Women entrepreneurs in Northern Canada: contexts and challenges

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Abstract: Yukon, Nunavut and the Northwest Territories, Canada’s three Northern territories, are characterised as the most northerly permanently inhabited regions in the world, and the least populous regions of Canada. It is not yet clear, what if any gender-related issues stymie the growth of female-owned Northern Canadian enterprises. This study presents a perspective on the contexts of, and challenges facing, female entrepreneurs in Northern Canada. To inform this work, the study draws on previous research, analyses of survey data, and interviews with 11 key informants conversant with entrepreneurship in Northern Canada. Findings are used to advance questions for future research about women’s Indigenous (in the Canadian context, Aboriginal) and non-Indigenous (non-Aboriginal) entrepreneurship in Northern Canada.

Keywords: women; female; gender; entrepreneurship; Indigenous; Aboriginal; small business; business owners; SMEs; Canada; Inuit; Yukon; Northwest Territories; NWT.


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1 Introduction

Yukon, Nunavut and the Northwest Territories (NWT), Canada’s three Northern territories, are characterised as the most northerly permanently inhabited regions in the world, and the least populous regions of Canada. This study presents a perspective on the contexts of, and challenges facing, female entrepreneurs in Canada’s North. To inform this work, the study draws on previous research, analyses of survey data, and interviews with 11 key informants conversant with entrepreneurship in Northern Canada.

This topic is important for several reasons. First, Canadian federal priorities reflect the desire to develop northern regions so as to enhance socio-economic infrastructure, increase military presence, and identify development opportunities (Canadian Federation of Municipalities, 2010; Government of Canada, 2009; Aboriginal Affairs and Northern Development Canada, 2009). One element of the federal strategy is facilitation of enterprise development.

Second, while there is considerable research regarding women entrepreneurs – as well as research about entrepreneurship in Canada’s North in general – few studies have examined both topics simultaneously; moreover, those studies that have considered women in the Northern context focus primarily on social, political, and cultural issues (Dana, 2007, 2010; Dana et al., 2008, 2010). As such, there is little evidence about what constitutes practices that facilitate women’s entrepreneurship in northern regions. Previous studies have called for such research (Vodden et al., 2001).

Third, even in the context of entrepreneurs in Northern Canada, research has focused primarily on Inuit entrepreneurs. Yet, the three territories differ considerably from one to the other with regional disparities in population density, composition, urbanisation and growth prospects. Within each territory, differences among regions and between urban and rural situations can be profound. It is not clear, what if any gender-related issues, stymie growth of female-owned enterprises.

Finally, Weir (2007, p.47) suggests a fourth rationale about why research focusing on Aboriginal entrepreneurship research is required.

Today, many Aboriginal leaders and managers accept the essential role the entrepreneur and small business activities [contribute] to the survival and growth of Aboriginal communities and culture. Few community leaders or researchers worry if private enterprise should be entertained, rather they question when entrepreneurial activities should be entertained, how these activities should be supported, and what form or forms small business initiatives should take.

Northern regional development is important for many nations, including Canada. As such, this study outlines the contexts for small business ownership among females in Northern Canada and reports on information gaps that limit current analyses of women’s entrepreneurship. To do so, the study reviews three sources of information. In the first
section, the paper provides a concise review of research literature. Second, the work examines the contexts of women’s entrepreneurship in Northern Canada through analyses of Statistics Canada Census data, data from the Canadian Labour Force Survey (LFS), and data drawn from Canadian Business Patterns. Finally, the research relies on observations drawn from 11 key informant interviews. These findings are used to advance questions for future research about women’s entrepreneurship in Northern Canada. First, a short profile of Northern Canada is presented.

2 Economic profile of Northern Canada

The three Northern territories – Yukon, NWT and Nunavut – span the Canadian north, respectively, from West to East. While approximately of similar size in terms of total population, they are quite diverse in several respects. They differ substantially in terms of the balance between relatively rural (and sometimes remote), small communities and urbanised centres. At one extreme, almost two-thirds of the Yukon population lives in Whitehorse; at the other extreme, the vast majority of Nunavut residents live in smaller, remote regions. While Yukon communities are largely connected by road, this is not the case for Nunavut. In both respects, the NWT fall between these extremes. Where a majority of the population in Nunavut comprises Aboriginal peoples (largely Inuit), most of the population of the Yukon is Caucasian and the population of the NWT is a mixture of Métis, First Nations and Caucasian. Nunavut has, in particular, shown rapid population growth over the last 15 years, and Iqaluit (capital city of Nunavut) has experienced a population growth that has outpaced that of the rest of Nunavut. This is likely an outcome of in-migration and the establishment of Iqaluit as the seat of government for Nunavut. The population of Iqaluit and of Nunavut is extremely young, with over one-third of the 2006 population being younger than 18 (McCluskey, 2010).

