

The State of Women's Entrepreneurship in Canada

2025

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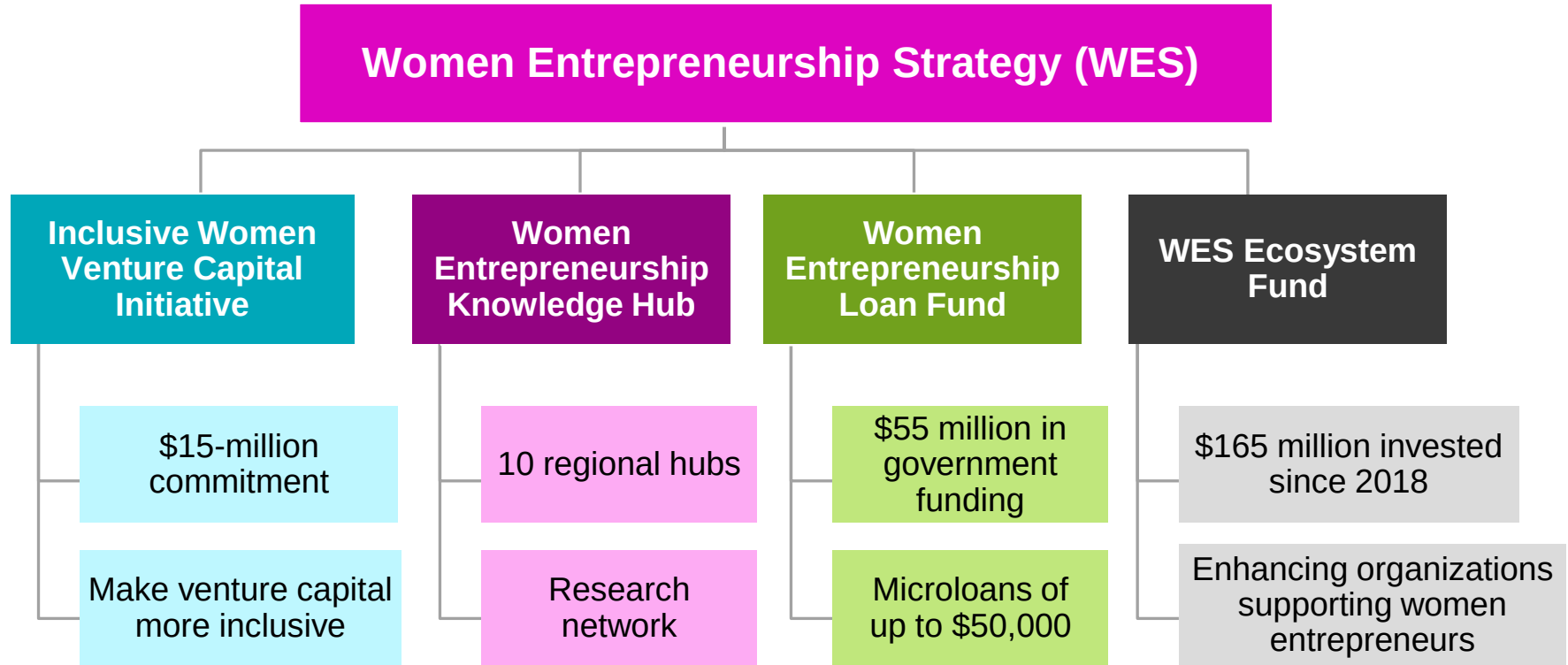
Canada

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Introduction to WES



Changing Context

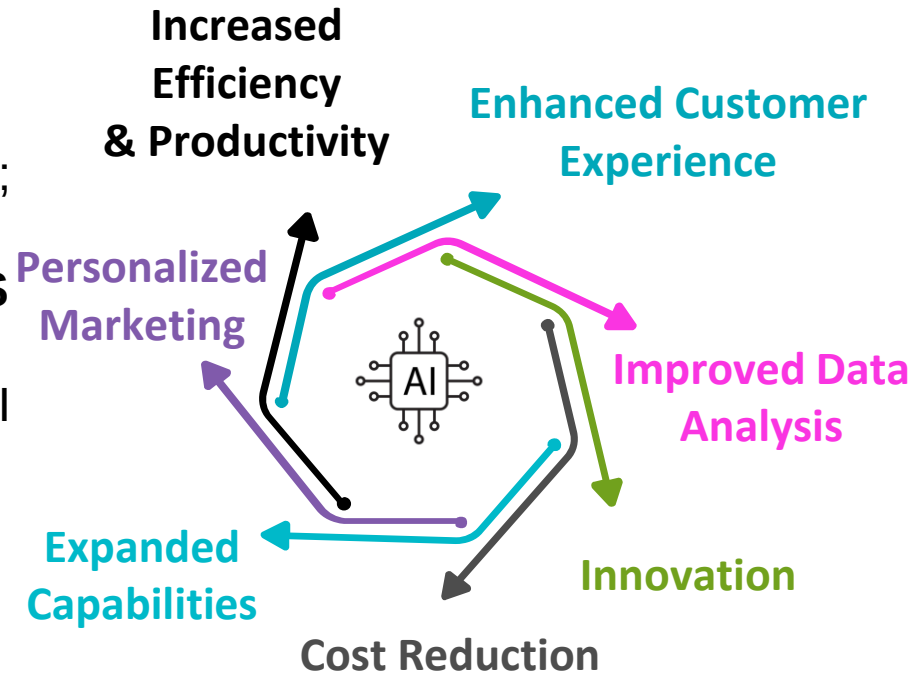
- **SMEs are backbone of Canada's economy:** 99.8% of Canadian businesses as of Dec. 2024); Unlike the U.S. where large corporations dominate (56% of GDP)
- **Productivity and innovation:** SME centric; slow but emerging; scaling is critical
- **Demographic shifts:** Aging (19.0% 65+), immigration (23.0% of population), youth (26.9% under-40 owners), women (17.8% of SMEs), and Indigenous peoples (1.5% of SMEs).
- **Older women entrepreneurs and exit challenges:** 18.3% fully women owned versus 15.9% fully man owned will retire or sell within 5 years
- **Ecosystem challenges:** Fragmentation, gaps, exclusion, uneven growth
- **Technological transformations:** Adoption gap
- **Canada-U.S. relations:** Limit trade and market access, tariff threat
- **Backlash against EDI:** Cutting EDI teams and budgets
- **Housing crisis:** Push SMEs to suburbs, high rents squeezes margins
- **Transition to net zero:** Higher costs, uncertainty and opportunities
- **Inflation:** Interest rates, rising costs, consumer spending, workforce challenges

Trade and tariffs

- 64% of women entrepreneurs in Canada believe U.S. tariffs will have a negative effect on their business
- 77% of the women entrepreneurs have or will find solutions to limit the impact of U.S. tariffs on their business
- Initial impacts - eg. supply chain disruptions, increased costs, reduced customer demand, reduced margins, etc.
- Apply a gender lens: Women in sectors affected by tariffs (eg. retail): revenue drop, decrease in demand
- Impact on valuations: undervaluation, difficulty to secure VC fund (eg. Sheertex)
- Opportunities to strengthen local supply chains
- Opportunities to exploit other trade agreements (eg. Asia Pacific, the EU, Canada-Africa) and strategically organized missions
- Opportunities to leverage diaspora
- Double down on sustainability and self sufficiency

