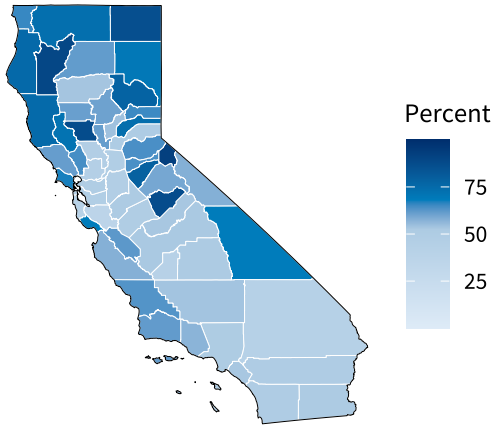


California

4.2 million small businesses
99.9 percent of California businesses

7.0 million small business employees
47.1 percent of California employees



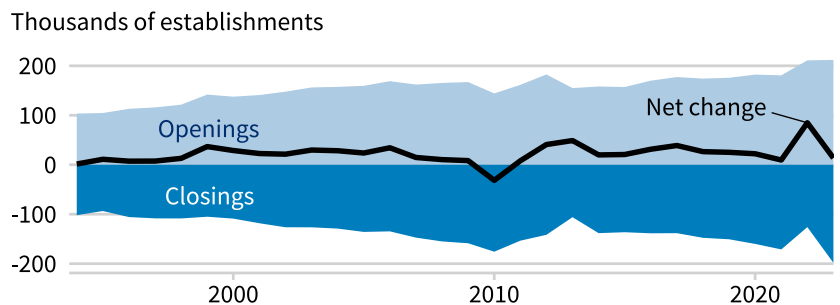
Share of employees working at small businesses by county

Sources of original data: [Nonemployer Statistics](#) (Census), [Statistics of U.S. Businesses](#) (Census)

Employer and employment dynamics

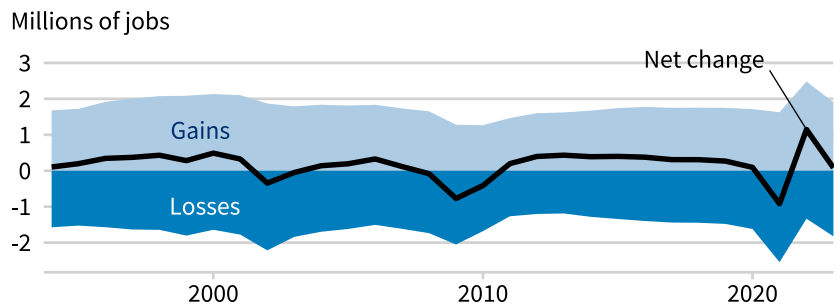
Establishments

Between March 2022 and March 2023, 211,941 California establishments opened and 198,314 closed, for a net increase of 13,627. Employment expanded at 259,299 establishments and contracted at 245,485. Small businesses accounted for 124,874 openings and 104,981 closings.



Employment

Opening and expanding California establishments added 1.9 million jobs, while closing and contracting establishments lost 1.8 million, for a net increase of 81,803 jobs. Small businesses gained 1.3 million jobs and lost 1.2 million, for a net increase of 137,334 jobs.



Counts include temporary closures and reopenings.

Source: [Business Employment Dynamics](#) (Bureau of Labor Statistics)

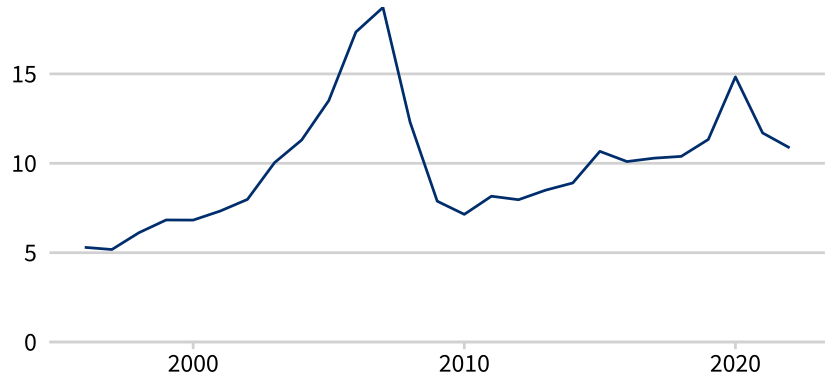
Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2022, reporting banks issued \$10.9 billion in loans to California businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$16.1 billion. Total reported new lending to businesses through loans of \$1 million or less was \$33.0 billion.