<table>
<thead>
<tr>
<th>Gender</th>
<th>Total</th>
<th>Aboriginal identity</th>
<th>North American Indian</th>
<th>Métis</th>
<th>Inuit</th>
<th>Non-Aboriginal identity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>Males</td>
<td>15,326.3</td>
<td>572.1</td>
<td>338.1</td>
<td>193.5</td>
<td>25.0</td>
</tr>
<tr>
<td></td>
<td>Females</td>
<td>15,914.8</td>
<td>600.7</td>
<td>360.0</td>
<td>196.3</td>
<td>25.5</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>31,241.0</td>
<td>1,172.8</td>
<td>698.0</td>
<td>389.8</td>
<td>50.5</td>
</tr>
<tr>
<td>Yukon</td>
<td>Males</td>
<td>15.2</td>
<td>3.7</td>
<td>3.0</td>
<td>0.4</td>
<td>0.1</td>
</tr>
<tr>
<td></td>
<td>Females</td>
<td>15.0</td>
<td>3.9</td>
<td>3.2</td>
<td>0.4</td>
<td>0.2</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>30.2</td>
<td>7.6</td>
<td>6.3</td>
<td>0.8</td>
<td>0.3</td>
</tr>
<tr>
<td>NWT</td>
<td>Males</td>
<td>20.9</td>
<td>10.2</td>
<td>6.2</td>
<td>1.9</td>
<td>2.0</td>
</tr>
<tr>
<td></td>
<td>Females</td>
<td>20.1</td>
<td>10.5</td>
<td>6.4</td>
<td>1.7</td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>41.1</td>
<td>20.6</td>
<td>12.6</td>
<td>3.6</td>
<td>4.2</td>
</tr>
<tr>
<td>Nunavut</td>
<td>Males</td>
<td>15.0</td>
<td>12.6</td>
<td>0.1</td>
<td>0.1</td>
<td>12.4</td>
</tr>
<tr>
<td></td>
<td>Females</td>
<td>14.3</td>
<td>12.4</td>
<td>0.1</td>
<td>0.1</td>
<td>12.2</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>29.3</td>
<td>24.9</td>
<td>0.1</td>
<td>0.1</td>
<td>24.6</td>
</tr>
</tbody>
</table>

Source: Secondary analysis of Statistics Canada, 2006 Census
Table 1 provides a more detailed breakdown of the population of the three Northern territories broken down by Aboriginal identity and gender. The table illustrates diversity across the three territories. Whereas the Aboriginal population in the Yukon is a minority, the population of the NWT is approximately half Aboriginal and half non-Aboriginal, with North American Indian and Métis predominant. In Nunavut, the vast majority of the population (approximately 85%) is Inuit. With respect to economic opportunities, Walmark et al. (2005) report increased investment in the extraction of natural resources, enabling ancillary industries (utilities, construction) and essential services (housing, utilities, e-education and healthcare). Private and public investment in entrepreneurship training and the promotion of services targeted at Southern and international customers (cruising, remote or wilderness eco-tourism) are expected to broaden the Northern Canadian economic base. Enhanced information technology, Internet, broadband and other information/communication technologies are seen as enabling distance-based commercial activity. It is observed, however, that access to, and impact of, government investment differs by territory (Standing Senate Committee on Aboriginal Peoples, 2007, as cited by McCluskey, 2010).

Small business is expected to benefit from economic spin-offs associated with the increased public and private sector investment. However, geo-specific challenges are reported (Wutunee, 1992; Walker and Buckler, 2009; Buckler et al., 2009). The cost of transportation and fuel, weather delays, limited access to information and suppliers, and distance to markets impact the fixed and variable costs faced by Northern entrepreneurs. The high cost of ‘doing business’ is a challenge that creates competitive disadvantages compared with Southern and international operators. While such expenses are relatively less problematic for businesses in urban areas, such as those supported by road and port infrastructure (Yukon and NWT) it is difficult for many entrepreneurs to establish cost-based competitive advantages in a way that is sufficiently profitable to attract private investment. As such, for small businesses to remain profitable, Northern Canadian produced goods and services must be unique, operate within a limited geographic market and/or employ internet and other communications technologies to enhance market value and presence.

Other macro challenges include: access to housing and basic infrastructure such as clean water, health and educational services; access to employees and professional support services; and limited management training. Premium wages paid by the government and large private sector employers limit the ability of small employers to attract and retain skilled employees, particularly trade workers. Many young Northerners, particularly women, are attracted by positions within territorial and federal governments. This limits the talent pool available to small employers and, potentially, the entrepreneurial capacity of the Northern regions.

In terms of challenges associated with venture creation, access to training is limited. Existing training programs focus almost exclusively on start-up (regulations, writing a business plan) with scant focus or support for strategic growth, advanced financial and operational management and follow-up (Walker and Buckler, 2009). Lack of advanced enterprise training influences the ability of nascent entrepreneurs to recognise viable start-up opportunities, estimate risks/returns and initiate ‘win-win’ contracts.

High costs of doing business apply to suppliers of capital, particularly within remote communities such as those in Nunavut where there are few large accumulations of cash. This is evidenced in provision of micro-lending, where the cost of doing business is so high that small loans (e.g., less than $25,000) are not adequate to cover the relatively high
costs. Access to credit has been reported as being particularly problematic for Aboriginal entrepreneurs, and in particular for women (Heidrick and Nicol, 2002).

The literature has also reported on the structure of spin-off opportunities, such as the tendency of governments and private sector firms to make sporadic, short-lived investments in non-renewable resources. Wutunee (1992, p.4) has observed that such investment lends to community destabilisation, where: “…boom-bust conditions that are inextricably linked to this type of development”. Spin-off opportunities are often contracted through complex RFPs. Local entrepreneurs often have limited resources and are not equipped to act as a primary (tier-one) contractor.

