



Canadian Council for
**ABORIGINAL
BUSINESS**



Media Release

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A quarter of Indigenous businesses export: new report

Indigenous-owned businesses are twice as likely as Canadian non-Indigenous SMEs to sell products and services internationally

Ottawa – June 21, 2019 – Indigenous-owned small and medium enterprises are proving highly adept at breaking into foreign markets, according to a new report jointly released today by Canadian Council for Aboriginal Business (CCAB) and the Office of the Chief Economist of Global Affairs Canada (OCE-GAC).

The report titled, [*Indigenous-owned Exporting SMEs in Canada*](#), highlights that nearly a quarter (24%) of Indigenous small and medium-sized enterprises (SMEs) operating in Canada export, with one in five selling to the United States and one in seven reaching international overseas markets. This rate of participation in foreign markets compares to 12% among all Canadian SMEs.

“The insights in this report are critically important to the Trade Commissioner Service (TCS),” says Ailish Campbell, Canada’s Chief Trade Commissioner. We are ready to do all we can to assist export-ready Indigenous businesses that are looking to sell their products and services around the world,” says Campbell.

The study, which uses data from CCAB’s exclusive registry of 10,000 Indigenous businesses, is the first to shed light on the performance of Indigenous SMEs in the global trading system. The findings are based on telephone interviews examining the international business experience of 1,101 Indigenous entrepreneurs, including nearly 650 Indigenous SMEs.

This research provides a data-driven review of current Indigenous SME activities and will serve as the basis for government policy and international business promotion program development, with an aim to supporting and nurturing Indigenous commercial activities.

While the literature on Indigenous SMEs is lacking, a recent TD Economics analysis estimated Indigenous SMEs (excluding economic development corporations) earned at least \$927 million in 2016. There are now more than 50,000 Indigenous-owned businesses in total, who operate in every province and territory across a broad range of sectors.

Despite their impressive export performance, Indigenous entrepreneurs engaged in international trade say they are hampered by challenges related to financing and reliable Internet, telephone and other information technologies. Lack of community infrastructure such as electricity, water, and roads are also cited as an important obstacle to growth.

“Indigenous-owned businesses have exceptional growth potential in export markets,” says JP Gladu, CCAB’s president and CEO. “Recognition of this potential by OCE-GAC sends a powerful message to the federal government about the need for new policies and programs to address the challenges slowing international expansion by Indigenous SMEs.”

Extensive use of social media tools appears to be a key driver of exports for Indigenous SMEs. Nearly seven in 10 Indigenous-owned exporters have an online presence. The report’s findings strongly suggest investments to improve connectivity and infrastructure in remote Indigenous communities will yield significant returns in business expansion.

The report also underscores the importance of education to the export capacity of Indigenous SMEs. Indigenous entrepreneurs with higher levels of education and management experience have a greater tendency to reach and succeed in export markets.

About CCAB

CCAB is committed to the full participation of Indigenous peoples in Canada’s economy. A national, non-partisan association, CCAB offers knowledge, resources and programs to both Indigenous and non-Indigenous owned companies that foster economic opportunities for Indigenous peoples and businesses across Canada. For more information visit www.ccab.com

About OCE-GAC

The Office of the Chief Economist of Global Affairs Canada conducts economic research and analysis to report and advise on international trade and economic issues, including global, regional and sectoral trends and developments to support Global Affairs Canada’s various functions: trade and investment policy, including negotiation of international agreements, international business development, and trade litigation.

About the TCS

For almost 125 years, the Trade Commissioner Service (TCS) has been helping companies navigate international markets. Canadian trade commissioners are located in more than 160 cities worldwide, and can provide Canadian companies with key business insights and access to an unbeatable network of international contacts.

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