



2022 Alberta Labour Force Profiles: Self-Employment

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Introduction

The 2022 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 2022

- In 2022, 348,300 Albertans were self-employed, up 2.3 per cent from 340,400 in 2012.
- Self-employed workers accounted for 14.7 per cent of the total employment in Alberta, down from 15.7 per cent in 2012. Alberta ranked the third largest among the provinces for share of self-employed workers of total employment, following Saskatchewan (14.8 per cent) and British Columbia (15.4 per cent).
- Older workers, men and people with an educational attainment above a bachelor's degree are more likely to be self-employed.
- Immigrants who landed more than 10 years earlier had a higher self-employment rate than immigrants who landed 10 or less years earlier.
- The self-employment rate for Indigenous people living off-reserve was 12.1 per cent, 2.8 percentage points lower than the self-employment rate for non-Indigenous people (14.9 per cent).
- The three industries with the highest prevalence of self-employment were agriculture; professional, scientific and technical services; and business, building and other support services.
- 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, structural factors in the economy (such as changes in industrial sectors).¹ 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.²

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?

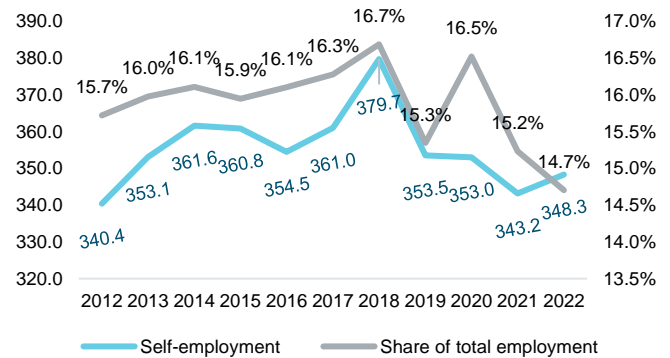
Overall Self-Employment

In 2022, 348,300 Albertans were self-employed, up 1.5 per cent compared to 2021 and up 2.3 per cent compared to 2012.

Self-employed as a proportion of total employment (self-employment rate) in 2022 was 14.7 per cent, the lowest share in the last 10 years.

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

FIGURE 1. SELF-EMPLOYMENT IN ALBERTA, 2012-2022
(thousands of persons; percentage)

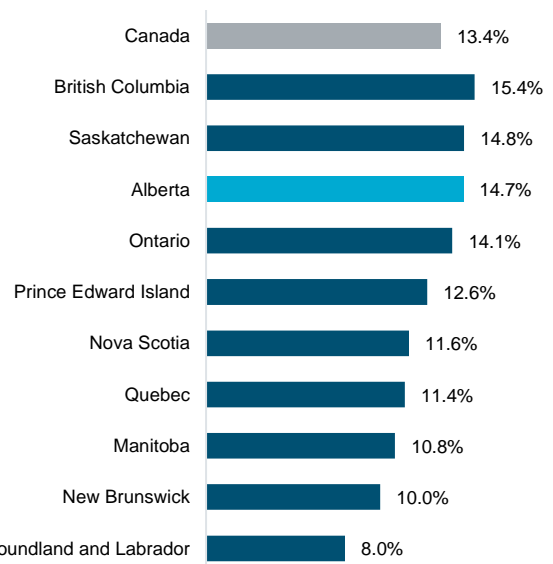


Source: Statistics Canada

Despite the self-employment rate being at a 10-year low, Alberta had the third highest rate of self-employment among the provinces in 2022, following Saskatchewan (14.8 per cent) and British Columbia (15.4 per cent).

The rate of 14.7 per cent for Alberta was higher than the national rate of 13.4 per cent.

FIGURE 2. SELF-EMPLOYMENT AS A PROPORTION OF TOTAL EMPLOYMENT, BY PROVINCE, 2022
(percentage)



Source: Statistics Canada

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).