Finally, tensions remain among Northerners with respect to those involved in subsistence, informal and the formal economies. There many perspectives about how best to balance and exploit Northern natural resources. For example, Walker and Buckler (2009, p.21) notes that discovered mineral deposits near Rankin Inlet are expected to act as an economic stimulus in Nunavut. Discoveries have prompted debate about the negative effect of mining activity on the caribou. Furthermore, for some entrepreneurial values are seen to conflict with family needs, traditional aspects of the community and social economy and traditional Aboriginal values (Walker and Buckler, 2009; Wutunee, 1992).

3 Research on women entrepreneurs in Northern Canada

Only four published studies have described Northern women entrepreneurs. Dimitrakopoulu (1994) has reported on the experiences of members of The Northern [Manitoba] Women’s Development Network. The network was comprised of Aboriginal, non-Aboriginal, immigrant and professional women. Dimitrakopoulu concluded that women entrepreneurs operated successful ventures by working collectively. Success was attributed to engagement in women’s networks, defined as encompassing family, community and business. Co-operatives were described as an appropriate strategy to lever long-term grassroots leadership. While some of the challenges above cited have been described by Southern women entrepreneurs (Orser, 2009), Dumitakopoulu suggests that such challenges are more pronounced in the North.

Chamberlain (2002, p.66) has reported that among 50 women business owners in rural (US and Canadian) Arctic and sub-Arctic locations, most firms were started to “fill an unmet need in a community”. Several focused on preserving cultural traditions. Success was defined as doing what founders love to do, being economically independent, spending quality time with family, and giving back to community. Other dominant themes were the desire for a better quality of life and to control one’s destiny.

Pauktuutit Inuit Women’s Association (Pauktuutit, 2001) has reported on cultural and intellectual property (IP) associated with the amauti, a traditional the parka worn by Inuit women. The association continues to raise awareness about the importance and socioeconomic value of Inuit IP. More recently, a pilot project by the Inuit Women Business Network (2015) conducted a needs assessment of Inuit female entrepreneurs, reporting that financial literacy and lack of peer-mentors are business support priorities. Like most female-owned Canadian enterprises, Inuit women predominately operate micro-enterprises. Many are engaged in the production of arts and crafts, with an increasing number “…involved in a broader range of businesses such as taxis, hotels, interpreting/ translating services and catering”. It is not yet clear how the business
development needs of female Inuit differ markedly from Southern Canadian women business owners (Canadian Taskforce for Women’s Business Growth, 2011).

With respect to Aboriginal entrepreneurship, Wilson (2005) is instructive in explaining historical invisibility of [Inuit] women in the post-contact period and factors that may account for the ongoing absence of research, media interest and government attention on Northern women’s entrepreneurship.

Wilson (2005) also reports that some Aboriginal leaders reject the assumption that patriarchy is universal. It is argued that traditional power accorded men and women in First Nation culture have been undermined by Western beliefs and contact with Euro-Canadian society. “Mary Simon also emphasizes that traditional equality in which “men and women… were always equal [as] neither could survive without the work performed by the other” has been lost [in Bourgeois (1997b, p.19), cited by Wilson (2005)]. Wilson (2005) then links this tradition to a continued failure to explicitly recognize Aboriginal women entrepreneurs in economic development. Lack of visibility is, in part, a continued and predominant focus on the central image of the Arctic hunter (the traditional male domain) and honouring of the right to exercise authority over land (a traditional male domain). At the same time, gender roles continue to expand within the mixed economy communities. In contrast to a past where “[d]ue to the unusual demands of the harsh arctic ecosystem, it was difficult for an individual to survive without the skills provided by a member of the opposite sex”,4 Inuit (and other Northern First Nations and Métis) women are increasingly economically independent, reflected by an increased number of female-headed households (Wilson, 2005).

Yet, settlement, exposure to southern attitudes, in/out-bound migration, and technology are transforming the lives of Northern Aboriginal women and girls. This is evidenced in Condon and Stern’s (1993) study of adolescents living in Holman, NWT – an Inuit community located on Victoria Island. Condon and Stern describe a first generation of youth exposed to southern attitudes, formal education and technology. They concluded that gendered expectations for young women have tended to continue along more traditional, domestic roles but that this was not the case for adolescent boys. They observed that late adolescent girls were less likely, relative to boys of a similar age, to be seen in public and more likely to contribute to the household by generating cash through work at the co-op, sewing dolls, parkas or boots (items that are sold in the co-op). Conversely, adolescent boys were less likely to engage in household chores and more likely to be taken out hunting and trapping with the father – activities that Condon and Stern describe as being of decreasing ‘economic’ influence in the Inuit household. Gender differences in cash dispensation practices are also recorded, where teenage girls are more likely than boys to spend all or a portion of their earnings on family. By comparison, the income of males is more sporadic and usually spent on themselves (Condon and Stern, 1993). It is not clear the extent to which such gender patterns have changed in the intervening decades.

More recently, Dowsley (2010) has described gendered earning dispersion patterns in Inuit households in Resolute (Qausuittuq), Clyde River (Kangiqtugaapik), Qikiqtarjuaq
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(formally Broughton island), and Nunavut. She suggests that market shocks, such as the disruption in sealskin and narwhal ivory sales during the mid-1980s, have motivated an increased wage employment of females [Dowsley, (2010), p.44]:

“...Wage employment of female relatives became increasingly necessary to support hunters ...[Dowsley] concludes that wage employment has reduced opportunity for men to be full time hunters and ‘affected the distribution of capital, straining traditional economic relationships.”

