

# Into the Scale-up-verse

EXPLORING THE LANDSCAPE OF CANADA'S HIGH-PERFORMING FIRMS

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In partnership with [The Innovation Policy Lab](#) at the [Munk School of Global Affairs & Public Policy](#), [The Brookfield Institute for Innovation + Entrepreneurship](#) leveraged the most recent and detailed dataset concerning Canadian business dynamics to unravel complex scale-up behaviour in Canada. Our new study, *Into the Scale-up-verse*, challenges how scale-ups are defined and measured in Canada, unpacks the nuanced and varied ways that scale-ups contribute to the Canadian economy, and raises important considerations as we work to harness the immense power scale-ups hold in securing long-term, economic growth and sustainability.

## What does *Into the Scale-up-verse* teach us?

Scale-ups come in many shapes and sizes. This analysis is the first national and sub-provincial breakdown of scale-up activity in Canada and offers a deep understanding of the roles different types of scale-ups play in boosting productivity, employment, exports and R&D. *Into the Scale-up-verse* provides the baseline metrics and guidance that academic researchers, industry actors, and government policymakers need to better inform supportive policy for scale-ups in Canada.

## What's next?

Not all entrepreneurship is productive. Further research could help to identify and support specific types of firms that contribute a value-add and benefit everyone in Canada.

## Key Insights:

- **There is little doubt that scale-ups are integral to Canada's long-term economic sustainability.** Scale-ups have the highest productivity and growth rates in Canada relative to non-scale-ups.
- **Scale-ups are leading contributors to increased employment and job quality in Canada.** Scale-ups employ ten times the number of people compared to non-scale-ups, and average pay at scale-ups exceeds non-scale-ups in almost all industries and across economic regions of Canada (*Figure 29-32, page 48*).
- **Declining investment in R&D is a missed growth opportunity.** R&D investment has proven to be successful in ensuring a firm's sustained growth. And although scale-ups are more likely to allocate funds to research and development relative to non-scale-ups, overall R&D investment is stagnating.
- **Scale-ups are more likely to export than non-scale-ups.** Successfully exporting is a sure sign that a firm has raised their growth ceiling, expanding their market reach, and bolstered their organizational sophistication.
- **Scale-ups are too diverse and complex for a "one size fits all" policy approach.** Policies that target scale-ups are not necessarily accounting for the various types of scale-ups and their varying contributions to the Canadian economy.

