

Project Insights Report

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



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Diversity Institute



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 **Executive Summary**

Black people make up 4.3% of Canada's population, a share projected to exceed 3 million by 2041. *The State of Black Economics Report (SOBER) 2026* synthesizes research from government, academia, industry, and community organizations to track the social and economic outcomes of Black Canadians across education, employment, leadership, and entrepreneurship.

Structural barriers shape outcomes at every stage. In education, systemic bias drives disproportionate disciplinary action, while most institutions still publish no race-disaggregated data. In employment, Black workers face unemployment nearly twice as high as the overall population (11.1% vs. 6.4%), earn roughly 17% lower than non-racialized workers, and experience workplace discrimination at more than double the national rate (47.3% vs. 18.5%).

KEY INSIGHTS

- 1 Nearly half of Black workers (47.3%) report experiencing workplace discrimination, more than double the rate in the overall population (18.5%), and this disparity persists across both gender and sectors.
- 2 Black Canadians are as likely as the overall population to have a university degree (32.4% Black vs. 32.9% overall). Yet, they are substantially more likely to be employed in jobs that typically require only a high school level of education (26.7% Black overqualification rate vs. 16.7% overall).
- 3 Black immigrant entrepreneurs export goods or services at nearly three times the rate of non-racialized immigrants (57.1% vs. 19.8%), representing an underutilized asset for Canada's trade diversification strategy.

► The Issue

Black people in Canada face ongoing structural barriers that have broad implications for Canada's labour market and national prosperity. Black people account for 4.3% of Canada's population, a share that has more than doubled since 1996. While some gaps are narrowing, there remain barriers to inclusion in education, employment, leadership and entrepreneurship.

Despite growing attention and effort, Black youth continue to face obstacles to education and are more likely to be disciplined and less likely to graduate than other students. Data remain sparse, but there is evidence that systemic barriers remain, including the under-representation of Black teachers and administrators in education systems.

Black people have higher labour force participation rates than the overall population, yet face unemployment nearly twice the national rate, earning roughly 17% below non-racialized workers, and significant concentration in lower wage and precarious roles. Despite rising university attainment, driven in part by highly educated immigrants, significant barriers to employment remain.



🔧 What We Investigated

The State of Black Economics Report (SOBER) 2026 is the second edition of an annual report that synthesizes research from government, academia, industry, and community organizations on the economic realities of Black people in Canada. Drawing on academic research, national surveys, and institutional data, it examines outcomes across four interconnected pillars: education, employment, leadership, and entrepreneurship.

The 2026 report builds on the 2025 baseline by deepening analysis in areas where evidence could be extended or updated, with particular attention to sectors central to Canada's economic transformation. An intersectional lens is applied throughout, examining how race interacts with gender, immigration status, disability, age, and other identity factors to shape outcomes, where data permit.

In education, a review of publicly available data from Ontario's largest school boards and post-secondary institutions across Canada was conducted. In employment, newly available data from the Survey on Employment and Skills were used to update national labour market indicators alongside a focused sectoral analysis of health care, skilled trades, and information and communications technology. In leadership, the analysis covered a sample of top TSX-listed companies and examined experiences in the public sector. In entrepreneurship, rather than revisiting well-documented barriers, the focus shifted to the economic contribution and impact of Black-owned businesses.

✔ What We're Learning

The SOBER 2026 report documents both the resilience and the exclusion of Black people in Canada across education, employment, entrepreneurship, and leadership. Across all four pillars, the data point to a consistent pattern: Black people are participating across these systems, yet continue to face barriers to advancement, recognition, and equitable outcomes.

In education, disparities begin early and are difficult to track because of limited public reporting. Available school board data show lower graduation rates for Black students, disproportionate suspensions and expulsions, and a majority of documented racist incidents involving anti-Black racism. Although Ontario has eliminated formal Grade 9 streaming, informal pathwaying continues, and limited disaggregated data make its effects difficult to assess. At the post-secondary level, most colleges publish no Black-specific data, while universities show persistent gaps between Black student representation and Black faculty, staff, and senior leadership representation. This lack of representation undermines belonging, inclusion, retention, and long-term career confidence.