One study reports on Aboriginal women business owners’ needs [Economic Development for Canadian Aboriginal Women, Inc. (2000) as cited by Vodden et al. (2001, p.27)] stating that “business planning, financial management and marketing” information needs were fundamental to business success. 5 Again, the extent to which such needs differ from other groups of entrepreneurs is not clear.

Finally, the literature suggests that Aboriginal women entrepreneurs will increasingly capitalise on opportunities to do business with corporations operating in Northern Canada. Anderson (1997, p.1499) explains why.

The results of my research into corporate alliances with [A]boriginal people in Canada offer encouragement to them in their development efforts. Clearly the First Nations strategy of development based on capacity building through education, institution building and control of resources is working. More and more corporations are seeing [A]boriginal people as an attractive market and/or source of critical resources. As a result, an increasing number of companies are adopting a strategy involving business alliances with [A]boriginal people in order to penetrate their market and/or gain access to their resources. This presents a real opportunity for First Nations to build on their modest success to date.

We speculate that many challenges are common to male and female non-Aboriginal and Aboriginal entrepreneurs, and that some are unique to Aboriginal Northern women entrepreneurs. For example, Aboriginal women have traditionally been responsible for the processing of harvest by-products (e.g., soap, seal skins, musk ox wool) and clothing (pattern and emblematic design). Aboriginal women’s unique cultural and technical knowledge reflect valuable IP. Sharing information about codifying, retaining and managing Aboriginal IP would benefit other Aboriginal women entrepreneurs.

Furthermore, dominant Northern industries, such as those engaged in resource extraction, are male-dominated. Hiring and operational practices favour men (National Aboriginal Health Organization, 2008). This erodes self-employment opportunities for females in the trades and contracting opportunities for female business owners. Aboriginal female entrepreneurs have also expressed the need for a more equitable distribution of the opportunities made available through the Aboriginal Procurement Set-aside Program (INAC, 2009a).6 The federal set-aside is available to Aboriginal Canadians only. Some Aboriginal females entrepreneurs have cited lack of community support with respect to their entrepreneurial endeavours (then, INAC, 2009b; Wutunee, 2007).

A related issue is the lack of role models and mentors (Inuit Women in Business Network, 2015a). In terms of media, the focus of the majority of profiles about Aboriginal women appears to be on political leadership. A lack of visibility of Northern Aboriginal and non-Aboriginal female entrepreneurs serves to sustain stereotypes and misperceptions, and contributes to a lack of awareness about the nature of products and services, business models, enterprise structures (e.g., strategic alliances) and growth
opportunities. Given the above potential gender-related challenges, Aboriginal, sector and small business networks are seen as important sources of commercial, social and emotional support (Vodden et al., 2001; Inuit Women in Business Network, 2015a).

As the self-employed are often regarded as embryonic new businesses, the next section opens with analysis of secondary data that provide a statistical profile of Northern Canadian enterprises.

4 Statistical profile of northern enterprises

4.1 Self-employment

Table 2 reflects self-employment in the formal economy in the Northern Canadian territories. It presents the number of Northern Canadian tax filers who reported earnings from self-employment in 2008.

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Males</td>
</tr>
<tr>
<td>Yukon</td>
<td>1,820</td>
</tr>
<tr>
<td>NWT</td>
<td>1,020</td>
</tr>
<tr>
<td>Nunavut</td>
<td>280</td>
</tr>
</tbody>
</table>

Source: Secondary analysis of Statistics Canada, CANSIM

The total number of self-employed workers is small, collectively less than 6,000 people across all three regions and with only 460 self-employed individuals in Nunavut. However, LFS data do not capture informal and subsistence enterprises. For example, in March 2011, Rankin Inlet’s (Nunavut) economic development website reported over 200 firms operating in Rankin Inlet alone. Moreover, Meis Mason et al. (2009) note that many residents supplement income with traditional subsistence activities such as fishing. Thus, Table 2 arguably understates the level of self-employment in Northern Canada. This reflects a significant gap in information and indicates the need to undertake further analysis about the structure and economic contribution of self-employment in Northern Canada, and the engagement of women in formal, informal and subsistence activities.

Overall, 1 in 12 (8.4%) of Canadian tax filers reported income from self-employment in 2008. While the rate of self-employment in the Yukon (9.8%) is consistent with the Canadian average, self-employment rates in both the NWT (4%) and Nunavut (1.5%) appear to be substantially below the national (average) propensity for self-employment in tax-filing, income producing endeavours. Data do not inform about the propensity to undertake informal versus formal profit-oriented entrepreneurship, a key modality of economic activity in Northern communities (Meis Mason et al., 2009). As a proportion of the population, the propensity for self-employment is considerably lower in Nunavut and the NWT than in the Yukon or the rest of Canada.

Table 3 reports on incomes from self-employment. The data are consistent with observations that the presence of the government in Nunavut (especially in Iqaluit) is associated with opportunities for relatively high-paying entrepreneurial opportunities for men and, especially, for women. The average income from self-employment among
women in Nunavut equalled (and in 2006 surpassed) that among men. This may reflect the higher education attainment of women, as well as their ability to capitalise on the government’s presence in Iqaluit. Nevertheless, the propensity to be self-employed is low in the NWT and Nunavut, and there remains a considerable gender self-employment earnings gap in the Yukon and the NWT.