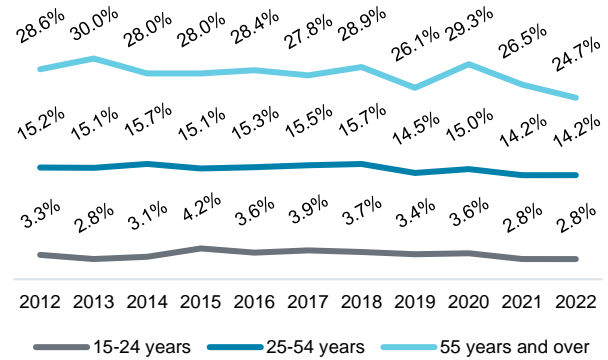
The self-employment rate for workers aged 55 years and over was 24.7 per cent in 2022, the lowest in the past decade.

The rates for the groups of 15-24 years and 25-54 years have been flat at 2.8 per cent and 14.2 per cent between 2021 and 2022. Both were at the lowest point over the 10-year period in 2022.

On average (2012-2022), workers aged 25-54 years (core working age) made up the greatest proportion of self-employed Albertans at 64 per cent, followed by workers aged 55 years and over (33.1 per cent). Workers aged 15-24 years only made up an average of 2.9 per cent.

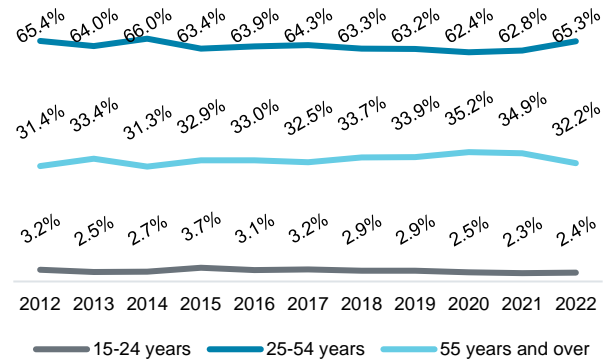
For 2022, the core working age group accounted for 65.3 per cent of all self-employed workers in Alberta, the group aged 55 years and over accounted for 32.2 per cent, and the youth (15-24 years) accounted for 2.4 per cent.

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



Source: Statistics Canada

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

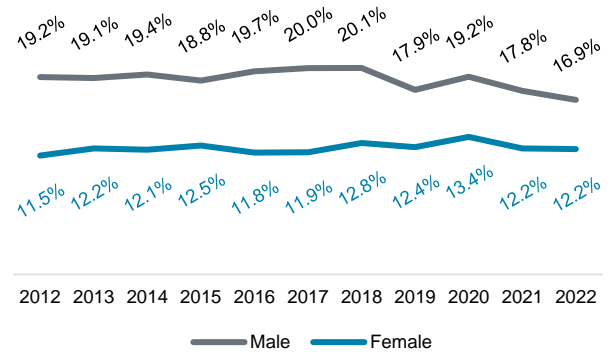


Source: Statistics Canada

By sex

While the self-employment rate for men has fluctuated downward from 19.2 per cent in 2012 to 16.9 per cent in 2022, the rate for women has been relatively stable with an increase of 0.6 percentage points between 2012 and 2022.

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

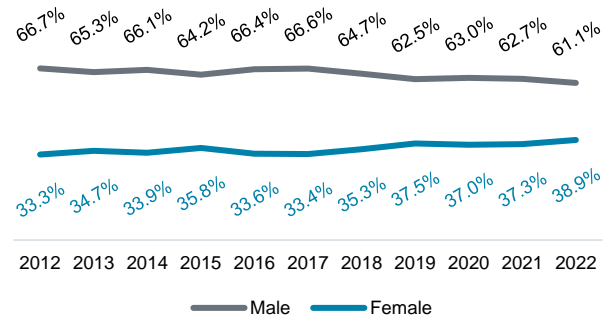


Source: Statistics Canada

Consistent with the self-employment rate trend, men made up a smaller proportion of self-employed Albertans at 61.1 per cent in 2022, a decrease of 5.6 percentage points from 2012.

In comparison, women's share increased from 33.3 per cent to 38.9 per cent of self-employed Albertans over the last decade.

