

State of Black Economics Report: Insights on Education, Employment and Entrepreneurship



PARTNERS

Diversity Institute



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CONTRIBUTORS

Mohamed Elmi, PhD,
Executive Director, Diversity
Institute

Nancy Mitchell, Director of
Research Special Projects,
Diversity Institute

Tamara Thermitus, Ad. E.,
Visiting Scholar (McGill Centre
for Human Rights and Legal
Pluralism); Past Chair, Quebec
Human Rights Commission

Wendy Cukier, PhD, Professor,
entrepreneurship and strategy,
Ted Rogers School of
Management, Toronto
Metropolitan University,
Founder Diversity Institute

Executive Summary

The Black population in Canada represents 4.3% of the population, having grown significantly over the last two decades. It is also one of the most culturally and linguistically diverse populations in the country. However, Canada's complex history of slavery, segregation and anti-Black racism continues to impact institutions—including media, housing, health care and the justice system—and access to services today.

This report examines the challenges that Black Canadians face in economic advancement, specifically education, employment, leadership and entrepreneurship. It draws from the latest data and research in these areas, which show that experiences and challenges vary within the Black population based on gender, age, origin and disability. Furthermore, this report demonstrates the importance of acknowledging the history of slavery, segregation and anti-Black racism in Canada, recognizing the diversity of the Black population, and collecting disaggregated data to develop targeted strategies, policies and programs.

KEY INSIGHTS

- 1** Canada's Black population is highly diverse and brings a rich variety of cultures, religions, languages and experiences. Notably, 60% of Black people in Canada were born outside of the country. Black people in Canada speak more than 450 languages and represent more than 300 cultural and ethnic origins.
- 2** Despite increases in median income and progress being made in key areas of economic advancement, income inequality remains a persistent issue for Black Canadians. As of 2021, the Black median income (\$37,200) was significantly lower than that of the overall (\$41,200) and non-racialized (\$43,200) populations. These disparities highlight systemic challenges in education, employment, leadership and entrepreneurship.
- 3** A systemic approach is required to reduce economic barriers for Black people in Canada. Exemplary initiatives include legislation and policy reform, targeted programs, the collection of disaggregated data, organizational strategies, reconsiderations of leadership frameworks, wraparound supports, and recognition of Black-owned small and midsize enterprises (SMEs).

► The Issue

The Black population in Canada is very diverse and has grown significantly over the past two decades, now representing 4.3% of the total population.

Despite the growth and diversity of this population, Canada's history of slavery and anti-Black racism still has an impact in the present day, as evidenced by higher levels of poverty and less generational wealth. Education is the driver of social mobility, and while education outcomes are improving, Black people in Canada continue to face systemic barriers in education, employment, advancement and entrepreneurship.

Tackling these issues requires coordinated efforts and detailed, disaggregated data on the progress of Black people in Canada in the different areas of economic advancement. It is also important to adopt an intersectional lens, as Black people in Canada experience racism differently depending on their gender, age and sexual orientation, among other factors. Distrust of institutions caused by intergenerational trauma must also be considered when evaluating and collecting data on strategies, policies and programs implemented to create meaningful and long-lasting change.

The focus of the project is to understand where progress has been made, where gaps remain and the role of skills and capacity building, not just for the Black community but for employers and the general population as well.



What We Investigated

This report synthesizes the most recent data and research on the Black population in Canada in key areas related to economic advancement, including education, employment, advancement and entrepreneurship. The report focuses on action-oriented strategies to advance inclusion in the skills and employment ecosystem. By doing so, this report shows the importance of disaggregated data in identifying barriers faced by Black communities and developing interventions through target-setting and -monitoring. These insights are ultimately important for policymakers as they attempt to reshape the economic landscape of Black people in Canada.

What We're Learning

Education

Education is the key to the economic advancement of Black people in Canada. Systemic discrimination is embedded in Canada's education system, which affects students, teachers and professors. Black teachers are underrepresented across Canada, leading to a lack of mentors for Black students. In addition, Black youth (boys in particular) face harsher discipline and low expectations from their teachers, which often leads to feelings of isolation. In postsecondary education, Black professors represented only 1.9% of university faculty despite Black students accounting for 6% of university enrolments in 2021. These disparities limit mentorship opportunities for Black students. Immigration has increased the proportion of university-educated Black people in Canada up to national averages, with Black students of African origin having the highest university attainment rate (46%). However, Black students remain underrepresented in certain fields such as medicine and engineering. In the past two decades, the educational attainment of Black Canadians has improved and opened pathways to better and more career options. A range of initiatives aim to address these challenges, but we have limited evidence on what works for whom. As such, the progress of different initiatives should be tracked through evaluations and collection of feedback. Examples of targeted initiatives include the Centre of Excellence for Black Student Achievement at the Toronto District School Board, McMaster University's Anti-Black Racism and Critical Race Education Program, and NPower Canada's countrywide programs to develop the information technology skills of youth.