Table 3  Average income from self-employment: Canada and Northern regions

<table>
<thead>
<tr>
<th>Year</th>
<th>Canada Males</th>
<th>Canada Females</th>
<th>Yukon Males</th>
<th>Yukon Females</th>
<th>NWT Males</th>
<th>NWT Females</th>
<th>Nunavut Males</th>
<th>Nunavut Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>$17,319</td>
<td>$9,802</td>
<td>$8,202</td>
<td>$7,233</td>
<td>$13,714</td>
<td>$9,667</td>
<td>$13,430</td>
<td>$12,487</td>
</tr>
<tr>
<td>2001</td>
<td>$18,327</td>
<td>$10,523</td>
<td>$9,946</td>
<td>$8,179</td>
<td>$17,135</td>
<td>$11,341</td>
<td>$11,993</td>
<td>$13,833</td>
</tr>
<tr>
<td>2002</td>
<td>$18,882</td>
<td>$10,974</td>
<td>$10,482</td>
<td>$8,096</td>
<td>$17,182</td>
<td>$12,023</td>
<td>$16,092</td>
<td>$14,724</td>
</tr>
<tr>
<td>2003</td>
<td>$19,010</td>
<td>$11,157</td>
<td>$10,537</td>
<td>$8,075</td>
<td>$19,300</td>
<td>$11,899</td>
<td>$15,986</td>
<td>$14,813</td>
</tr>
<tr>
<td>2004</td>
<td>$19,789</td>
<td>$11,582</td>
<td>$12,039</td>
<td>$9,247</td>
<td>$19,205</td>
<td>$12,578</td>
<td>$15,903</td>
<td>$12,870</td>
</tr>
<tr>
<td>2005</td>
<td>$20,080</td>
<td>$12,000</td>
<td>$13,782</td>
<td>$9,757</td>
<td>$18,818</td>
<td>$11,653</td>
<td>$18,426</td>
<td>$15,032</td>
</tr>
<tr>
<td>2006</td>
<td>$20,702</td>
<td>$12,414</td>
<td>$14,853</td>
<td>$10,496</td>
<td>$21,233</td>
<td>$13,675</td>
<td>$15,118</td>
<td>$18,765</td>
</tr>
<tr>
<td>2007</td>
<td>$21,461</td>
<td>$13,065</td>
<td>$16,338</td>
<td>$10,196</td>
<td>$22,530</td>
<td>$14,205</td>
<td>$19,172</td>
<td>$19,550</td>
</tr>
<tr>
<td>2008</td>
<td>$20,943</td>
<td>$13,034</td>
<td>$16,272</td>
<td>$10,444</td>
<td>$21,127</td>
<td>$15,642</td>
<td>$24,482</td>
<td>$24,417</td>
</tr>
</tbody>
</table>

Source:  Secondary analysis of Statistics Canada, CANSIM, years as noted

4.2 Business establishments

To examine further the level of commercial activity in Northern Canada, data on the number of business establishments were extracted from Canadian Business Patterns. These data provide breakdowns geographically and by size (but not by gender of ownership) of the number of business establishments. Table 4 summarises the number of business establishments by size categories. The Yukon demonstrates a higher business density than the majority of the Canadian provinces and even than the national average. Conversely, the business density in Nunavut is shown to be substantially below average. The analysis of self-employment and business patterns data reflects the diversity of Northern regions. While the average income from self-employment in the Yukon is generally lower than that in Southern Canada, the business density, the propensity for self-employment, the size distribution of enterprises and the number of indeterminate firms are all quite comparable with the Canadian norm.

The NWT appear to fall in between the other two territories with regards to most of the measures. Similar to the situation in Nunavut, the business density is relatively low and the firm sizes are relatively high in the NWT compared with the other provinces and territories. Unlike Nunavut, however, the NWT sector profile appears to be more akin to the Yukon. Given the regional disparities, Northern Canada should not be thought of as monolithic. Generalisations about the economic composition of the North are not advised. Rather, it remains necessary to develop regional and community-based economic profiles.
Table 4  Business establishments by firm size, Canadian provinces and territories

<table>
<thead>
<tr>
<th></th>
<th>Canada</th>
<th>Yukon territory</th>
<th>NWT</th>
<th>Nunavut</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,379,798</td>
<td>2,881</td>
<td>2,630</td>
<td>834</td>
</tr>
<tr>
<td>Indeterminate</td>
<td>1,242,117</td>
<td>1,246</td>
<td>960</td>
<td>225</td>
</tr>
<tr>
<td>Employer firms</td>
<td>1,137,681</td>
<td>1,635</td>
<td>1,670</td>
<td>609</td>
</tr>
<tr>
<td>1 to 4</td>
<td>618,959</td>
<td>820</td>
<td>586</td>
<td>155</td>
</tr>
<tr>
<td>5 to 9</td>
<td>233,362</td>
<td>379</td>
<td>414</td>
<td>145</td>
</tr>
<tr>
<td>10 to 19</td>
<td>141,154</td>
<td>221</td>
<td>326</td>
<td>136</td>
</tr>
<tr>
<td>20–49</td>
<td>91,983</td>
<td>144</td>
<td>223</td>
<td>109</td>
</tr>
<tr>
<td>50–99</td>
<td>29,457</td>
<td>32</td>
<td>69</td>
<td>43</td>
</tr>
<tr>
<td>100–199</td>
<td>13,337</td>
<td>22</td>
<td>37</td>
<td>17</td>
</tr>
<tr>
<td>200+</td>
<td>9,429</td>
<td>17</td>
<td>15</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: Secondary analysis of Canadian Business Patterns (2009)

