2023 Alberta Labour Force Profiles: Self-Employment



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Introduction

The 2023 Alberta Labour Force Profile of Self-Employment provides employment and demographic statistics to help understand the trends and composition of self-employed workers in Alberta.

Definitions:

Self-employed individuals include working owners of an incorporated or unincorporated business, farm or professional practice, as well as unpaid family workers. Both incorporated and unincorporated groups include those with and without paid help (employees). The unincorporated group also includes self-employed workers who do not own a business (such as babysitters and newspaper carriers).

Unpaid family workers are persons who work without pay on a farm or in a business or professional practice owned and operated by another family member living in the same dwelling.

Data and definitions provided are from Statistics Canada's Labour Force Survey.

Highlights 2023

- In 2023, 346,300 Albertans were self-employed, down 1.9 per cent from 353,100 in 2013.
- Self-employed workers accounted for 14.1 per cent of the total employment (self-employment rate) in Alberta.
- Alberta has the second highest rate of self-employment among provinces, following only British Columbia (16.1 per cent).
- Older workers, men and immigrants who landed more than 10 years earlier are more likely to be self-employed.
- The self-employment rate for Indigenous people living off-reserve was 10.1 per cent, 4.2 percentage points lower than the self-employment rate for non-Indigenous people (14.3 per cent).
- The two industries with the highest prevalence of self-employment were agriculture (57.5 per cent) and professional, scientific and technical services (28.2 per cent).
- More than 70 per cent of self-employed Albertans were in the Calgary and Edmonton economic regions.
- Changes in self-employment are potentially driven by many factors including demographics, personal attitudes, perceptions, family motivations and structural factors in the economy (such as changes in industrial sectors). While studies have examined the relationship of self-employment to economic conditions, there appears to be no consistent findings supporting a significant positive or negative relationship.

¹ Yssaad, L., & Ferrao, V. (2019). Self-employed Canadians: Who and Why? Statistics Canada.

² Dawson, C., Henley, A., & Latreille, P. (2009). Why Do Individuals Choose Self-Employment?

Overall Self-Employment

In 2023, 346,300 Albertans were self-employed, down 0.6 per cent compared to 2022 and 1.9 per cent compared to 2013.

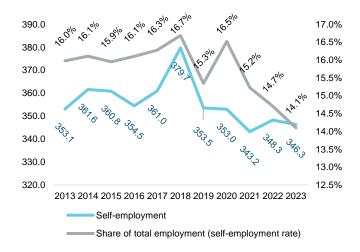
Self-employed as a proportion of total employment (self-employment rate) in 2023 was 14.1 per cent, the lowest share over the past decade.

The highest self-employment rates over this period were in 2018 at 16.7 per cent, and in 2020 at 16.5 per cent.

In 2023, Alberta had the second highest self-employment rate among the provinces, following only British Columbia (16.1 per cent).

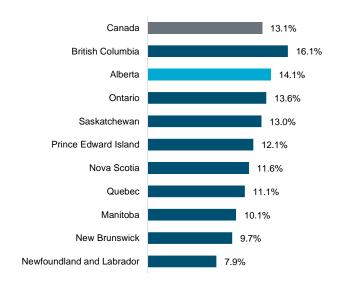
At 14.1 per cent, the self-employment rate in Alberta remained above the national average rate at 13.1 per cent.

FIGURE 1. SELF-EMPLOYMENT IN ALBERTA, 2013-2023 (thousands of persons; percentage)



Source: Statistics Canada. Labour Force Survey. Custom tabulation provided to Jobs, Economy, and Trade

FIGURE 2. SELF-EMPLOYMENT AS A PROPORTION OF TOTAL EMPLOYMENT, BY PROVINCE, 2023 (percentage)



Demographics

By age

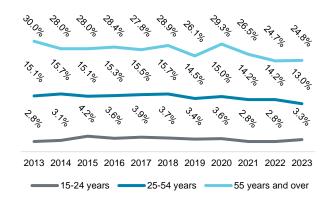
Workers aged 55 years and over are the most likely to be self-employed in their main job, followed by core-aged workers (25-54 years).

The self-employment rate for workers aged 55 years and over was 24.8 per cent in 2023.

On average (2013 to 2023), workers aged 25-54 years (core working age) made up the largest share of self-employed Albertans at 63.8 per cent, followed by workers aged 55 years and over (33.4 per cent). Workers aged 15-24 years made up an average of 2.8 per cent.

In 2023, the core working age group accounted for 62.7 per cent of all self-employed workers in Alberta, the group aged 55 years and over accounted for 34.4 per cent, and youth (15-24 years) accounted for 2.9 per cent.

