
Women and Trade: Breaking Down the Gender Barrier

by Helena Guergis, MP

International trade is equivalent to over 71 per cent of Canada's Gross Domestic Product. It is the driving force behind one in every five Canadian jobs, and represents the foundation of our social programs and quality of life. Clearly, our economy and society depend heavily on our businesses and investors reaching out to the markets of the world. Global commerce presents unlimited opportunities for entrepreneurs, workers and consumers around the world to prosper, thrive and raise their living standards. As trade barriers continue to fall, and the nations of the world embrace an increasingly liberalized global economy, these opportunities will grow apace for large and small economies alike. This article looks at how Canadian women are increasingly taking advantage of foreign business opportunities.



Over the last 20 years, Canada has seen a 200 per cent increase in the number of women-owned firms. With over 800,000 women-owned businesses in Canada, contributing \$18 billion to the Canadian economy each year, women are playing a growing role in Canada's economy, boosting our performance at home and in the markets of the world.

Small businesses are a case in point. As a former small business owner, I know that these businesses are nothing short of an economic engine, leading the country in job creation, and playing an essential role in Canada's domestic and international economic performance. And women are starting up these businesses at twice the rate of men, particularly in the services industry.

The fact is, these businesses stand a greater chance of succeeding if they participate in the export market,

rather than in the domestic market alone. Thankfully, Canadian businesswomen have wholeheartedly accepted this challenge, and are exporting all over the world: mostly to the United States, but also to Asia, Europe and beyond.

In most cases, women entrepreneurs face many of the same challenges that men face. For instance, one study¹ shows that women exporters found that international marketing posed the greatest obstacle. The cost of developing new markets, obtaining the right information and finding local partners and distribution channels were all cited as key challenges. But are women also facing unique, gender-based challenges in their pursuit of trade opportunities? It seems that when it comes to exporting, gender does indeed matter.

As a member of both the Standing Committee on International Trade and the Standing Committee on the Status of Women, I hear about the challenges often. Cultural differences — such as those faced by businesswomen in the Middle East, South Africa, India and South America — and not being taken seriously as business owners are two such challenges. A study² found that 75 per cent of female business owners believe that their gender has an influence on their ability to export. Among this percentage, many find that their gender is a disadvantage, citing

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lack of respect from male business owners, and a perceived bias against women on the part of financial institutions as key challenges.

A 2005 report³ found that some women-owned firms are not performing as well as male-owned firms, finding possible explanations in the lack of mentors and role models, smaller professional networks, and even a lack of spousal or peer support.

The challenges become even more acute for women in developing countries. At a Canadian-sponsored roundtable discussion on Women Entrepreneurs and International Development held on the margins of the World Trade Organization's 6th Ministerial Conference in Hong Kong last December, delegates heard about the challenges faced by women in developing countries, like accessing credit, capital and information. These challenges are exacerbated by poor education and training, and a lack of knowledge of international trade regulations.

As an open, trading nation, and an active supporter of women's rights around the world, Canada has been at the forefront of the movement to address gender imbalances in international trade, in developed and developing countries alike.

Our commitment is part of our broader international dedication to eliminating violence against women, ensuring full and equal participation of women in decision-making, and working with our international partners to strengthen women's rights and gender equality.

A number of federal organizations — including Foreign Affairs and International Trade Canada (DFAIT), the Canadian International Development Agency (CIDA), Status of Women Canada (SWC) and Industry Canada (IC) — actively participate in national, regional and international initiatives aimed at building a greater understanding of the relationship between gender and trade, and developing programs that break down barriers faced by female entrepreneurs.

In fact, Canada played a key role in the first-ever session on gender equality and trade at the 2003 WTO Public Symposium — a session that drew attention to the significant contribution women make to the global economy, and the special challenges they face.