FIGURE 6. DISTRIBUTION OF SELF-EMPLOYMENT BY SEX, ALBERTA, 2012-2022
(percentage)



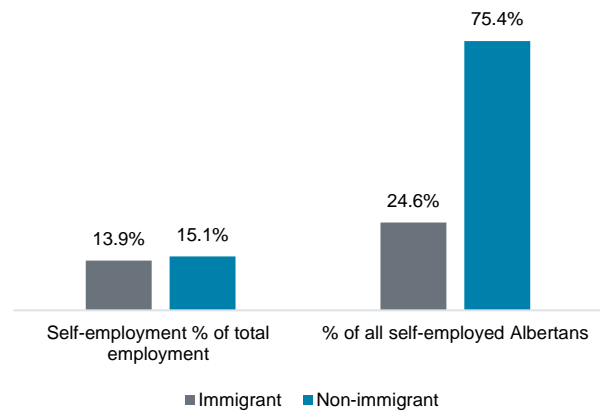
Source: Statistics Canada

By immigrant status

The self-employment rate for immigrants in 2022 was 13.9 per cent, 1.2 percentage points lower than the rate of 15.1 per cent for non-immigrants.

In 2022, non-immigrants made up the majority of self-employed (75.4 per cent) workers in Alberta. Immigrants made up 24.6 per cent.

FIGURE 7. SELF-EMPLOYMENT BY IMMIGRANT STATUS, ALBERTA, 2022
(percentage)

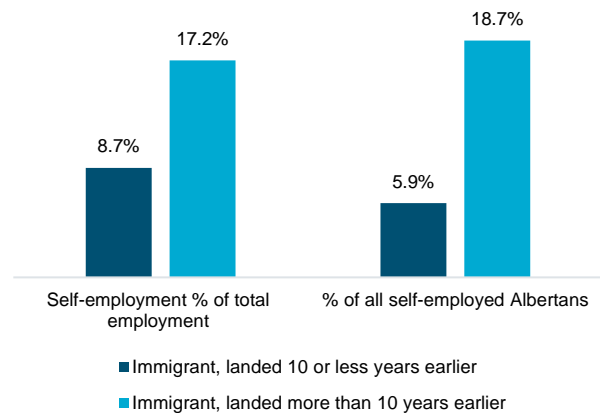


Source: Statistics Canada

In 2022, the self-employment rate (17.2 per cent) for immigrants who landed more than 10 years earlier was 8.5 percentage points higher than the rate for immigrants who landed 10 or less years earlier and 2.1 percentage points higher than non-immigrants.

Self-employed immigrants that landed more than 10 years earlier made up 18.7 per cent of all self-employed Albertans in 2022, while those landed 10 or less years earlier only made up 5.9 per cent.

FIGURE 8. DISTRIBUTION OF SELF-EMPLOYED IMMIGRANTS BY LANDED TIME, ALBERTA, 2022
(percentage)



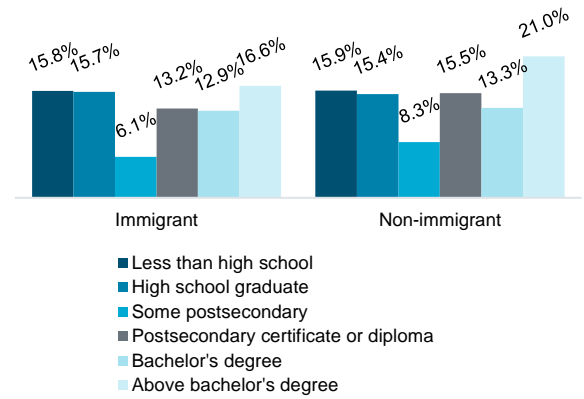
Source: Statistics Canada

Workers with an educational attainment above a bachelor's degree are most likely to be self-employed, with a self-employment rate of 16.6 per cent for immigrants and 21 per cent for non-immigrants (Figure 9). They accounted for 18.6 per cent of self-employed immigrants while only 9.8 per cent of self-employed non-immigrants (Figure 10).

Workers with a post-secondary certificate or diploma and those with a bachelor's degree together accounted for more than 50 per cent of the total self-employed (Figure 10).