The LFS’s self-employment estimates undoubtedly do not include informal and subsistence entrepreneurs. It has been suggested that these activities form a significant proportion of the Northern economy. For example, the Conference Board of Canada estimates the land-based informal economy to have an imputed value of $40 to $60 million as of 2002 [Conference Board of Canada, (2002), p.55]. Dowsley (2010, p.41) comments on the contribution and importance of the Northern Canadian mixed economy:

> An important feature of the mixed economy is that the production of money is not seen as the sole or final goal of economic activity. Rather, the goal flows from the earlier subsistence structure, which is the maintenance of wildlife harvesting and its related social interactions in order to provide security and psychological returns (Condon, Collings, and Wenzel, 1995; Lonner, 1980; Wenzel, 2000). Thus, participants in mixed economies use money as a tool, but do not necessarily adopt the structures and values of market economies.

4.3 Key informant perspectives

This study observes that economic development in the North could benefit from identifying and acting on the gender-specific needs and opportunities of Aboriginal women entrepreneurs. To examine further the implications of these observations on women’s entrepreneurship, the researchers gathered expert opinions from 11 key informants. Individuals were identified in three ways, in communication with federal agencies (Status of Women Canada; [then] Aboriginal Affairs and Northern Development), regional economic development agencies and the authors’ contact network.

Several reasons were advanced for the lack of research on women entrepreneurs in Northern Canada. Women’s entrepreneurship in Northern Canada has often been situated in co-operative or other community structures. Interviewees noted that departments tasked with stimulating economic development often neglect the aggregate economic value and potential of women’s entrepreneurship and micro-enterprises. One interviewee noted that there is little co-ordination among federal and territorial policymakers about
research, grants and contributions and SME programming. Hence, there remains a need for more co-ordination between collaborative research and SME programming.

These observations are reflected in a recommendation of the 2009 Roundtable on Aboriginal Economic Development [then, INAC, (2009b), p.7] for increased partnerships among federal, provincial and territorial government:

There is an enthusiastic consensus that creating the conditions for economic success for Aboriginal women can only be achieved by establishing an ongoing partnership with the full range of different players including federal, provincial and territorial governments, Aboriginal and non-Aboriginal private sector, Aboriginal communities and institutions.

In response, bodies such as the National Aboriginal Women’s Summit (NAWS, 2011) have called for culturally relevant policies that are inclusive of women’s roles as life-givers, teachers, and keepers of knowledge. Interviewees cautioned that Aboriginal women must be involved in research and economic policymaking as agents, and not just subjects. Similarly, Fiske (1990, p.135) has reported that, in the political context, consultation should include diverse input from Aboriginal women’s associations (e.g., political, parenting, small business), discussion about women’s access to, and utilisation of, government resources, engagement of band councils, and agreement by female Aboriginal leaders.

One interview (and the literature) noted that Aboriginal leaders have voiced concern about predatory research, and a sense of being over-researched with little community involvement (Vodden et al., 2001). It was observed that while there are numerous Northern development conferences, there is often little documentation, with even less documentation translated into Aboriginal languages and therefore rarely accessible to Aboriginal groups. The same interviewee observed that while some sectors are legislated to consult and translate (e.g., oil and gas), this is less the case for other key Northern sectors (e.g. mining) and among academics.7 There are very few Aboriginal scholars – particularly women – who bring ‘an insider’ perspective to research.

Finally, it is expected that not all Northern women entrepreneurs are likely to perceive gender-related barriers or challenges. Previous studies suggest that approximately one-quarter of female business owners do not perceive gender issues with respect to self-employment or firm ownership (Orser, 2007). This observation is mirrored in a large-scale study about the information needs of Aboriginal entrepreneurs in British Columbia (Vodden et al., 2001). It was observed that, within the Aboriginal small business literature, some leaders have historically viewed private ownership as “overly individualist, anti-community, and more of a Western-European government strategy than an Indigenous approach to economic and community development” [Weir, (2007), p.8].

It is not clear to what extent such perceptions continue to influence women’s entrepreneurship in Northern Canada. However, a tension and balance between private ownership and community is illustrated in the work of Dowsley (2010). One interviewee also expressed concern about the viability of entrepreneurship for all women, asking, “What exactly do they expect her to sell?”

Two key informants and Weir (2007) reported that previous studies tend to lump Inuit, Métis and First Nations entrepreneurs together. Weir (2007, p.48) suggests that while this may be helpful for national and international discussion, “...it hinders the specific determination of important aspects, challenges, and opportunities relevant to
specific groups”. Research cannot assume that women entrepreneurs (Inuit, First Nations, Métis, and non-Aboriginal women communities) are a homogenous group. The disparities in Northern Canada across such dimensions as geography, urban/rural and education are evident. For example, even within one remote community (Rankin Inlet):

“… Rankin Inlet, while being a predominantly Inuit community, is relatively multicultural, with more than 20% of the population being non-Inuit, including Asians from India and Iran. The hamlet is home to Anglicans, Catholics and Presbyterians.” [Meis Mason et al., (2008), p.8]

Table 5 considers the implications of these challenges for female entrepreneurship in Northern Canada. Sample challenges are drawn primarily from key informant interviews. It is to be expected that the nature and extent of these challenges will differ in contexts, across the three territories and by owner and firm profile.