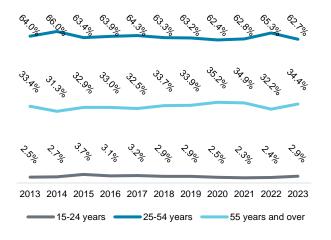
FIGURE 3. SELF-EMPLOYMENT AS A PROPORTION OF TOTAL EMPLOYMENT, BY AGE GROUP, ALBERTA (percentage)



Source: Statistics Canada. Labour Force Survey. Custom tabulation provided to Jobs, Economy, and Trade

FIGURE 4. DISTRIBUTION OF SELF-EMPLOYMENT BY AGE GROUP, ALBERTA

(percentage)

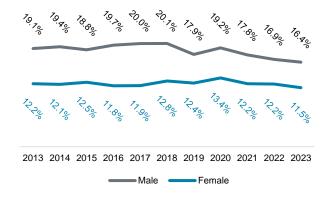


By sex

The self-employment rate for both men and women has trended downward since 2021. The self-employment rate for males has declined 0.7 percentage points, from 12.2 per cent in 2013 to 11.5 per cent in 2023. The female self-employment rate declined 2.7 percentage points over the same period, from 19.1 per cent to 16.4 per cent.

In 2023, of all self-employed workers in Alberta, 62 per cent were men and 38 per cent were women.

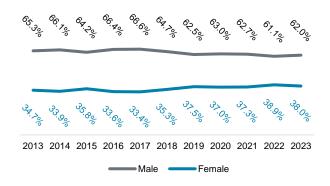
FIGURE 5. SELF-EMPLOYMENT AS A PROPORTION OF TOTAL EMPLOYMENT, BY SEX, ALBERTA (percentage)



Source: Statistics Canada. Labour Force Survey. Custom tabulation provided to Jobs, Economy, and Trade

FIGURE 6. DISTRIBUTION OF SELF-EMPLOYMENT BY SEX, ALBERTA

(percentage)



By immigrant status

The self-employment rate for immigrants in 2023 was 14.3 per cent, 0.2 percentage points higher than the rate of 14.1 per cent for non-immigrants.

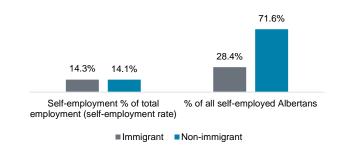
Of all self-employed workers in 2023, 71.6 per cent were non-immigrants and 28.4 per cent were immigrants.

In 2023, the self-employment rate (17.2 per cent) for immigrants who landed more than 10 years earlier was 7.8 percentage points higher than the rate for immigrants who landed 10 or fewer years earlier (9.4 per cent).

Self-employed immigrants that landed more than 10 years earlier made up 21.4 per cent of all self-employed Albertans in 2023; those landed 10 or fewer years earlier made up 7.0 per cent.

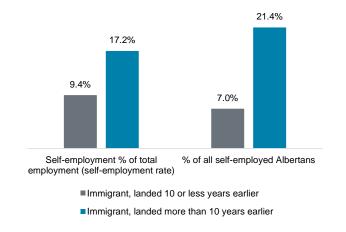
FIGURE 7. SELF-EMPLOYMENT BY IMMIGRANT STATUS, ALBERTA, 2023

(percentage)



Source: Statistics Canada. Labour Force Survey. <u>Public Use Microdata File</u>

FIGURE 8. DISTRIBUTION OF SELF-EMPLOYED IMMIGRANTS BY LANDED TIME, ALBERTA, 2023 (percentage)

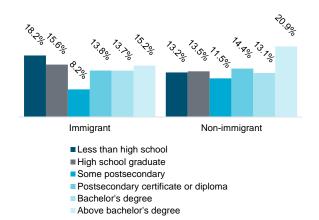


Source: Statistics Canada. Labour Force Survey. <u>Public Use Microdata File</u>

In 2023, the self-employment rate among immigrants was the highest in people with less than high school education at 18.2 per cent.

For non-immigrants, the highest self-employment rate was among people with an educational attainment above a bachelor's degree (20.9 per cent).

FIGURE 9. SELF-EMPLOYMENT RATE BY EDUCATION FOR IMMIGRANTS AND NON-IMMIGRANTS, ALBERTA, 2023 (percentage)



Source: Statistics Canada. Labour Force Survey. <u>Public Use Microdata File</u>

While workers with less than high school or up to high school education were more likely to be self-employed than others among immigrants, they together only made up 25.5 per cent of all self-employed immigrants.

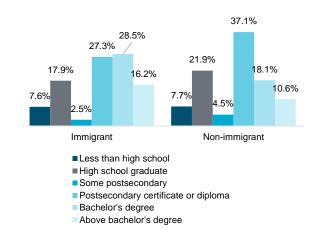
 Workers with a post-secondary or higher educational attainment made up 72 per cent of all self-employed immigrants.