It was also a catalyst for the DFAIT-organized Roundtable on Gender Equality and Trade held during

the WTO's 5th Ministerial Conference in Cancun, Mexico in September 2003, and the Roundtable on Women Entrepreneurs and International Development at last year's WTO Ministerial Meeting in Hong Kong. Reports from these sessions are available on the department's website: www.international.gc.ca

Thanks to the efforts of Canadian women like Adair Heuchan, who received the 2004 Woman of the Year Award from the Organization of Women in International Trade (OWIT) while working as Counsellor for Trade and Development at the Permanent Mission of Canada to the WTO and the UN, Canada is becoming widely recognized as a champion of gender equality in international trade policy at the WTO. The 2006 OWIT Award will be presented to another Canadian, entrepreneur Andrina Lever, President of Toronto-based Lever Enterprises, who has long been an advocate of women's entrepreneurship in groups like the Organisation for Economic Co-operation and Development (OECD) and the Asia-Pacific Economic Cooperation (APEC) forum. As these awards prove, women from Canada's public and private sectors are keeping this issue on the table around the world.

DFAIT is also a proud champion of women exporters at the APEC forum. In fact, Canada led an APEC project called "Supporting Potential Women Exporters," which led to a New Zealand-developed survey of APEC members' practices to promote women exporters. This September, Vietnam will host a workshop to propose next steps in this area. Building on the work that's been done to date, Canada is now working on a multi-year private sector development plan, which will help women exporters deal with the many trade-related challenges they face.

DFAIT-sponsored trade missions provide an important vehicle for businesswomen to reach out to foreign markets. These missions often include events organized by local women's business groups and associations to let our trading partners know what Canadian women can offer. Here in Canada, DFAIT and IC co-chair the inter-departmental Working Group on Women Entrepreneurs, dedicated to the subject of women and international trade.

The department's flagship publication for Canadian businesses, *CanadExport*, includes an annual supplement on women entrepreneurs in international trade, providing a showcase for women exporters and how they are using federal services to grow their businesses. DFAIT's *Businesswomen in Trade* website outlines the full slate of government programs available for businesswomen, and provides a unique forum for them to network, learn

about financing and insurance services, and identify foreign business opportunities.

The department is one of many proud federal supporters of the JoAnna Townsend Award, named after a former DFAIT and Export Development Corporation employee who was a champion of women exporters, and who died after a courageous battle with cancer.

CIDA is committed to integrating gender equality across all of its trade and capacity-building related policies and programs — the Agency's *ACCESS! for African Businesswomen in International Trade* program, which helps African women entrepreneurs break into the export market, is an excellent example.

Indeed, Canada's new government recognizes the important role played by women in trade, and in sustaining our national prosperity, quality of life and competitive position in the world. We are committed to building a better understanding of the opportunities and challenges of trade liberalization, and supporting research and analysis of specific areas of trade policy and their impacts on women. We take very seriously the UN's Millennium Development Goals, including the third goal, which seeks to "promote gender equality and empower women." Clearly, this goal must include trade.

Increasingly, women are bringing their energy, creativity and entrepreneurial spirit to bear throughout Canada's business world. From small and medium-sized businesses to large, multinational firms, Canadian busi-

nesswomen — and indeed, businesswomen from around the world — deserve the same access to financing, benefits, and market assistance and access that their male counterparts enjoy. They deserve to be treated with the dignity and respect their role in the world commands.

This Government looks forward to working with Canadian women to help them capture these opportunities, and continue making such an important contribution to the fabric of Canadian life.

Notes

1. *Beyond Borders: Canadian Businesswomen in International Trade*, pg. 15, summary report prepared by Ruth Rayman, (Rayman & Associates), based on a complete report by the Trade Research Coalition, Dr. Barbara Orser (Equinox Management Consultants Ltd.), Dr. Eileen Fischer (York University), Dr. Rebecca Reuber (University of Toronto), Ms. Sue Hooper (The Asia-Pacific Foundation of Canada) and Dr. Allan Riding (Carleton University), 1999.
2. "Exporting as a Means of Growth for Women-owned Firms" by Dr. Barbara Orser, Dr. Allan Riding and JoAnna Townsend in *The Journal of Small Business and Entrepreneurship*, vol. 17, no. 4, Summer 2004.
3. "Sustaining the Momentum", synopsis report of research and recommendations stemming from *Sustaining the Momentum: An Economic Forum on Women Entrepreneurs*, Industry Canada and Carleton University's Sprott School of Business, 2005.