<table>
<thead>
<tr>
<th>Sample challenges</th>
<th>Sample implications</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Managerial capital/entrepreneurial intentions:</strong></td>
<td>On average, women entrepreneurs operate smaller enterprises (Jung, 2010). This confounds the ‘cost of doing business’ challenges of operating in Northern Canada. Entrepreneurial intentions may be stymied by public sector wage premiums, need for job stability and employment benefits (e.g., maternity benefits).</td>
</tr>
<tr>
<td>Women bring less management experience to start-ups compared to males (Jung, 2010). Many female Northerners are attracted to positions within territorial and federal government, further limiting the supply of skilled and educated entrepreneurial talent in Northern Canada.</td>
<td>Female-owned firms are more likely to present poor credit history and insufficient collateral (Jung, 2010). Hence, cash flow may be problematic. This is because women tend to operate in sectors (services) with low margins or those traditionally based on trade (clothing). Low margins impact profitability and owner remuneration. Gender-specific ‘sacrifice’ of earning to ensure affordable housing may compromise or strain commercial activity.</td>
</tr>
<tr>
<td><strong>Financial capital:</strong></td>
<td>Governments often construct interventions outside those industries where women entrepreneurs operate. For example, under Canada’s Northern Strategy (Government of Canada, 2009), it is expected that the government will increase military, telecommunication and infrastructure investment in the region. These are not sectors within which women entrepreneurs tend to operate. Hence, women are less likely to capitalise on the associated spin-off opportunities.</td>
</tr>
<tr>
<td>Little surplus cash and few opportunities to accumulate capital. Credit is difficult to obtain from commercial lending institutions in part because there are few banks, and banking services are difficult to access. It is relatively more difficult for Northern enterprises to access risk capital compared to Southern counterparts. Compared to young males, young females are more likely to circulate cash into the household (Condon and Stern, 1993).</td>
<td>Women are more likely to operate services and local markets tend to be small. While there are established margins on products, it is often more difficult to set prices of a service. As one interviewee stated, “How do you set the price of a haircut when it is your cousin?”</td>
</tr>
<tr>
<td><strong>Megaprojects/infrastructure investment:</strong></td>
<td></td>
</tr>
<tr>
<td>Infrastructure (roads, water and sewers) in many communities is inadequate.</td>
<td></td>
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<tr>
<td>Transportation and telecommunication are fragmented (Coates and Poelzer, 2010).</td>
<td></td>
</tr>
<tr>
<td>Infrastructure is threatened by climate change that is destroying ice roads (the life-line for some communities), eroding shorelines (long, protected by pack ice) and melting permafrost that sits below local streets, bridges and buildings.</td>
<td></td>
</tr>
<tr>
<td><strong>Distance to and size of markets:</strong> The small size of local markets limits entrepreneurs’ ability to expand the scale of their firms in order to overcome high fixed costs and better quality for commercial loans. Few connections or professional networks inside or outside the local community.</td>
<td></td>
</tr>
</tbody>
</table>
Table 5  Potential gender-related challenges for Northern Canadian entrepreneurs (continued)

<table>
<thead>
<tr>
<th>Sample challenges</th>
<th>Sample implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to resources, including information: Resources are spread over a vast geographic area. Supply of skilled labour is increasing but studies report low technical and management skills coupled with high employee turnover. Entrepreneurs may lack access to a range of enterprise information (e.g., types of capital, bidding protocols, legal advice about regulations such as labour agreements).</td>
<td>Failure to identify needs of women entrepreneurs undermines economic development. For example, while some associations (e.g., Hunter and Trappers Organization) provide for purchase of materials/equipment particularly relevant to women (e.g., sewing machines), many do not. Smaller capacity compounds the impacts of limited regional resources (e.g., ability to attract/afford employees, produce inventory).</td>
</tr>
<tr>
<td>Training: While females in Northern Canada tend to be better educated than men, there remains a lack of formal education including small business training. Lack of information about women’s business practices, including information needs and utilisation of government/private supplier/procurement opportunities limits delivery of culturally/female-sensitive training.</td>
<td>Training may not be gender, culturally or fiscally appropriate. For example, one interviewee described a program for doll makers. Participants were subsequently unable to access or afford materials employed in the program.</td>
</tr>
<tr>
<td>Alienation of the entrepreneur: Community attitudes towards private and commercial ventures are not always favourable. Assumptions about dependency are reflected in policy and practice. For example, government subsidised housing is only available to low-income families. Individuals seeking to raise their standard of living through entrepreneurship risk forfeiting social benefits. For some, it is financially wiser to forgo an increase in income through self-employment in order to remain eligible for government-subsidised housing.</td>
<td>There is evidence of attitudinal/cultural barriers on women within key Northern economic industries (mining, oil and gas). All are male dominated. Attitudes impact commercial opportunities for women who seek to do business in these sectors. Women retain the burden of care for children, elders, tradition etc. requiring them to become ‘superwomen’ in order to balance the demands. Given traditional gender roles, women are more likely to prioritise family needs such as housing. Government housing regulations may particularly deter women in low income families.</td>
</tr>
</tbody>
</table>

As the statistical data and literature suggest, a confluence of factors including the perceived value and relevance of research, contribute to the invisibility of Northern women entrepreneurs within current economic development and the academic literature. The study conclusions, including suggested areas of inquiry, follow.