For non-immigrants, workers with a post-secondary certificate made up the greatest proportion of all self-employed workers (37.1 per cent).

 People with an educational attainment above a bachelor's degree were most likely to be selfemployed among all educational groups, making up 10.6 per cent of all self-employed non-immigrants.

FIGURE 10. DISTRIBUTION OF SELF-EMPLOYMENT BY EDUCATION FOR IMMIGRANTS AND NON-IMMIGRANTS, ALBERTA, 2023

(percentage)



Source: Statistics Canada. Labour Force Survey. <u>Public Use Microdata File</u>

Indigenous people living off-reserve

In 2023, the self-employment rate for Indigenous people living off-reserve was 10.1 per cent, 4.2 percentage points lower than the rate of 14.3 per cent for people who were not Indigenous and living off-reserve.

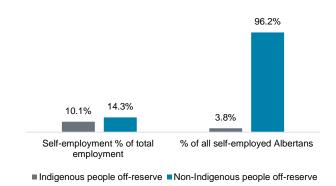
The self-employment rate for Indigenous people living offreserve has ranged between 9.8 per cent and 13.5 per cent between 2013 and 2023, while ranging between 14.3 per cent and 17.0 per cent over the same period for non-Indigenous people.

In 2023, Indigenous people living off-reserve made up 3.8 per cent of all self-employed Albertans, a decrease of 0.8 percentage points from 2022 (4.7 per cent).

Workers aged 25-54 years accounted for the greatest proportion of the self-employed Indigenous people living off-reserve (65.4 per cent), followed by people aged 55 years and over (29.3 per cent).

FIGURE 11. SELF-EMPLOYMENT FOR INDIGENOUS PEOPLE OFF-RESERVE AND NON-INDIGENOUS PEOPLE OFF-RESERVE, ALBERTA, 2023

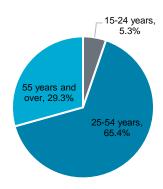
(percentage)



Source: Statistics Canada. Labour Force Survey. Custom tabulation provided to Jobs, Economy, and Trade

FIGURE 12. DISTRIBUTION OF SELF-EMPLOYED INDIGENOUS PEOPLE OFF-RESERVE BY AGE GROUP, ALBERTA, 2023

(percentage)



By industry

In 2023, agriculture and professional, scientific and technical services remained the top two industries with the highest prevalence of self-employment at 57.5 per cent and 28.2 per cent, respectively.

FIGURE 13. SELF-EMPLOYMENT SHARE OF TOTAL EMPLOYMENT BY INDUSTRY, ALBERTA, 2023 (percentage)

Agriculture	57.5%	42.5%
Professional, scientific and technical services	28.2%	71.8%
Other services (except public administration)	27.5%	72.5%
Construction	21.6 <mark>%</mark>	78.4%
Business, building and other support services	21.6%	78.4%
Finance, insurance, real estate, rental and leasing	17.7%	82.3%
Transportation and warehousing	16.5%	83.5%
Information, culture and recreation	12.6%	87.4%
Health care and social assistance	10.7%	89.3%
Forestry, fishing, mining, quarrying, oil and gas	8.6%	91.4%
Wholesale and retail trade	8.0%	92.0%
Educational services	7.7%	92.3%
Accommodation and food services	5.4%	94.6%
Manufacturing	4.6%	95.4%
Utilities	0.4%	99.6%
Public administration	0.0%	100%

■ Self-employed ■ Employees

Source: Statistics Canada. Labour Force Survey. Public Use Microdata File

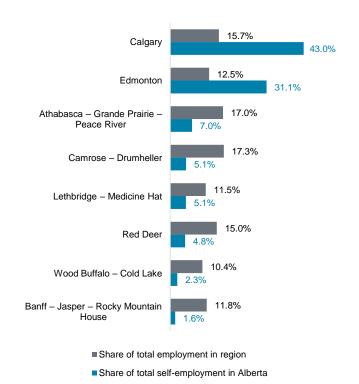
By economic region

The Calgary and Edmonton economic regions comprised 74.1 per cent of all self-employed persons in Alberta in 2023, with a self-employment rate of 15.7 per cent and 12.5 per cent, respectively.

The highest self-employment rates were in the Camrose – Drumheller and Athabasca – Grande Prairie – Peace River regions (17.3 per cent; 17.0 per cent), together accounting for 10.2 per cent of all self-employed persons in Alberta.

FIGURE 14. SELF-EMPLOYMENT BY ECONOMIC REGION, ALBERTA, 2023

(percentage)



Source: Statistics Canada. Labour Force Survey. Custom tabulation retrieved from Statistics Canada Real-Time-Remote-Access on 31st January, 2024

For More Information

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