

A Snapshot of Young Entrepreneurship in Canada

If the idea of a young entrepreneur conjures up a university student launching his or her startup from a dorm room, think again. Canadians in that cohort are focused on coursework and managing high student debt loads. That helps explain why youth entrepreneurship in Canada has held relatively steady for three decades, even as some business conditions (low interest rates, the rise of the intangibles economy) would appear to make starting a business easier than ever.

Canada's young entrepreneurs are...

A small cohort

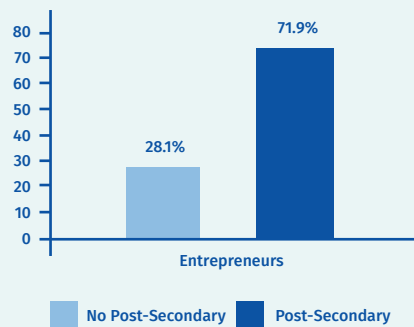
1.7% of all entrepreneurs are under 30



Young Canadians are staying in school longer and shouldering more debt, impeding their ability to start businesses.

\$2.6 billion In 2016-2017, 497,000 students acquired \$2.6 billion in loans

Despite debt accumulation, young entrepreneurs are still more likely than the average Canadian.

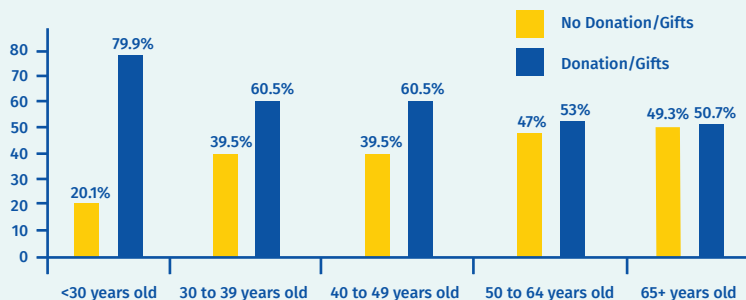


Source: Statistics Canada, RBC Economics Research

Credit hungry

40% of entrepreneurs under 30 say obtaining financing was an obstacle to business growth.

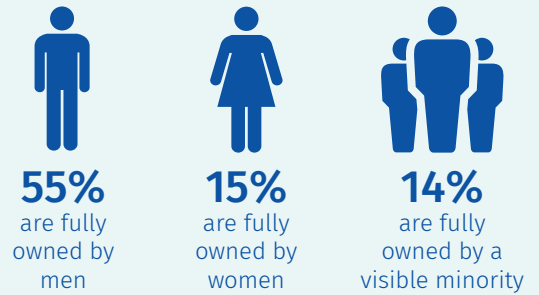
80% relied on gifts/donations, meaning access to family resources could help.



Source: Statistics Canada, RBC Economics Research

Not diverse

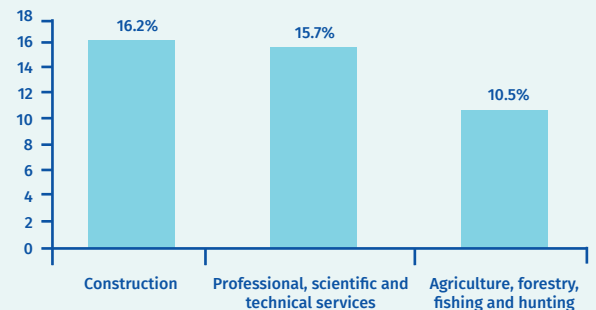
Of the SMEs owned/managed by someone under 30...



7.7% the number of young entrepreneurs who abandoned their business in 2016

Budget 2019 allocated **\$38 million** over 5 years to *Futurpreneur*, which supports young entrepreneurs

Which industries are young entrepreneurs working in? Here are the top 3 sectors:



Source: Statistics Canada, RBC Economics Research

Data savvy



33% of young entrepreneurs used data analytics in 2017, compared with 18% of those in the 50-64 age group.



28% of young entrepreneurs used cloud computing in 2017.