AI Transformation

- Canada is a leader in AI tech development and innovation with Nobel Prize winners **Geoffrey Hinton** and **Yoshua Bengio**
- AI adoption in Canada lags behind the U.S; **35% of Canadian businesses** currently use AI, compared to nearly **72% in the U.S** (KPMG, 2023)
- Smaller businesses are less likely to use AI (10.2% for micro businesses) compared to large businesses (20.0%) (Statistics Canada, 2024)
- The **gender gap in AI** is **narrower** than with other technology tools. A recent survey found that **47%** of women are familiar with AI programs compared to **53%** of men (Environics, DI, FSC, 2024)

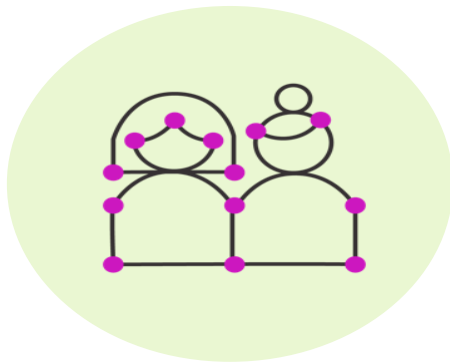


Key Findings 2025

Women business ownership holding steady

On average in 2024, **19.0% of all businesses** are majority owned by women in Canada compared to 2023 estimates (18.4%)

Majority **women-owned** SMEs increased from **15.6%** in 2017 to **16.8%** in 2020 and **17.8%** in 2023



Over 81% of women entrepreneurs are self-employed

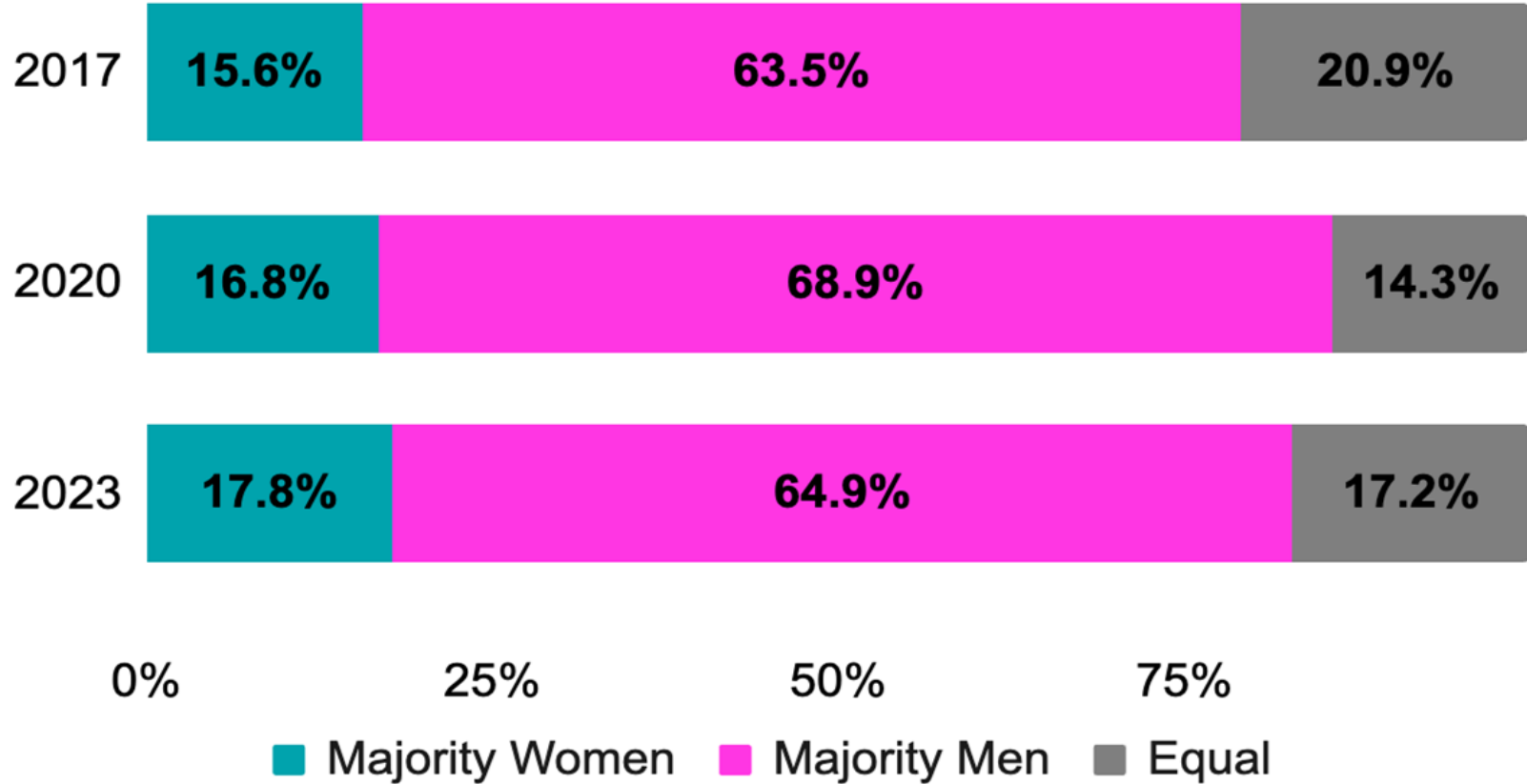
Women are **37.4% of the self-employed** population (2024)

Funding gaps remain with men entrepreneurs

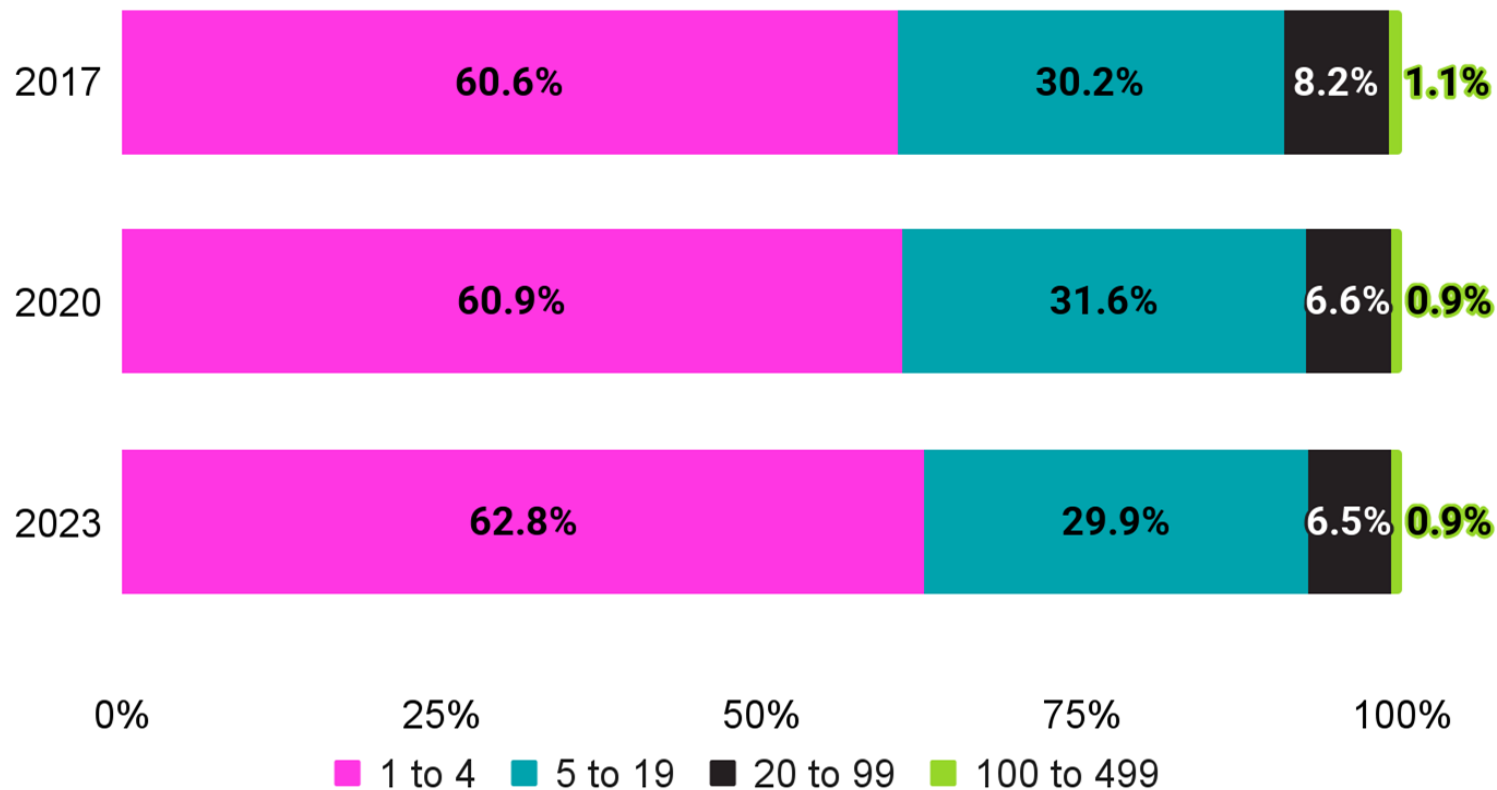
Men entrepreneurs receive **2.5 times** the amount of financing **women** entrepreneurs do