5 Discussion and conclusions

A key conclusion is that there exists little evidence about what constitutes ‘good practice’ with respect to supporting the needs of women entrepreneurs in Northern Canada. This conclusion contradicts scholars who have described Canada as a model for research about Indigenous entrepreneurship (Hindle and Lansdowne, 2007).

While research has considered (separately) Aboriginal entrepreneurs, entrepreneurship in Northern Canada and women’s entrepreneurship, no study has examined these topics simultaneously. Furthermore, it is not clear how applicable older studies about Aboriginal and/or Northern entrepreneurs remain in the rapidly evolving
social and economic fabric of Northern Canada. It is difficult to make meaningful comparisons among Aboriginal and non-Aboriginal female entrepreneurs, different Aboriginal peoples and in different regional economies.

Moving forward, economic development and research models should reflect women’s engagement in co-operative, subsistence (informal entrepreneurial activities), and formal (tax-filing self-employment and for-profit income producing) economic activities. Northern entrepreneurship research must also consider the impact of influences such as public/private investment (boom/bust investment patterns, nature of resource exploitation, legislated partnerships and strategic alliances). Research is required to understand further the intersections of location, culture and economic opportunity (Dana and Anderson, 2007; Dana et al., 2010). This includes gathering an understanding of common and distinct challenges among Northern Aboriginal and non-Aboriginal female entrepreneurs. Finally, Northern economic research must engage female entrepreneurs as actors, and not merely subjects of inquiry.

Entrepreneurship training and educational materials are required. Case study-based research and, in the traditional sharing of Aboriginal knowledge, storytelling might focus on the profiling of successful Northern women entrepreneurs. This includes questions such as: How do women entrepreneurs translate personal and community-focused values into business practice? This recommendation responds to an observation that there is almost no reporting about successful female entrepreneurs; most media coverage about “successful” females portrays Northern band or political leaders. Research funds must be made available to ensure that documents are accessible in Northern languages. This is to ensure that documents accurately present, and are accessible in, Northern women’s own voices.

Additional suggested questions (topics) are advanced for illustrative purposes. These include:

- What roles do women play in subsistence activity, co-operatives, self-employment and business ownership and what is their impact on enterprise, community and economic development?
- In the context of measuring Aboriginal entrepreneurship, to what extent do Western non-Indigenous scales, measures and metrics reflect the cultural values of Aboriginal entrepreneurs and communities (Lindsay, 2005)?
- What is the economic and social relationship among sustainable development, resource stewardship, and profit maximisation (Dowsley, 2010)?
- What are best practices in employing Aboriginal and non-Aboriginal cultural and other IP in creating products and services, developing business models and forming enterprise structures and strategic alliances? What are best (practical) strategies in managing productive collaborative relationships and articulating expectations among Aboriginal and non-Aboriginal entrepreneurs, suppliers, customers, etc.?
- How do women entrepreneurs include Elders and other key advisors in decision-making and business practice? What are Aboriginal ceremonial practices and how do Northern female entrepreneurs incorporate ceremony in market development and other business strategies?
- How are Northern female entrepreneurs envisioning international businesses? Case studies might inform about distance-based, international trade (e.g., craft and arts,
services, innovative business models that enable owners to scale the business and increase outreach opportunities).

Finally, research and storytelling is required to understand better Aboriginal women’s perspectives about tradition, self-determination, and preservation of heritage and entrepreneurship.

References


Women entrepreneurs in Northern Canada: contexts and challenges


Notes
1. Conducted monthly, the LFS provides measures of employment, including self-employment data for the Canadian economy.


3. An example of a related private sector, female-owned enterprise is The Imagination Group of Companies. The firm is comprised of
   a. NATION Imagination – The Aboriginal Gifting Company, a promotional products/corporate gifting company that features the works of Aboriginal artists
   b. The Imagination Group Consulting
   c. Authentically Aboriginal, a firm that enables artists and cultural artisans to protect their copyrighted material through an on-line registry and cataloguing database.


5. For example, in March 2011, the [then] industry and Northern Affairs Canada announced a $1 million investment in the private sector to deliver online entrepreneurship training to Aboriginal entrepreneurs. See http://www.aincinac.gc.ca/ai/mr/nrj-a2011/23480-eng.asp (accessed 11 March 2010).

6. Information about the Canadian Aboriginal Procurement Set-aside Program can be found at: http://www.ainc-inac.gc.ca/ecd/ab/psa/perf-eng.asp.

7. An example of community consultation is described by Vodden et al. (2001), Assessing the Business Information Needs of Aboriginal Entrepreneurs in British Columbia. This work entailed consultation with over 350 Aboriginal entrepreneurs and service producers through interviews, questionnaires, focus groups, follow-up interviews and establishment of an Advisory Committee that included Aboriginal services providers and multiple government agencies. The initiative did not examine women’s information needs, knowledge, or learning styles, nor disaggregate findings by respondent gender.