



## Families with a self-employed worker

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### Highlights

- Couple families in non-metro areas are less likely to have non-farm self-employment income, compared to metro couple families (19% compared to 22%).
- Couple families with the eldest member being 35 to 64 have a higher share with self-employment income than younger or older families.
- The percent of individuals or families reporting self-employment income has remained essentially flat over the 2006 to 2014 for each group discussed in this report (individuals by sex, families by age and families by Census Agglomeration).

### Why look at families with self-employed workers?

Precarious employment is becoming an area of public interest in Ontario<sup>1</sup>. There is an expectation or hypothesis that an increase in self-employment<sup>2</sup> may take place if an individual is unable to find a wage job and is forced to “hang-out-their-shingle” – and hence, is an indicator of an increase in the number of individuals with a precarious livelihood<sup>3</sup>.

The objective of this FactSheet is to document the level and change in families with a self-employed worker in non-metro areas<sup>4</sup> in Ontario.

### Findings

The percent of couple families with non-farm self-employment income<sup>5</sup> is lower in non-metro areas than in metro areas (19% vs. 22%) (Figure 1 and Table 1). Note that the trend has been essentially flat over the 2006 to 2014 period<sup>6</sup>.

For farm plus non-farm self-employment, we find that:

- Non-metro males are slightly more likely to be self-employed than metro males (likely due to the role of self-employment farming in non-metro areas) (Table 1 and Slide 4);
- Non-metro females are equally likely as metro females to report some unincorporated self-employment income;
- Couple families are more likely to have one member with self-employment income compared to lone parent families who, in turn, are more likely to report self-employment than non-family persons (Table 1 and Slides 10-15);
- Couple families with the eldest member being 35 to 64 years of age are more likely to report self-employment income, compared to younger

<sup>1</sup> For example, see Noack, Andrea M. and Leah F. Vosko. (2011) [Precarious Jobs in Ontario: Mapping Dimensions of Labour Market Insecurity by Workers' Social Location and Context](#) (Toronto: Law Commission of Ontario).

<sup>2</sup> Partial evidence has been reported for two recent recessions. See Bahar, Sumaya and Huju Liu. (2015) [Unincorporated Self-employment in Canada, 1989 to 2010](#) (Ottawa: Statistics Canada, Catalogue no. 11-622, No. 03) who report: “High rate of entry into unincorporated self-employment from 1993 to 1997 (Chart 4) due to a high rate of unemployment from 1991 to 1996 (Table 1)” and LaRochelle-Côté, Sébastien. (2010) [“Self-employment in the downturn.” Perspectives on Labour and Income](#) (Ottawa: Statistics Canada, Catalogue no. 75-001, March) who reports: “From October, 2008 to October, 2009, the number of paid employees declined by 361 thousand and the number of self-employed workers increased by 115 thousand. The increase in self-employed incorporated without paid help was 128 thousand. The increase in the age groups of 45 years of age and over was 156 thousand. The increase in the number “part-time for economic reasons and wanted full-time” was 23 thousand. Large increases were noted in the industry sectors of finance and real estate, “wholesale trade, “other” services and industry sector of professional, scientific and technical firms.”

<sup>3</sup> We acknowledge that some view self-employment as an (albeit imperfect) indicator of entrepreneurship. Among others, see the discussion in Bollman, Ray D. and Alessandro Alasia (2012) “A profile of self-employment in rural and small town Canada: Is there an impending retirement of self-employed business operators?” [Rural and Small Town Canada Analysis Bulletin](#) Vol. 9, No. 1 (Ottawa: Statistics Canada, Catalogue no. 21-006-XIE).

<sup>4</sup> Non-metro areas are outside Census Metropolitan Areas (CMAs). In this report, we use the group of non-metro areas as delineated in the 2011 census and described in [“Overview of Ontario’s rural geography”](#) (June, 2013).

<sup>5</sup> Data for individual taxfilers show the unincorporated self-employment income and includes enterprises with paid workers and without paid workers. Income from an incorporated enterprise would be received as wages or dividends.

<sup>6</sup> See also the accompanying charts “Charts: Unincorporated self-employment income reported by Ontario taxfilers.”

families or older families. This finding is similar for lone parent families (Table 1 & Slides 17-25).