Women entrepreneurs are **1.5 times** more likely to use government funding as a source of financing to start their business

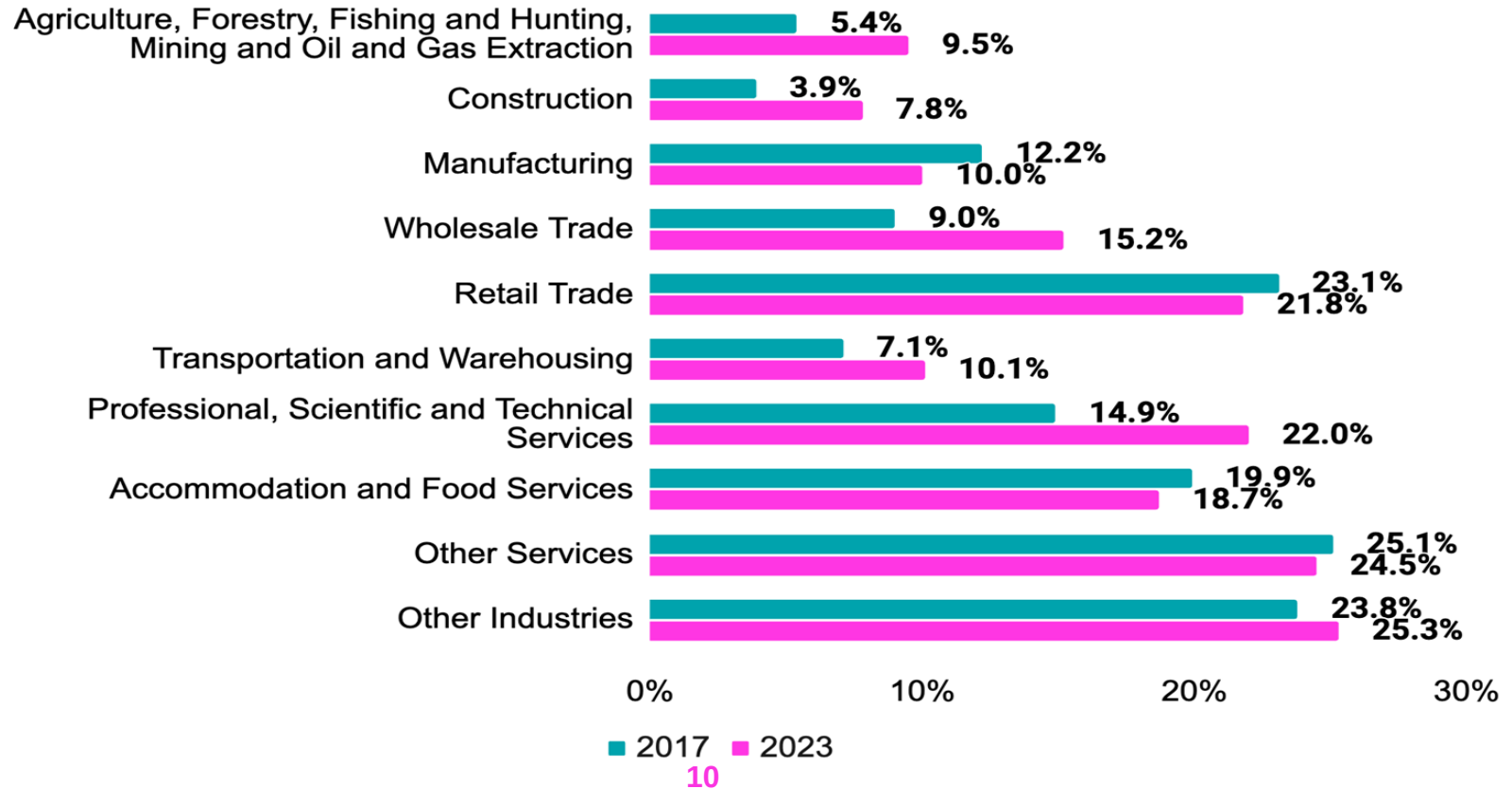
Majority business ownership of SMEs 2017-2023



Women majority business ownership of SMEs by size 2017-2023



Industry distribution of SMEs majority owned by women, 2017 vs 2023



What's changed - Innovation and exports

Exporting Growth: The percentage of majority women-owned SMEs exporting outside of Canada was 14.5% in 2023, while majority men-owned SMEs was 15.3%

Export Trends: Majority women-owned SMEs were more likely to export services than men (48.0% vs 41.7%) in 2023

However they were less likely to export goods (women 26.0% vs men 36.3%) in 2023

Market Expansion: Majority women-owned SMEs are less likely to intend to expand into new markets over the next three years (women 62.7% vs men 66.2%)

Declining Innovation: The share of majority women-owned SMEs that are innovative was 26.8% in 2023, slightly less compared to with majority men-owned at 27.0%





Intersectional perspectives

Equity Deserving Group	Majority Women-Owned SMEs 2017	Majority Women-Owned SMEs 2023
Indigenous Peoples	25.5%	30.4%
Racialized people	23.5%	21.3%
Black people	NA	38.8%
Person(s) with a disability	16.7%	23.1%
2SLGBTQ+	NA	35.7%
Overall	15.6%	17.8%

Changes in majority ownership of intersectional groups between 2017 and 2023

	Racialized people			Indigenous Peoples			Black people	
	2017	2020	2023	2017	2020	2023	2020	2023
Majority women-owned	23.5%	18.8%	21.3%	25.5%	14.2%	30.4%	33.4%	38.8%
Equal-owned	18.7%	12.5%	17.6%	10.1%	12.5%	17.4%	8.3%	20.8%
Majority men-owned	57.8%	68.6%	61.1%	64.3%	68.6%	52.2%	58.4%	40.4%

