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**The Certified General Accountants Association of Canada's
Statement delivered to the Standing Committee on the Status of Women
Study on Economic Security of Women**

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800 - 1188 West Georgia Street, Vancouver, BC V6E 4A2 Telephone: (604) 669-3555 Fax: (604) 689-5845
1201 – 350 Sparks Street, Ottawa, ON K1R 7S8 Telephone: (613) 789-7771 Fax: (613) 789-7772
www.cga-online.org/canad

Madame Chair,

Good afternoon, Bonjour

Thank you for inviting us to appear before your committee today. We truly appreciate this gesture as we understand you are anxious to move on to the task of drafting your report. We are pleased to participate in the process and add to the discussion.

My name is Carole Presseault and I am Vice President of Government and Regulatory Affairs for the Certified General Accountants Association of Canada (CGA-Canada) which represents 68,000 members and students across the country and internationally. I should mention that women form the largest growing number of CGAs in Canada. In Quebec, last year of new members admitted to membership 66 % were women. Two-thirds of our student population in BC is female.

En plus d'être un chef de file en matière de défense des intérêts de la profession comptable au Canada et à l'échelle internationale, CGA-Canada se prononce sur un bon nombre de questions sociétales importantes dont la réforme du régime fiscal, la gouvernance d'entreprise, le commerce interprovincial, les régimes de retraite et plus récemment les implications sociales et économiques d'une population vieillissante, afin de défendre les intérêts de ses membres et du public.

Your committee is examining an issue of fundamental importance to the well being of Canadian society. As you know, many societal factors influence the economic security of women, and in a country as prosperous as Canada there are still far too many women living in poverty. The statistics are staggering. During your hearings you have heard them. I am saddened to learn that there is still today 1 in 5 women is living in poverty. We commend you for seeking to find solutions to help resolve this very real problem.

But, the flip side of this equation is that we are seeing even more women join the ranks of Canada's entrepreneurs. The number of women entrepreneurs has doubled in the last 15 years and that number is growing at a pace of 60% faster than their male counterparts.

These women are amazing. They are redefining work and redefining workplaces. They are creating jobs and they are creating prosperity. I have one these amazing women with me with me today. Her name is Louise Nesterenko, FCGA – a former chair of the board of CGA-Canada and a woman entrepreneur. Louise lives in Alberta. At last count, she ran 3 businesses employing 65 people, plus an estimated 25-30 volunteers. But what is interesting with Louise is that she runs a different kind of business. Louise is as much as the next person interested in turning a profit, but Louise is interested in giving back to the community. In fact, one business that she set up, "Books Between Friends", which sells gently used books and miscellaneous items, returns all profits to local charities – such as The Between Friends Club of Calgary, Breast Cancer Research, The Leukemia and

Lymphoma Society, CNIB and the Alzheimer's Society. In the year 2007, Books Between Friends will give in excess of \$60,000 to these charities. And there a lot of Louise's in Canada – admittedly not all as successful but all of them aspiring to be.

Louise is among the growing number of women in Canada who have chosen entrepreneurship. Given that Canada's economy and continuing prosperity depends on small and medium-sized businesses, I think policy makers need to pay attention to women like Louise.

In preparing for today, we asked ourselves “what would be needed to help women succeed in business. How can the House of Commons Standing Committee on the Status of Women make a difference?”

If we want to help women succeed, we need to provide some fundamentals. We have identified four aspects to the solution:

- 1) Provide women with greater access to capital – access to capital remains a dominant issue for women entrepreneurs. This is due to a number of factors including: a lingering stigma disadvantaging women when building a credit rating, lack of financial literacy, limited networks and inherent gender bias and inflexible lending policies. We need to be able to help our daughters understand the importance of building good credit and sound financial management skills.
- 2) Provide access to education and training – education is the key to Canada's productivity but we need to target financial and entrepreneurial education to

women early on in their careers to allow them to acquire the knowledge and tools needed to build successful businesses. We need to provide women with learning opportunities and forums where they can network and share best practices.

- 3) Allow women entrepreneurs to access Employment Insurance – women entrepreneurs face a unique dilemma. As employers they contribute financially to the EI program. As individuals they are unable to access program benefits. Self-employed women are ineligible for maternity leave forcing them to delay having children until businesses are firmly rooted – or not taking on the challenge of building a business until the family is well established. Then again, caring for aging parents are putting additional demands on women – many of whom are primary care givers.

Moreover, the pension statistics for women are relatively dismal. Increasing RRSP contribution limits and allowing RRSPs to serve as collateral for “qualifying” private ventures are strategies that could make a difference.

- 4) Finally on taxation – there has been some positive movement on the topic with the increase of the small business tax threshold. The tax system should be supportive of entrepreneurship – access to RRSP for investment could improve access to capital; tax credits for supporting start-ups in innovative areas or tax credits for businesses that hire, train and retrain women that have exited the work force for reasons such as maternity leave or other family responsibilities could be helpful.

These are issues that the federal government can resolve. They are simple and they are attainable.

Ms. Nesterenko and I would be pleased to answer your questions. Thank you.