In employment, Black people account for 5.5% of the labour force and show stronger participation rates (73.8%) than the overall population (64.5%), yet face unemployment nearly twice as high (11.1% vs. 6.4%). Among Black youth, the unemployment rate reaches approximately 20%, nearly 9 percentage points above non-racialized peers. Average hourly earnings for Black workers are about 17% lower than for non-racialized workers, and Black workers are more than twice as likely to fall below the low pay threshold. Despite these challenges, Black workers are actively adapting to changing workplace dynamics, with higher rates of training participation, self-directed AI learning, and AI use at work compared to Canadians overall.

In leadership, progress in the corporate sector has slowed, and disclosure has declined. In the public sector, qualitative interviews with Black federal leaders document significant barriers, including harassment, blocked advancement, biased performance evaluations, and racially targeted complaints, with Black women reporting these experiences at particularly high rates.

In entrepreneurship, the report finds both meaningful contribution and significant vulnerability. An estimated 144,980 Black-owned businesses operate across Canada. Among them, Black immigrant entrepreneurs are internationally oriented, with more than half (57.1%) exporting to their country of origin, compared to 19.8% of non-racialized immigrants. Yet Black entrepreneurs face acute economic pressure: business optimism fell 14 percentage points in a single year (from 80.5% to 66.5%), compared to a 5-point drop for entrepreneurs overall, reflecting the structural fragility many Black entrepreneurs face, given their restricted access to capital and limited financial cushions.

★ Why It Matters

The evidence gathered in the SOBER 2026 report carries clear implications for the Canadian skills ecosystem and for how organizations and governments design policies, fund programs, and measure progress.

The most consistent finding across all four pillars is that the challenge is less about entry but more about advancement. Black people gain access to education, enter the labour market at high rates, and launch businesses at growing rates. What the data reveals is that they face systematic barriers once inside.

As Canada navigates demographic aging and sectoral labour shortages, improving representation for Black people within high-demand and strategically important sectors, particularly in more stable and high-earning roles as workers and as small business owners within Canada's supply chain, is directly connected to Canada's economic performance. Persistent barriers mean that skills, education and experience are not translating into equitable employment, earnings, and leadership outcomes.

Key areas for action include:

- Enhancing race-disaggregated data collection and public reporting across education systems, labour markets and leadership structures to support accountability and informed workforce planning.
- Implementing targeted anti-Black racism strategies within school boards and post-secondary institutions, including curriculum reform, and expanding pathways for Black teachers and administrators.
- Expanding structured pathways into and within growth sectors through apprenticeships, credential recognition, work-integrated learning and sector-aligned training initiatives.
- Addressing leadership gaps where representation disparities emerge early and shape long-term advancement outcomes.
- Aligning workforce and entrepreneurship supports with national sector priorities and export strategies, including targeted supports for internationally connected and trade-oriented businesses.
- Strengthening mentorship, sponsorship and peer networks to support Black people and to strengthen training focused on anti-Black racism for decision makers.

Taken together, these measures position the economic participation of Black people as both an inclusion imperative and a strategic component of Canada's productivity, sectoral growth and economic resilience.



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](#)

► What's Next

The SOBER 2026 edition builds on the baseline established in 2025, and the third edition will continue tracking outcomes across all four pillars, deepening analysis where data improvements allow for more granular and intersectional findings.

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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The Future Skills Centre acknowledges that the Anishinaabe, Mississaugas and Haudenosaunee share a special relationship to the 'Dish With One Spoon Territory,' where our office is located, bound to share and protect the land. As a pan-Canadian initiative, FSC operates on the traditional territory of many Indigenous nations across Turtle Island, the name given to the North American continent by some Indigenous peoples. We are grateful for the opportunity to work in this territory and commit ourselves to learning about our shared history and doing our part towards reconciliation.

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