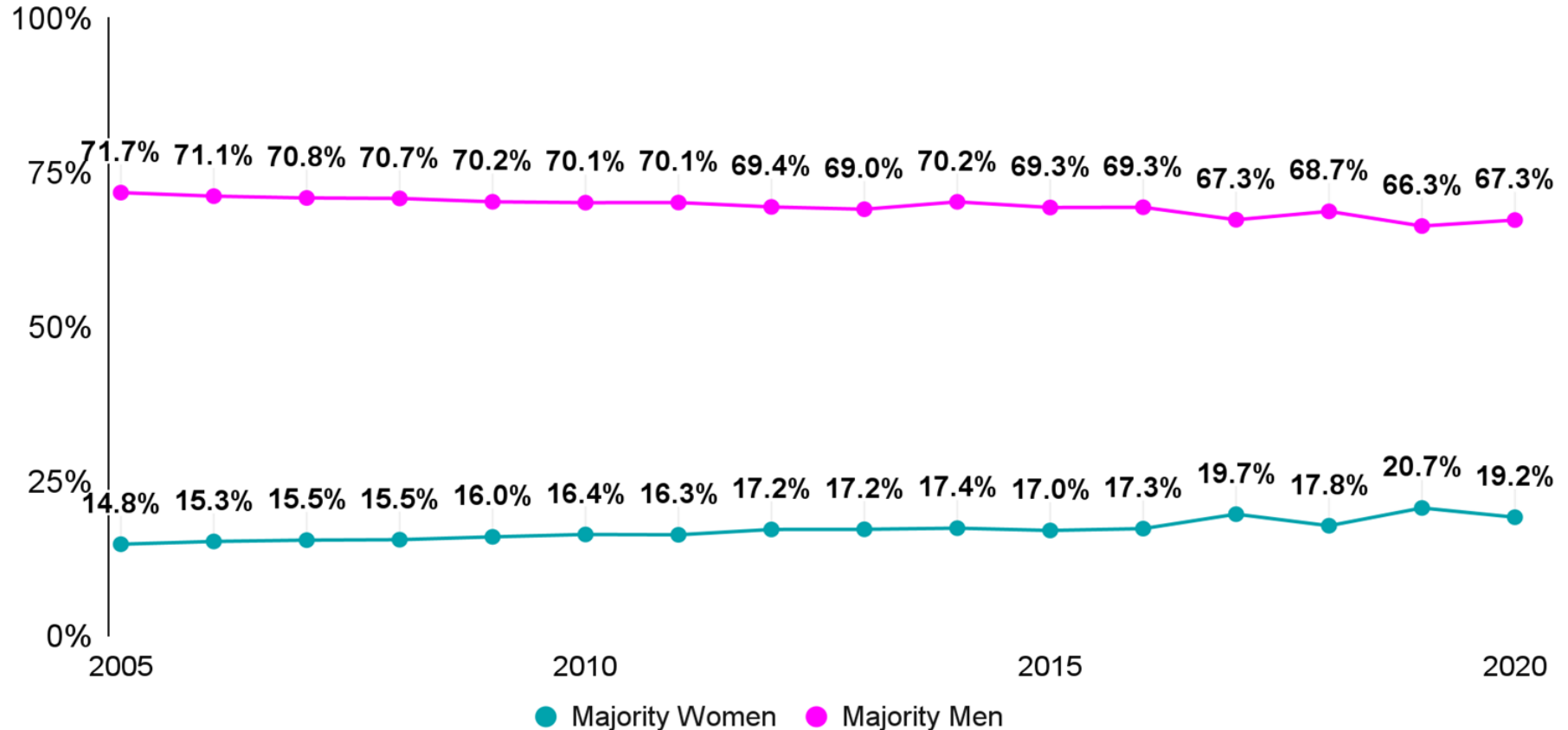


Impacts of Women Entrepreneurs

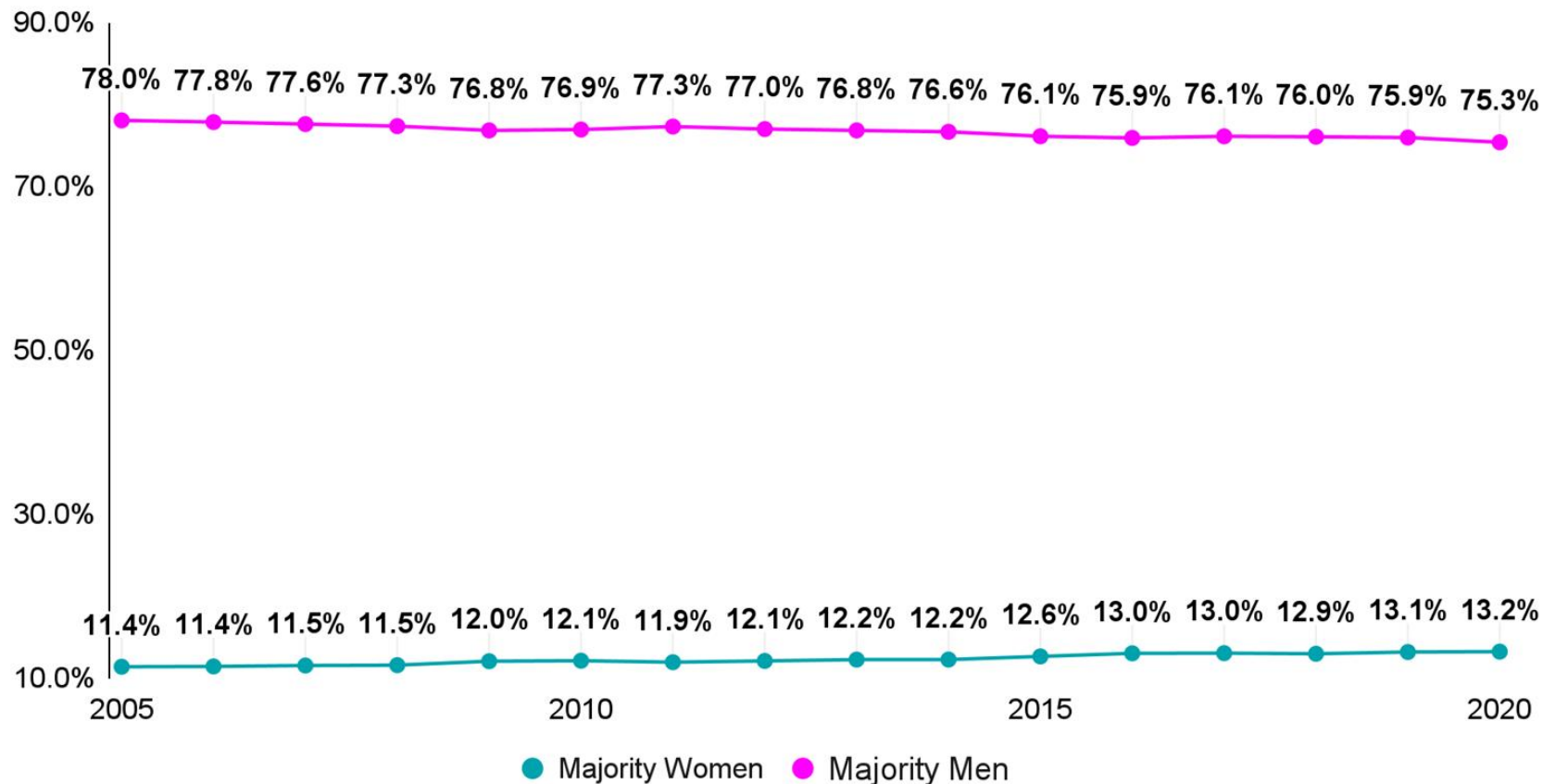
- In Atlantic Canada, over 8,200 women entrepreneurs in the region contributed 53,000 jobs and added \$4.9 billion to the economy
- Data at the national level for 2020 shows that 155,860 majority women owners of SME in the private sector generated about \$90.6 billion in sales revenue and accounted for 865,480 jobs
- Recent Statistics Canada data shows that businesses majority-owned by women were more likely than businesses across all ownership types to have implemented environmental practices
- 47.8% of women-owned businesses across all industries report having reducing waste in place within their operations. Industries such as agriculture, forestry, fishing and hunting (56.3%), manufacturing (56.7%), and retail trade (57.8%) have the highest percentages for reducing waste



