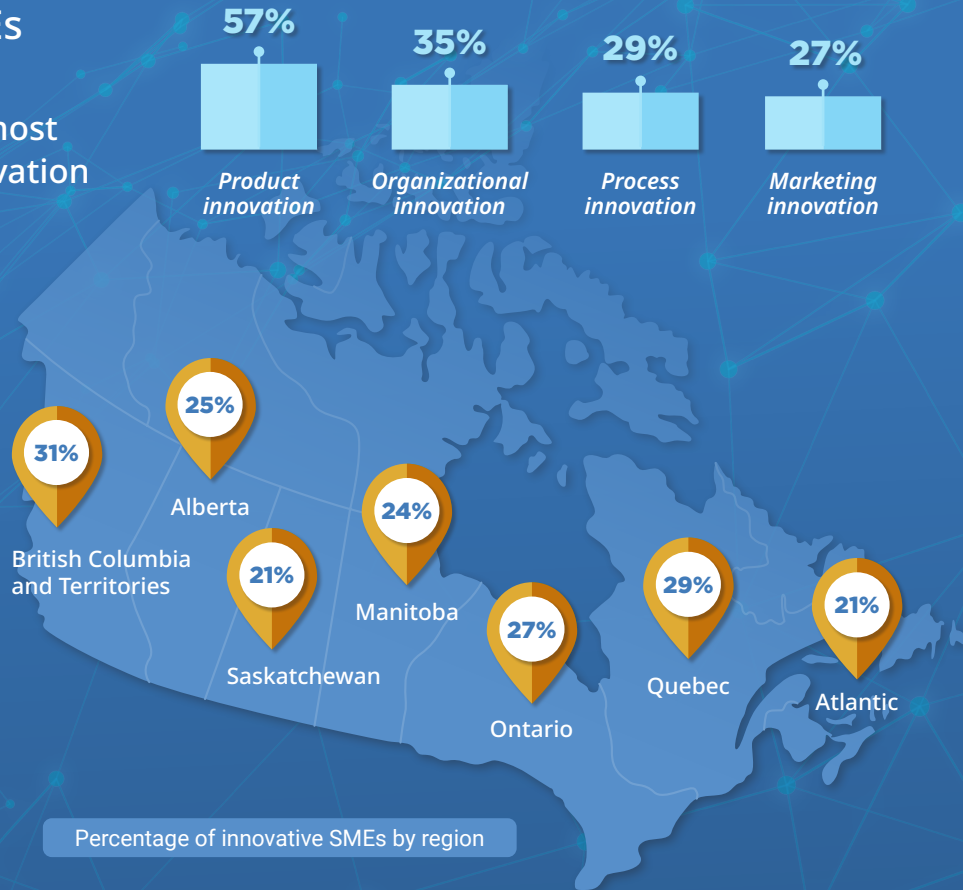


# SMEs *at a glance:* INNOVATIVE ENTERPRISES

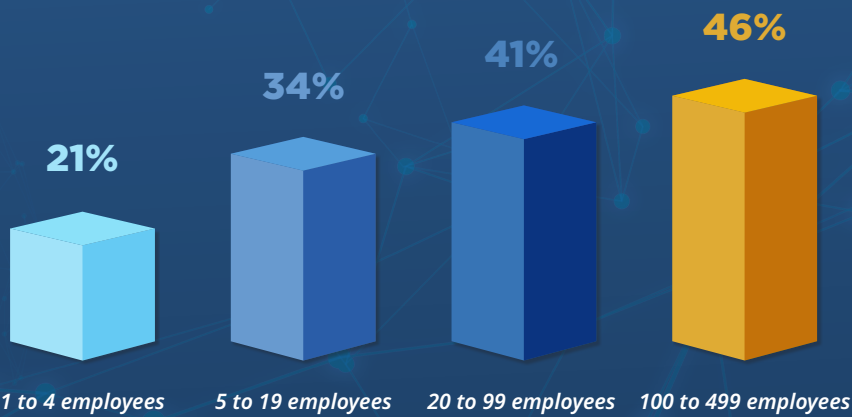
In 2023, **27%** of Canadian SMEs developed innovations,<sup>1</sup> with product innovation being the most common (**57%**) and marketing innovation the least (**27%**).

Approximately **80%** of innovative SMEs intended to expand to new markets, **77%** adopted at least one advanced technology, **31%** held at least one type of intellectual property, **24%** were exporting firms, and **18%** were involved in international business activity.



British Columbia and Territories led all regions with the highest percentage of innovative SMEs (**31%**). In contrast, the Atlantic region had the lowest rates, with **21%** of SMEs engaging in innovation.

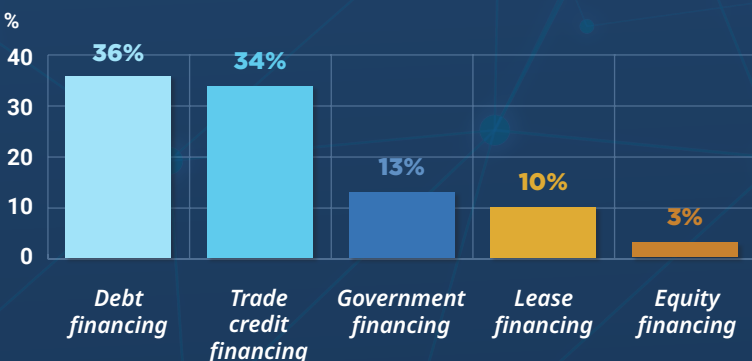
Larger-sized businesses (100–499 employees) had the highest innovation rate at **46%**, compared to **21%** for smaller businesses (1–4 employees).



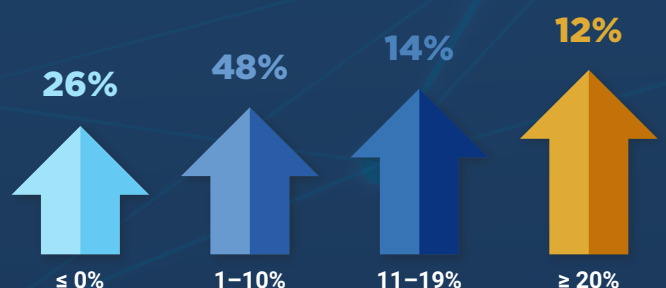
The three sectors with the highest rate of innovative SMEs were:



Debt (**36%**) and trade credit (**34%**) were the most commonly requested financing types among innovative SMEs, while equity financing remained rare.



Nearly half (**48%**) of innovative SMEs saw moderate growth (**1–10%**), while **12%** were high-growth firms (**20%+**). About **26%** reported no growth or decline.



<sup>1</sup> This percentage reflects non-franchise SMEs that innovate, which make up approximately 97% of all SMEs.

Source: Statistics Canada, *Survey on Financing and Growth of Small and Medium Enterprises*, 2023.

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