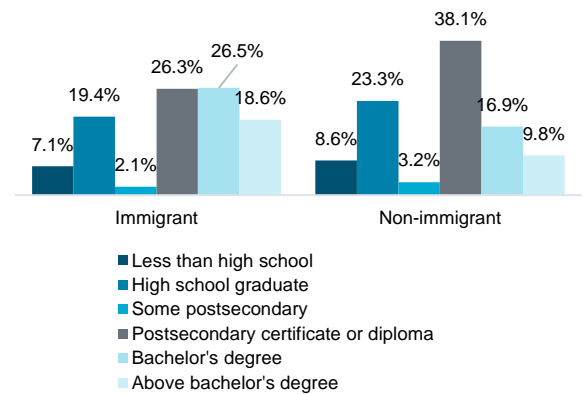
- For immigrants, the self-employment rates for those workers were 13.2 per cent and 12.9 per cent, respectively (Figure 9).
- For non-immigrants, their self-employment rates were 15.5 per cent and 13.3 per cent.

FIGURE 9. SELF-EMPLOYMENT RATE BY EDUCATION FOR IMMIGRANTS AND NON-IMMIGRANTS, ALBERTA, 2022
(percentage)



Source: Statistics Canada

FIGURE 10. DISTRIBUTION OF SELF-EMPLOYMENT BY EDUCATION FOR IMMIGRANTS AND NON-IMMIGRANTS, ALBERTA, 2022
(percentage)



Source: Statistics Canada

Indigenous people off-reserve

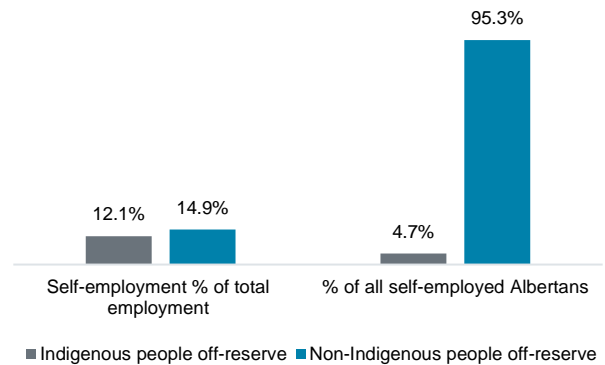
In 2022, the self-employment rate for Indigenous people living off-reserve was 12.1 per cent, 2.8 percentage points lower than the rate of 14.9 per cent for people who were not Indigenous.

The self-employment rate for Indigenous people living off-reserve has ranged between 9.8 per cent and 13.5 per cent between 2012 and 2022, while ranging between 14.9 per cent and 17.0 per cent over the same period for non-Indigenous people.

In 2022, Indigenous people living off-reserve made up 4.7 per cent of all self-employed Albertans, an increase of 1.4 percentage points from 2012 (3.3 per cent).

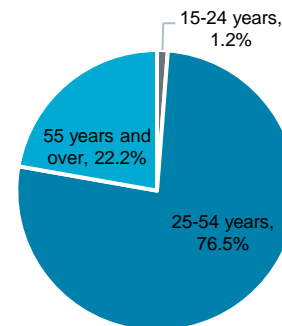
Workers aged 25-54 years accounted for the greatest proportion of the self-employed Indigenous people living off-reserve (76.5 per cent), followed by people aged 55 years and over (22.2 per cent).

FIGURE 11. SELF-EMPLOYMENT FOR INDIGENOUS PEOPLE OFF-RESERVE AND NON-INDIGENOUS PEOPLE OFF-RESERVE, ALBERTA, 2022
(percentage)



Source: Statistics Canada

FIGURE 12. DISTRIBUTION OF SELF-EMPLOYED INDIGENOUS PEOPLE OFF-RESERVE BY AGE GROUP, ALBERTA, 2022
(percentage)