Total employees by ownership of SMEs



Sales revenue by ownership of SMEs



Women-led unicorns (Crunchbase, 2025)

- There are over 50,000 startups in Canada and they raised \$6.9B across 660 deals in 2023.
- **1Password (Sara Teare, Natalia Karimov)** is a password management platform that raised \$920 million in financing at a valuation of ~\$6.8 billion making it Canada's highest-valued female-founded tech company
- **Clearco (Michele Romanow)** reached a unicorn valuation of ~\$2 billion in 2021 after pioneering a new model of revenue-based financing for e-commerce companies
- **Copperleaf (Judi Hess, CEO)** is an enterprise asset management software company valued at around \$1.3 billion

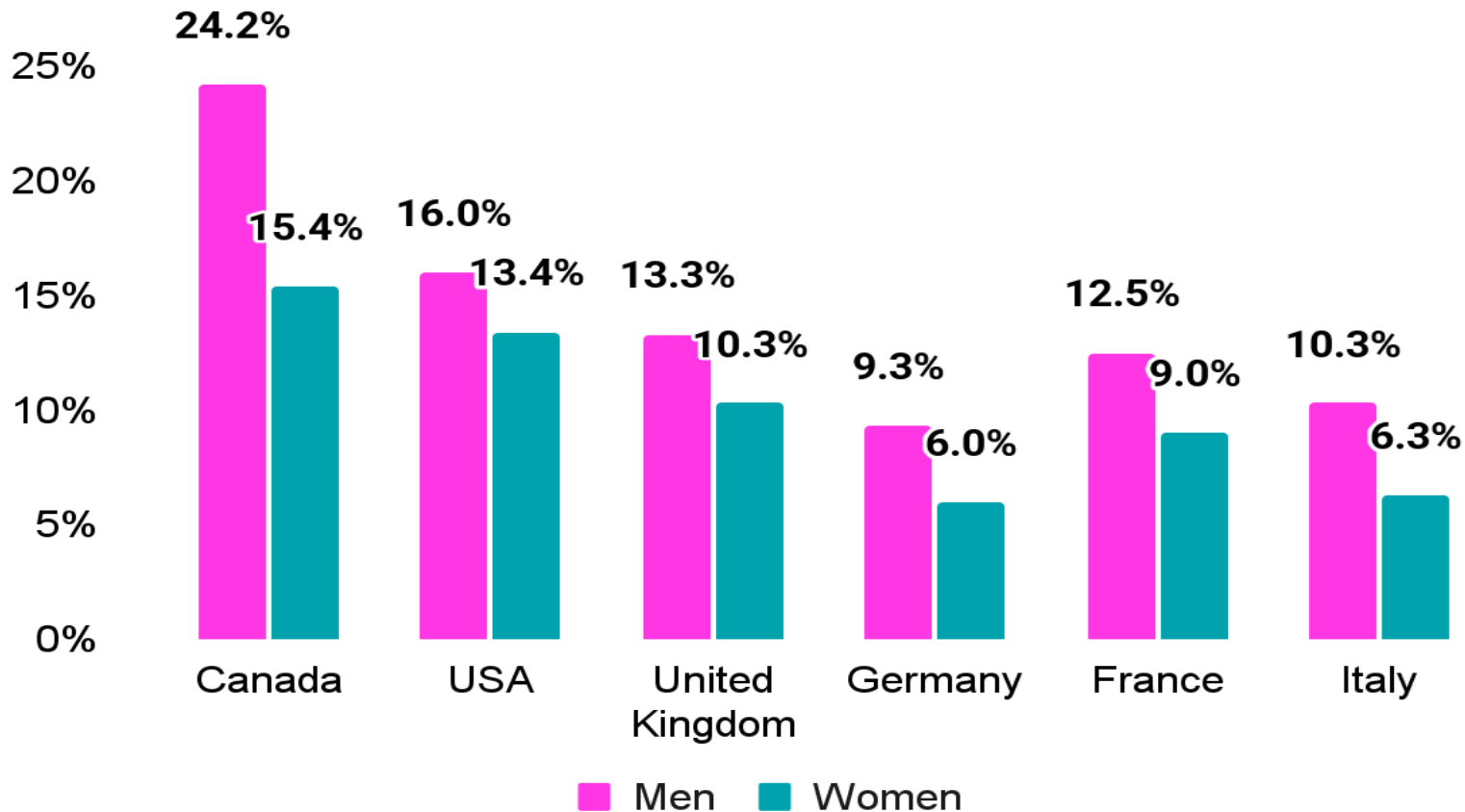


International comparisons

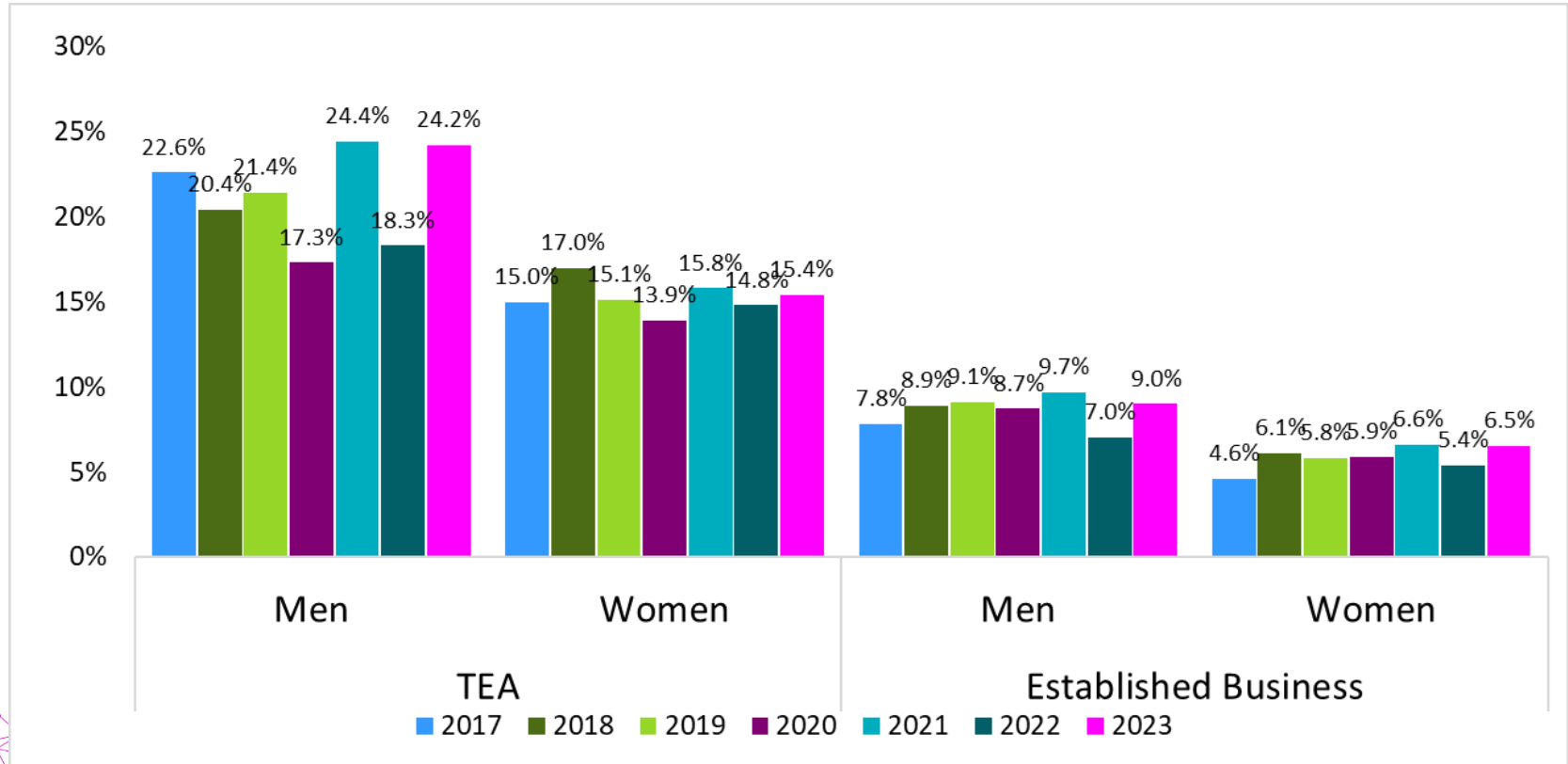
- After the US, UK and Israel, Canada ranks **fourth** globally, with at least **three** cities in top 50 Startup Blink's, Global Startup Ecosystem Index 2024
- Canada scores **100/100** in the World Bank's "*Women, Business and the Law*" index, reflecting equal legal rights and freedoms for women and men entrepreneurs. The average is **95.4/100** among OECD high-income economies (World Bank, 2024).
- According to the GEM 2024 Women's Entrepreneurship report:
 - Canadian women's total entrepreneurial activity was **15.3%** in 2023 compared to **24.2%** for men (vs **10.9%** and **13.8%** for global average).
 - Canadian women had an established business ownership rate of **6.6%**, exceeding the global average of **6.2%**.
 - Canadian women have a much higher nascent activity rate (**12.2%**) than the global average (**7.2%**)