Employment

Compared to non-racialized groups, Black Canadians have a higher unemployment rate and lower median income. The unemployment rate of the Black population is almost double that of the overall population. However, the participation rate of the Black population is much higher (74.2% vs. 64.8%), meaning Black people in Canada are actively engaged in the labour force. There is also an earnings gap, with Black workers earning only 75.6 cents for every dollar earned by non-racialized workers. Experiences of workplace discrimination are common, especially among Black men. Occupational segregation also exists, with Black women being concentrated in health care and social assistance but with little access to higher positions in those sectors. Employers in Canada are increasingly addressing anti-Black racism in the workplace by implementing targets for hiring, retaining and promoting Black employees. Anti-racism training, mentorship programs and employee resource groups can help to create inclusive and welcoming environments. Further strategies are also needed to address barriers such as hiring discrimination, wage gaps, limited promotions, and stereotyping. There is an urgent need to:

- improve hiring practices and workplace culture;
- offer additional leadership opportunities;
- equip Black people in Canada with the skills they need to succeed;
- ensure that opportunities exist for Black people in Canada;
- strengthen access to skills development and training with appropriate wraparound supports for Black job seekers and employees;
- address skills, knowledge and behaviours of employers;
- create more inclusive workplaces.

Notable examples of initiatives with these priorities include the Canadian Black Nurses Alliance's program, which aims to support internationally educated nurses, and the Advanced Digital and Professional Training (AdaPT) program, which offers networking opportunities in a digital skills training program designed for Black youth.

Leadership

Black professionals remain underrepresented in executive and board leadership roles despite having made progress in some sectors. Meanwhile, a number of barriers hinder the career advancement of Black workers, including a lack of mentors and role models, as well as underrepresentation of Black people in management positions. Black people in management can aid in the advancement of other Black employees to executive and board positions. Voluntary codes have proven to be effective, such as the BlackNorth Initiative's target of at least 3.5% Black representation in executive and board roles. In addition, targeted competency development and wraparound supports are needed for Black leaders. Barriers also need to be addressed and board competencies built to develop more inclusive pathways and processes. Current examples include the Executive Leadership Development Program launched by the Government of Canada, as well as the BlackNorth Connect program launched by BlackNorth Initiative. Both programs aim to provide coaching, mentorship and sponsorship opportunities to Black leaders.

Entrepreneurship

Many Black Canadians turn to entrepreneurship due to barriers in traditional employment. Black people account for 0.9% of SME owners. In particular, Black women own 38.8% of the SMEs that are majority-owned by Black people, which is more than twice the proportion of majority-owned businesses in Canada (17.8%). However, Black entrepreneurs face barriers as well, including limited access to funding, difficulty gaining credibility, and challenges building a customer base. This often leaves Black entrepreneurs to rely on personal savings or credit cards due to limited financing options. The COVID-19 pandemic further exacerbated these challenges. There are more Black women entrepreneurs in Canada than women entrepreneurs in the general public. Despite this, Black women entrepreneurs face compounded challenges of being women entrepreneurs and Black at the same time. These challenges overall highlight the need for targeted support for Black-owned businesses.

Why It Matters

This report explores the complex interplay of historical, social and structural barriers that affect the economic realities of Black people in Canada. Its exploration brings awareness to the anti-Black racism and systemic inequities that have endured in this country, which have largely been denied by Canadians throughout history. While anti-Black racism has been officially recognized as a form of discrimination in recent years, there is still work to be done to ensure that Black communities are supported by policies and legislation. A holistic, systems-based approach is the key to tackling the economic barriers faced by Black Canadians. This includes addressing human capital (i.e., education and skills), social capital (e.g., networking opportunities) and financial capital (e.g., access to funding). Targeted strategies for entrepreneurs must address competencies tied to stages of development, sectors and needs of diverse entrepreneurs. At the same time, more focus is needed on bringing a gender-and-diversity lens to the development of policies, programs and services to ensure they support the full range of entrepreneurs. Developing skills and competencies in terms of anti-Black racism across the ecosystem, particularly among decision-makers and gatekeepers, is critical. Relevant initiatives include the Government of Canada's Black Entrepreneurship Program and incubators created by Black-led organizations.



State of Skills: Working with Black Communities

Black peoples in Canada experience widespread systemic anti-Black racism in education systems and the labour market. More needs to be done to name and address anti-Black racism in the skills ecosystem, including efforts to change employer behaviour to make workplaces more inclusive.

[Read Thematic Report](#)

Investments are needed across the entire pipeline, from early education to postsecondary and into employment. This should also include support for Black entrepreneurs and leadership development programs. These investments are necessary to unlock the full potential of Black people in Canada.

► What's Next

This report offers key evidence that progress is being made to drive economic development for Black Canadians. It is imperative that this progress continues, especially in the wake of backlash against equity, diversity and inclusion, which threatens to undermine key policies and programs. More work needs to be done at the societal, organizational and individual levels to continue advancing Black prosperity.

Have questions about our work? Do you need access to a report in English or French? Please contact communications@fsc-ccf.ca.

How to Cite This Report

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