EXECUTIVE SUMMARY

The Global Entrepreneurship Monitor (GEM) is a longitudinal study of entrepreneurial activity and economic growth that draws on data from over 60 countries. In comparison to other major cross-national studies that place an emphasis on firms—in particular, on their financial metrics—GEM focuses on the entrepreneur as the unit of analysis and describes the culture and circumstance of entrepreneurship.

While this report does not capture the full picture of entrepreneurship in Ontario, it illuminates the lived experience of entrepreneurs, from why they start businesses to why their businesses succeed or fail.
% of respondents aged 18-64 who believe they have the required knowledge/skills to start a business.

Active entrepreneurs

Women involved in early-stage entrepreneurship

% of early-stage entrepreneurs who are opportunity-driven

ON 11.3%
CA 13.4%

% of early-stage entrepreneurs who are necessity-driven

ON 3.0%
CA 12.4%

Early-stage entrepreneurs with high job growth expectations

ON 13.6%
CA 13.6%

Early-stage entrepreneurs with more than 50% non-local customers

ON 16.9%
CA 2.8%

Early-stage entrepreneurs that use very latest technology

ON 12.9%
CA 16.9%

BEYOND THE $ VALUE
Compared to the 27 comparator countries in this report, including Canada as a whole, individuals in Ontario are equally likely to know an entrepreneur (35.6 percent). They are much more confident in their knowledge and skills to start a business (54.3 percent) and believe that the local conditions for venture creation are favourable (57 percent). Ontarians are less likely to be prevented from starting a business by fear of failure (39 percent). They’re also much more likely to engage in entrepreneurial activity, with 14.8 percent reporting involvement in early-stage entrepreneurship.

Ontarians who do engage in entrepreneurship are slightly older on average (38.7 years old). While there is still a notable gender gap in entrepreneurship participation, entrepreneurs in Ontario are much more likely to be women than in comparator countries (41 percent). They’re also much more likely to be educated and come from all economic backgrounds, though there is a bias towards those in the top income bracket. They start more businesses out of necessity (20 percent) and, when pursuing entrepreneurship out of opportunity, are less likely to cite increased income as the motive (31 percent).

Next to comparator countries, Ontarian entrepreneurs are much more likely to work in consumer services (51 percent), and are more active in the technology sector (11 percent). Ontarian entrepreneurs are less likely to have direct competitors that offer the same product (11 percent). They’re slightly more likely to use the latest technology, with 12 percent of early-stage entrepreneurs using technology released within the last year. In terms of the number of jobs that Ontarian entrepreneurs plan to create, growth expectations are much lower compared to other countries; only 13.6 percent of entrepreneurs expect to hire for more than 10 jobs or 50 percent employee growth (whichever is higher) in the next five years. However, Ontarian entrepreneurs top the rankings in having a high number of non-local customers.

When it comes time to exit, Ontarians are more likely to exit due to problems getting financing (15 percent), and are less likely to have planned the exit in advance (one percent).