GEM Canada 2024, Total entrepreneurship activity rate in G6



GEM Canada 2024: Total entrepreneurship activity and established business ownership rates by gender: 2016-2023



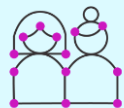
What Works

WES Evaluation (n = 965)

Overarching goal: increase women-owned businesses' access to the financing, networks and expertise they need to start up, scale up and access new markets

16.5% secured new funding.

(57.0% reported government loans, grants, subsidies, and non-repayable contributions)



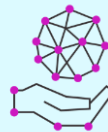
66.5% introduced innovations including:

- Business processes improvements (38.5%)
- Products and services innovation (30.8%)
- Business model innovation (24.7%)
- Sustainable practices (21.3%)



17.6% set new sustainable development goals

- 29.4% made progress toward sustainability goals



Impacts

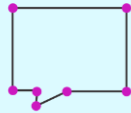
Networking

- 51.2% formed new support networks
- 41.0% gained new advisors
- 37.1% networked with entrepreneurs in the same industry

New industries

- 67.8% participated in new industries

Top new industries identified:

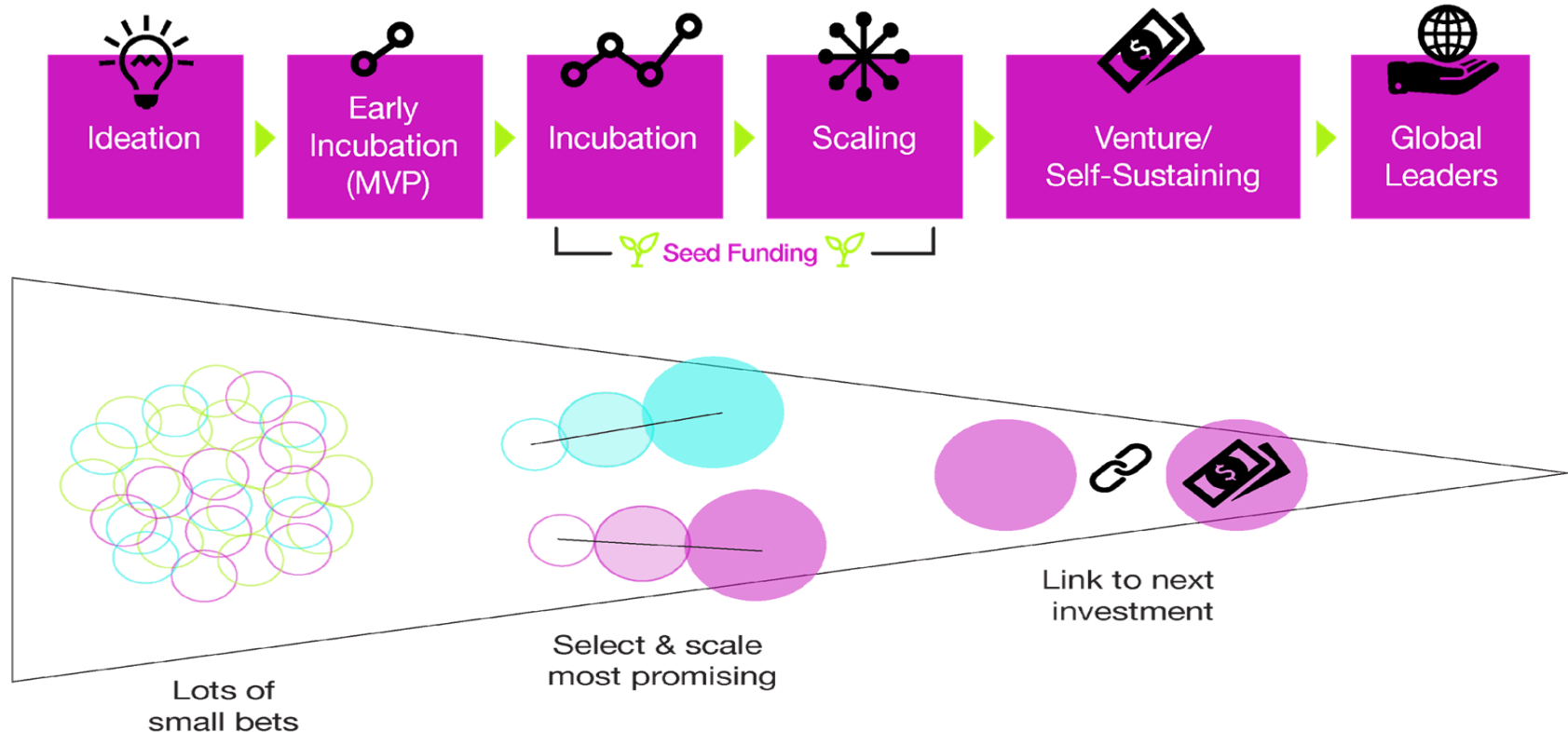


Consulting and advisory services
16.5%