Source: [CRA Aggregate Data](#) (FFIEC)

New lending to businesses with revenues under \$1 million

\$Billion



Small business count by size and industry

Industry	Without employees	1–19 employees	20–499 employees	All small businesses
Professional, Scientific, and Technical Services	559,592	122,070	7,935	689,597
Transportation and Warehousing	496,170	26,304	2,814	525,288
Real Estate and Rental and Leasing	349,772	49,273	1,913	400,958
Other Services (except Public Administration)	322,246	67,606	4,103	393,955
Health Care and Social Assistance	272,745	90,334	9,216	372,295
Retail Trade	274,667	63,952	6,087	344,706
Administrative, Support, and Waste Management	276,804	35,300	4,813	316,917
Construction	234,196	74,014	7,229	315,439
Arts, Entertainment, and Recreation	211,769	29,117	1,405	242,291
Accommodation and Food Services	63,288	57,091	11,513	131,892
Finance and Insurance	90,273	28,450	1,855	120,578
Wholesale Trade	57,002	41,026	6,002	104,030
Educational Services	87,896	12,099	2,458	102,453
Information	68,897	18,314	2,000	89,211
Manufacturing	43,401	25,500	6,746	75,647
Agriculture, Forestry, Fishing and Hunting	13,857	1,786	234	15,877
Mining, Quarrying, and Oil and Gas Extraction	2,361	341	79	2,781
Utilities	1,379	551	55	1,985
Management of Companies and Enterprises	*	520	1,397	1,917
Industries not classified	*	1,107	5	1,112
All industries	3,426,315	744,032	74,509	4,244,856

* Not reported by the Census Bureau

Sources: [Nonemployer Statistics](#), 2021 (Census); [Statistics of U.S. Businesses](#), 2021 (Census)



Small business exports

A total of 63,953 identified firms exported goods worth \$174.3 billion from California in 2022. Of those exporters, 60,617—or 94.8 percent—were small. Exports by small firms reached \$74.9 billion, making up 43.0 percent of exports by identified firms.

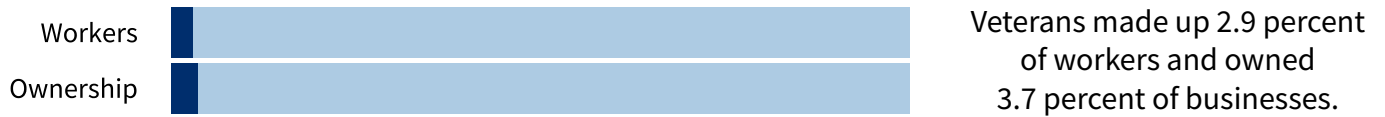
Source: [A profile of U.S. importing and exporting companies, 2021-2022](#) (Census)

Business ownership share by demographic group

Women



Veterans



Hispanics



Racial minorities



Ownership shares include equal and majority ownership.

Sources of original data: [American Community Survey, 2021 5-Year Data \(Census\)](#); [Annual Business Survey, 2021 \(Census\)](#); [Nonemployer Statistics by Demographics, 2021 \(Census\)](#)

