but we need to ensure—to Ms. Holder's point—that there's trust built with the FIs. We see more programs like the SWI popping up. We have more confidence that our financial institutions are really committed to this change, and we're seeing some reporting from them coming out as well.

Mr. Ryan Williams: On that note, we've been waiting almost seven years for open banking. The government has promised legislation. It's always down the road.

The Americans may get open banking up before we do, and that's a big risk, because it's going to force a lot of founders—especially in fintechns—down south. We've already lost half a trillion dollars of investment down south in the last nine years.

Tell me how important it is for the government to present legislation as soon as possible in order to keep investments here, but more importantly, to provide competition to founders here in Canada.

The Chair: Answer briefly, please.

Ms. Kayla Isabelle: It's very important.

Let's look to the EU as well, as to the conversation they've been having, because there's some interesting research going on there with women entrepreneurs.

The Chair: Thank you so much.

Ms. Fortier.

[*Translation*]

Hon. Mona Fortier: Thank you, Madam Chair.

[*English*]

I have two things I want to share.

My first question, quickly, Madam Isabelle, is, have your members ever participated in trade missions that government offers?

Yes? Okay.

There's another one coming up in the Philippines and Indonesia, and I know that Minister Ng is really looking forward to having members. I'm just extending the invitation.

Ms. Kayla Isabelle: That's perfect.

Hon. Mona Fortier: The second thing I want to say is that you mentioned red tape.

On March 31, 2022, when I was the president of Treasury Board, we tabled Bill S-6. It went through the Senate first. It is currently at second reading in the House of Commons.

Bill S-6 includes amendments to reduce the administrative burden for businesses; make digital interactions with government easier; simplify regulatory processes; make exemptions from certain regulatory requirements to test new products; and make cross-border trade easier through more consistent and coherent rules across government.

I think that's probably music to your ears.

Ms. Kayla Isabelle: Yes.

Hon. Mona Fortier: This second annual regulatory modernization bill is kind of stuck right now. We need to move forward, I believe, so my invitation is to ask my colleagues and say that, hopefully, we can get back to business in the House, and that might be a great solution to support businesses, especially women entrepreneurs and to be able to reduce that red tape. I see you nodding, but I'll just maybe give you the rest of my time to compliment this—

Voices: Oh, oh!

Hon. Mona Fortier: —if you agree with me or not.

Ms. Kayla Isabelle: I could not agree with you more. This is a non-partisan issue, right? Reducing red tape for founders benefits everyone.

I commend that moving forward. I think entrepreneurs would welcome it. I look forward to seeing some concrete progress made in that space.

Hon. Mona Fortier: I love the non-partisan approach.

I will lead with my team and other parties. Hopefully, we can pass this one quickly and, funnily, there's a third one ready after that.

Voices: Oh, oh!

The Chair: Thank you so very much to our wonderful witnesses Ms. Holder and Ms. Isabelle.

The witnesses can leave.

For the committee's purposes, on November 25, we have our last session on women entrepreneurs. Then we're scheduled to have one more meeting on softwood lumber. At the moment, we do not have any additional witnesses. We've had our meeting on softwood lumber.

Do we need to have another meeting on it? Is everybody okay?

• (1830)

Mr. Ryan Williams: Madam Chair, were there a lot of witnesses who said they couldn't make it? We submitted quite a few witnesses.

The Clerk of the Committee (Mr. Grant McLaughlin): It's a combination of people not being available and parties having similar witness lists. It ended up being fewer people than expected.

Mr. Ryan Williams: There are a couple of requests to appear, I guess.

The Clerk: Those have also been invited.

At this point, if we want to have a meeting on December 2—the third meeting—we require more witnesses. There are no witnesses left on the lists to invite. They have been previously received. If the committee wants to have that third meeting, it is necessary to send us more witnesses.

Mr. Blake Desjarlais: Is the chair's question whether we should dispense with that meeting? I'm okay not having the meeting, if that is the direction of the chair. Should there be no witnesses, there would be no meeting.

The Chair: At the moment, we don't have any more witnesses. Before I cancel it, I want to make sure everybody is comfortable.

Mr. Savard-Tremblay.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: Obviously, we can't really hold meetings without witnesses. However, we can propose others. Generally, we indicate second choices when we provide our

witness lists. If the first choice falls through, we move on to the second. If the first choice works, we don't go to the second. I'd imagine we still have some options.

[*English*]

The Chair: The problem, I gather, is that many of them were duplicate witnesses coming from the Conservatives, you, Mr. Desjarlais and us.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: For example, I'm pretty sure I had the Quebec Forest Industry Council down as my second choice. My first was the Institut de recherche en économie contemporaine, and they were invited. To date, the committee has not heard from the Quebec Forest Industry Council. I'm sure we haven't exhausted the entire witness list.

The Clerk: A meeting is still planned for Wednesday, November 27, and that group will be attending.

Mr. Simon-Pierre Savard-Tremblay: Okay. So the question has to do with the following meeting.

The Clerk: Exactly. We're talking about the meeting on Monday, December 2. The original motion was for three meetings.

[*English*]

The Chair: Are we comfortable with this?

Some hon. members: Agreed.

The Chair: Thank you all very much.

We are having one more meeting on softwood lumber. There are some companies from Quebec on that list. Unless somebody comes up with a requirement for additional witnesses, it will be the last meeting.

Mr. Ryan Williams: I would ask that you give us until Friday this week to submit witnesses.

The other option is this: If the witnesses couldn't make the date we had, can there be another date? We have some room for different meetings. Is that correct? Maybe it can happen before the Christmas break.

I think we want the study done by the Christmas break. We don't want to extend it.

The Chair: No, we didn't want to have to do that.

Let's have everyone just check to see if there are any witnesses who are outstanding and who they think are important for getting this done, and we will try to make sure that it all happens.

Is that all right?

Some hon. members: Agreed.

The Chair: Okay, great.

The meeting is adjourned.

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