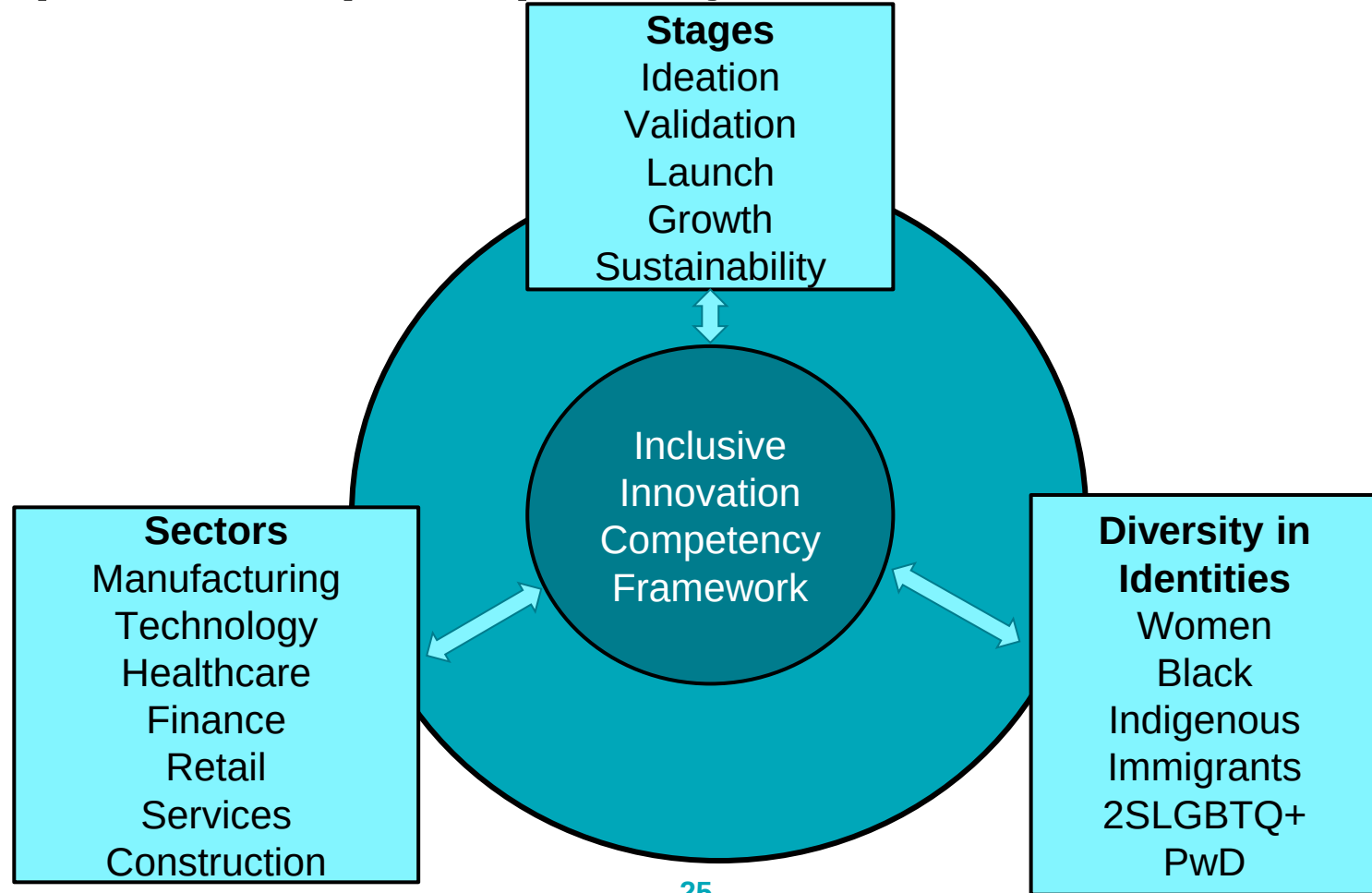
Program evaluations: What works for whom?

- **Maïa Inclusive Growth Project:** Diversify the supply chain by with a focus on supply (women entrepreneurs) and demand (corporations)
- **Coralus:** Continued high ROI for job creation and SDGs
- **Evol:** Provide commercial loans and finance for women in Quebec
- **Capital Skills:** Investment readiness is key
- **ITAC:** Culturally supports for northern Indigenous women in tourism
- **BACEL:** Training and supports (e.g., financial stipends, child care) for Black women entrepreneurs tailored to stage of development
- **NEH:** Gender & diversity lens to program design & delivery for newcomers
- **Mindframe:** Mentoring support for women entrepreneurs in tech
- **deSedulous:** Sector-specific program using culturally sensitive approach with networking and mentorship supports
- **WE- Hub:** Supports for low income women entrepreneurs
- **ADVANCE:** Needs of Black women entrepreneurs in the music industry
- **OCC:** Developing skills and training for SMEs

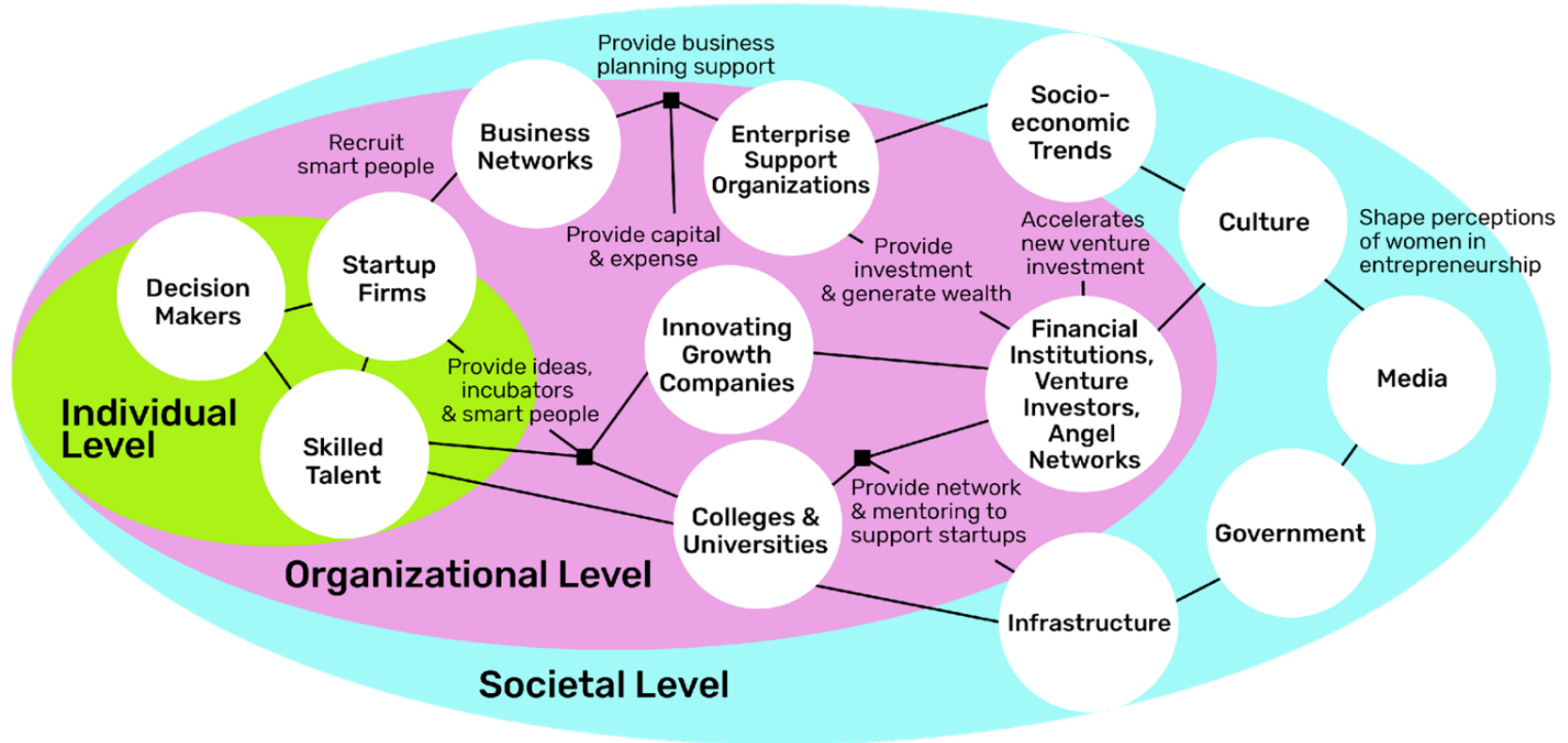
Building the pathways: Inclusion at every stage



Entrepreneurship competency framework



The Way Forward



What's needed?