Business count by owner demographic group

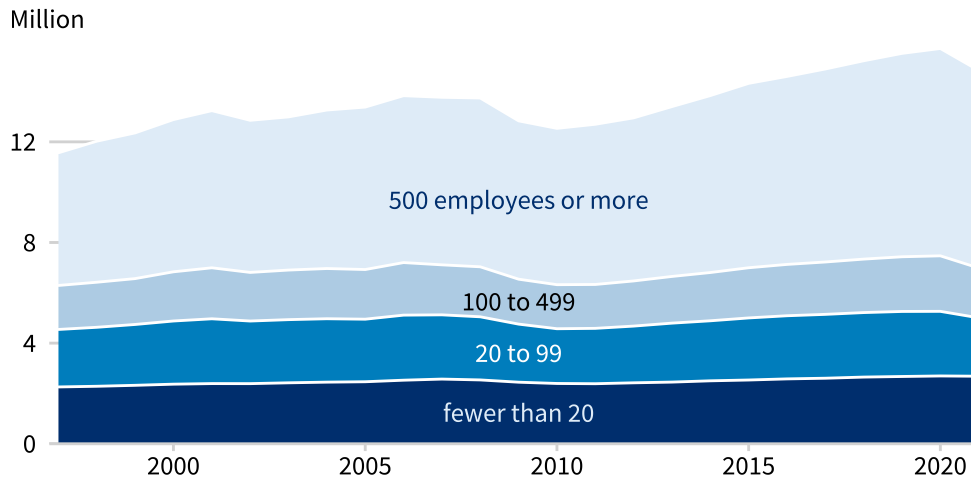
Ownership	Without employees	With employees	Total businesses
Female	1,430,000	177,305	1,607,305
Male	1,844,000	455,191	2,299,191
Owned equally by both groups	57,500	118,328	175,828
Veteran	102,000	31,060	133,060
Not Veteran	3,225,000	707,401	3,932,401
Owned equally by both groups	5,300	12,360	17,660
Hispanic	943,000	88,920	1,031,920
Not Hispanic	2,381,000	647,757	3,028,757
Owned equally by both groups	7,800	14,143	21,943
American Indian and Alaska Native	56,500	9,593	66,093
Asian	748,000	169,863	917,863
Black or African American	265,000	15,014	280,014
Native Hawaiian and Other Pacific Islander	23,000	2,272	25,272
White	2,341,000	553,999	2,894,999
Hispanic or Racial Minority	1,833,000	278,770	2,111,770
White and Not Hispanic	1,485,000	449,088	1,934,088
Owned equally by both groups	14,000	22,964	36,964

Counts include only businesses classifiable by owner demographic group.

Sources: [Annual Business Survey, 2021 \(Census\)](#); [Nonemployer Statistics by Demographics, 2021 \(Census\)](#)

Total California employment by business size

Source of original data: [Statistics of U.S. Businesses](#) (Census)



California small business employment grew by 11.0 percent between 1997 and 2021, which exceeded the national small business employment growth rate.

Small business employment and payroll by industry

Industry	Employers		Employees		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Professional, Scientific, and Technical Services	130,005	99.1	762,950	57.4	83,756,450	47.0
Health Care and Social Assistance	99,550	99.4	969,404	45.6	53,212,758	36.0
Construction	81,243	99.6	676,358	80.1	48,409,450	74.7
Other Services (except Public Administration)	71,709	99.6	427,163	81.2	18,662,667	78.4
Retail Trade	70,039	99.1	574,273	35.1	28,943,422	43.2
Accommodation and Food Services	68,604	99.4	875,878	62.5	27,209,501	64.6
Real Estate and Rental and Leasing	51,186	99.4	215,044	71.8	15,797,594	67.5
Wholesale Trade	47,028	97.7	462,250	59.2	37,278,432	46.7
Administrative, Support, and Waste Management	40,113	98.2	447,503	27.9	24,014,203	20.6
Manufacturing	32,246	96.8	538,534	48.0	36,531,853	37.1
Arts, Entertainment, and Recreation	30,522	99.6	140,629	58.8	14,269,743	73.8
Finance and Insurance	30,305	98.0	196,891	30.6	25,700,954	25.1
Transportation and Warehousing	29,118	97.9	221,150	32.1	11,810,565	26.8
Information	20,314	97.6	186,658	25.5	26,867,350	14.5
Educational Services	14,557	98.8	216,746	54.8	10,504,471	48.5
Agriculture, Forestry, Fishing and Hunting	2,020	98.5	20,388	67.2	1,154,127	72.0
Management of Companies and Enterprises	1,917	65.0	40,112	11.2	4,256,736	6.2
Industries not classified	1,112	100.0	1,796	100.0	72,756	100.0
Utilities	606	92.7	4,906	7.8	605,333	6.7
Mining, Quarrying, and Oil and Gas Extraction	420	89.4	6,217	40.4	579,717	35.8
All industries	818,541	99.2	6,984,850	47.1	469,638,082	36.2

Source: [Statistics of U.S. Businesses](#), 2021 (Census)

About this profile

Small businesses are generally defined here as firms with fewer than 500 employees. Figures or statistics may involve approximations because of missing or problematic data. Where notes identify the source of “original data,” a value is approximate in at least one profile. The Technical Notes provide details on data, methods, and definitions. Electronic versions of this and other [geographic profiles](#) are available online. Visit advocacy.sba.gov for additional resources.