Recall that non-metro (non-CMA) areas are comprised of Census Agglomerations (CAs) (10,000 – 99,999 inhabitants) and rural and small town areas (outside CMAs and CAs). Here we discuss the results for each CA and for rural and small town areas.

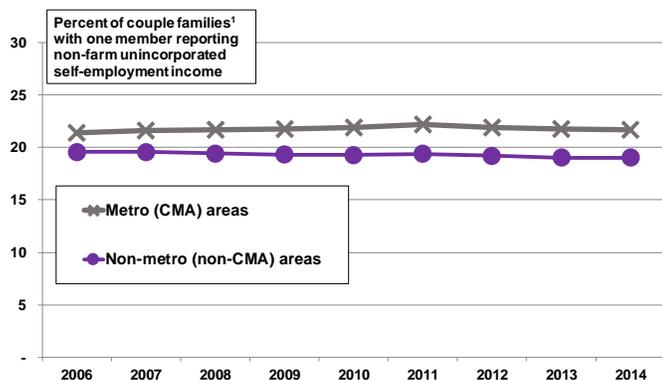
Across Ontario's 28 CAs in non-metro areas:

- 5 CAs had a higher share of couple families with unincorporated self-employment income, compared to Ontario as a whole (Kawartha Lakes, Centre Wellington, Norfolk (slightly higher), Chatham-Kent and Collingwood);
- 4 CAs had a similar share (Port Hope, Stratford, Owen Sound and Temiskaming Shores); and
- 19 CAs had a lower share of couple families with self-employment income, compared to Ontario as a whole (Cornwall, Hawkesbury, Brockville, Pembroke, Petawawa, Belleville, Coburg, Ingersoll, Woodstock, Tillsonburg, Leamington, Sarnia, Orillia (slightly lower), Midland, North Bay, Elliot Lake, Timmins, Sault Ste. Marie and Kenora (Slides #32-59).
- Note that the trajectory for each CA over the 2006 to 2014 period is essentially flat.

The share of couple families with a self-employed worker is also higher in rural and small town areas (outside CMAs and CAs).

**Figure 1**

In non-metro Ontario, the percent of couple families<sup>1</sup> reporting some non-farm self-employment income was 22% in 2014



1. A couple family consists of a couple living together (married or common-law, including same-sex couples) living at the same address with or without children.  
Source: Statistics Canada, Sub-provincial Income Data, CANSIM Table 111-0014.

## Summary

Couple families in non-metro areas are less likely to have non-farm self-employment income, compared to metro couple families (19% compared to 22%).

Couple families with the eldest member being 35 to 64 have a higher share with self-employment income than younger or older families.

The percent of individuals or families reporting self-employment income has remained essentially flat over the 2006 to 2014 for each group discussed in this report (individuals by sex, families by age and families by Census Agglomeration).

**Table 1**

	Percent reporting	
	Metro (CMA) areas	Non-metro (non-CMA) areas
<b>Participation in unincorporated self-employment, Ontario, 2014</b>		
Percent of taxfilers reporting some (unincorporated) self-employment income		
•Males	13	14
•Females	10	10
Percent of taxfilers reporting ONLY (unincorporated) self-employment income		
•Males	7	8
•Females	5	6
Percent reporting some (unincorporated) self-employment income		
•Couple families	22	23
•Male partners in couple families	15	16
•Female partners in couple families	11	13
•Lone parent families	12	10
•Lone parents	9	9
•Individuals who not members of a census-family	9	8
Percent of couple families reporting some (unincorporated) self-employment income		
•Eldest member is less than 35 years of age	18	18
•Eldest member is 35 to 54 years of age	24	25
•Eldest member is 55 to 64 years of age	27	28
•Eldest member is 65 years of age or over	16	18
Percent of lone parents reporting some (unincorporated) self-employment income		
•Eldest member is less than 35 years of age	8	5
•Eldest member is 35 to 54 years of age	13	11
•Eldest member is 55 to 64 years of age	13	12
•Eldest member is 65 years of age or over	5	6
Percent reporting some NON-FARM (unincorporated) self-employment income		
•Couple families	22	19
•Lone parent families	12	9
•Individuals who not members of a census-family	9	6

Sources: Statistics Canada. Sub-provincial income data, CANSIM Tables 111-007, 111-0014, 111-0017, 111-0024 and 111-0035.

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