Societal Level

- Laser focus on SMEs (including those led by women)
- Enabling conditions and infrastructure - eg. internet
- Diversification of exports - eg. exploit global trade agreements
- Implementation of programs - eg. child care, mental health
- Portable benefits
- Continue to challenge stereotypes and assumptions
- Sectoral approaches - agriculture, cultural industries, femtech
- Intersectional lens - distinct populations and needs
- Programs aligned with needs - eg. micro financing/grants
- Coordination across programs - stage of development and ecosystem linkages

Organizational strategies

Program design, implementation and evaluation

- More consistency across funders - goals (growth, sustainability, SDGs); needs (competencies, wraparound supports) eligibility (incorporation, sectors, size), selection (assumptions, bias), outreach and delivery (intermediaries), and evaluation

Financing

- Investing in women reporting requirements
- Address systemic bias in loans—“5 c’s;” the average amount of financing authorized for men-owned businesses is about 150% higher than that for women-owned businesses
- Venture capital—same pitch, different outcomes, bias and capacity issues
- Alternatives—crowdfunding, community funding, micro loans, grants, loans

Customers

- Procurement as a strategic lever – public and private sector

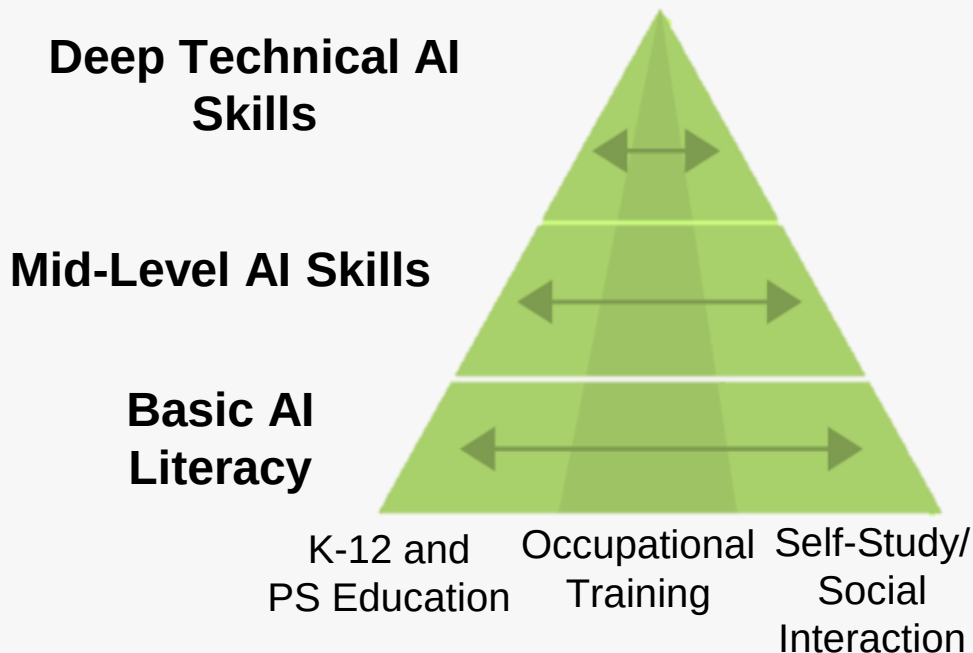
Incubators and accelerators

- Women’s needs and preferences are different in terms of services and processes

Educational institutions

- Gender and diversity lens to programming

Building AI skills across levels



Deep AI skills

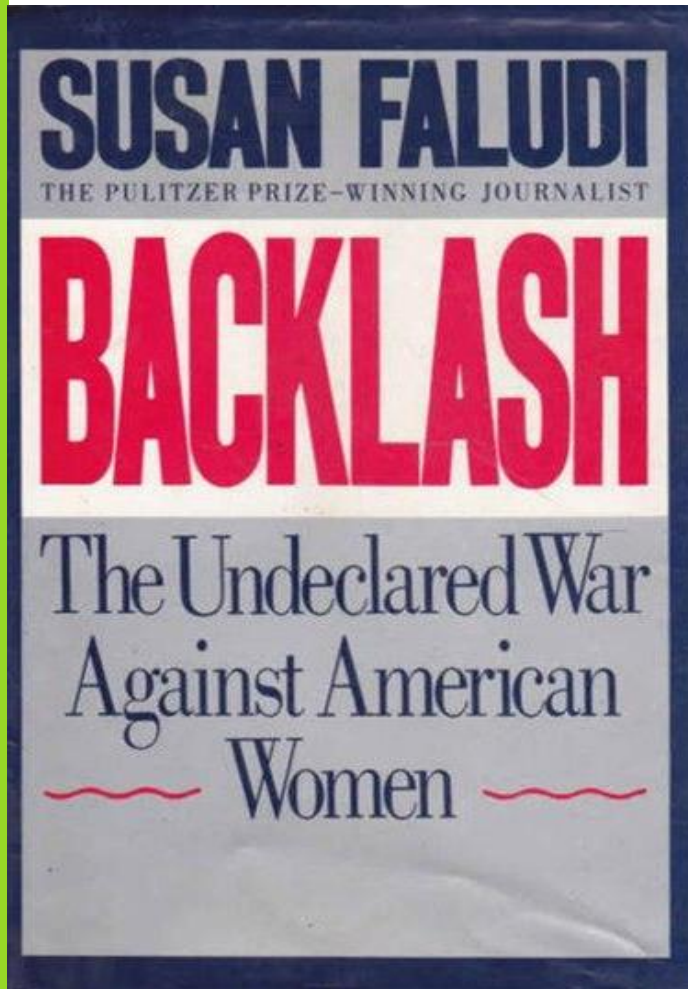
- Knowledge of AI development frameworks and machine learning models
- Advanced knowledge of AI application in specific fields.
- Deep understanding of ethical AI development, ensuring fairness, transparency, and accountability in AI systems, and managing risks such as data breaches or ethical dilemmas

Mid-level AI skills

- Understanding how AI is used in different industries, such as AI-powered chatbots and recommendation systems.
- Competence in using generative AI technologies like ChatGPT or Microsoft Copilot for content generation, analysis, and problem-solving.
- Mid-level expertise in working with datasets

Basic AI literacy

- Knowledge of core AI concepts, including: Machine Learning (ML), Deep Learning (DL), Supervised, semi-supervised, and unsupervised ML
- Familiarity with Generative AI tools such as ChatGPT, Gemini, Microsoft Copilot, and others
- AI in the Value Chain
- Awareness of key ethical considerations, such as bias and privacy



Parting thoughts

- Backlash is not new
- Women are key to Canada's economic development and sustainability
- Investments in women entrepreneurs produce value for money
- A gender and diversity lens remains KEY to development of effective policies and programs
- Coordination, allyship and action are key
- There are more of us than there are of them!
- The 51! Not the 51st.

Thank you

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