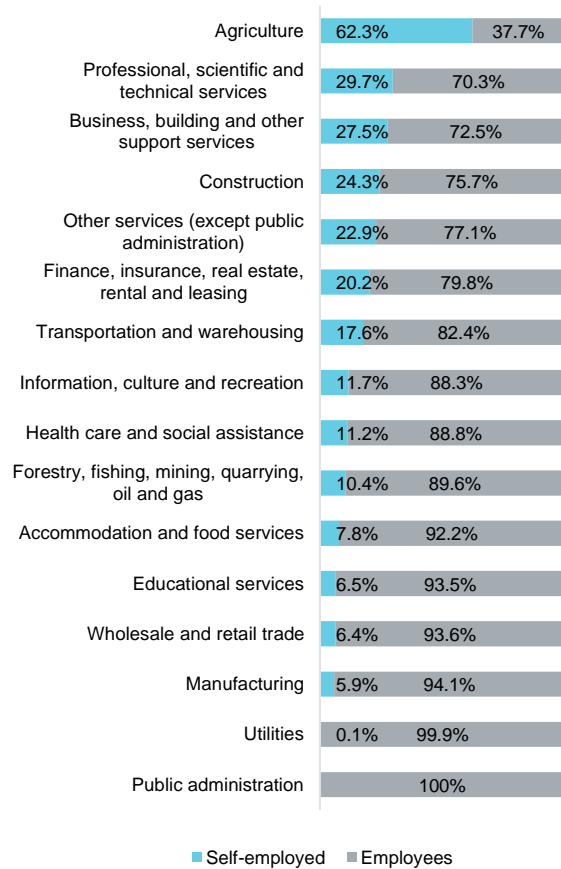
Source: Statistics Canada

By industry

In 2022, agriculture had the highest prevalence of self-employment, comprising 62.3 per cent of the total employment, followed by professional, scientific and technical services (29.7 per cent) and business, building and other support services (27.5 per cent).

The *Self-employed Canadians: Who and Why?* published by Statistics Canada in 2019 reported the same top two industries for the results of 2018 in Canada.

FIGURE 13. SELF-EMPLOYMENT SHARE OF TOTAL EMPLOYMENT BY INDUSTRY, ALBERTA, 2022
(percentage)



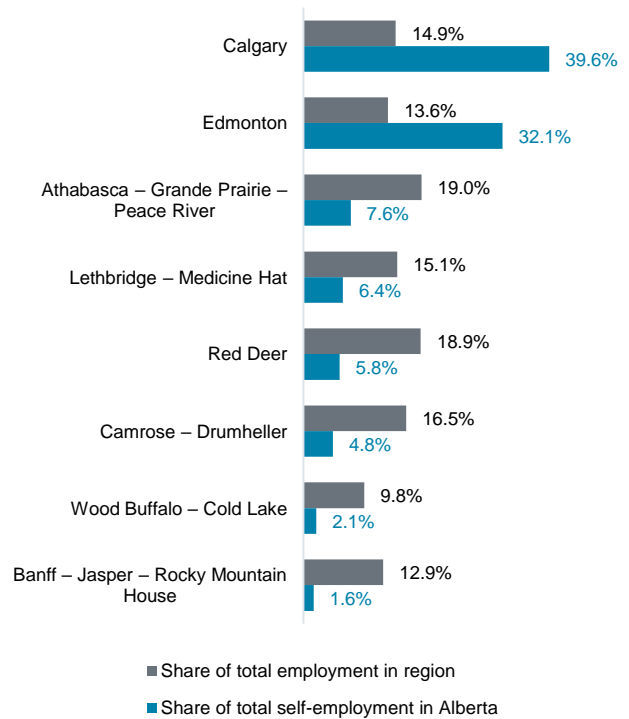
Source: Statistics Canada

By economic region

Workers in the Calgary and Edmonton economic regions accounted for 71.7 per cent of all self-employment in Alberta in 2022, with a self-employment rate of 14.9 per cent and 13.6 per cent, respectively.

The Athabasca – Grande Prairie – Peace River region, with the highest self-employment rate (19.0 per cent), accounted for 7.6 per cent of the total self-employed Albertans.

FIGURE 14. SELF-EMPLOYMENT BY ECONOMIC REGION, ALBERTA, 2022
(percentage)



Source: Statistics Canada