

Workforce Focus

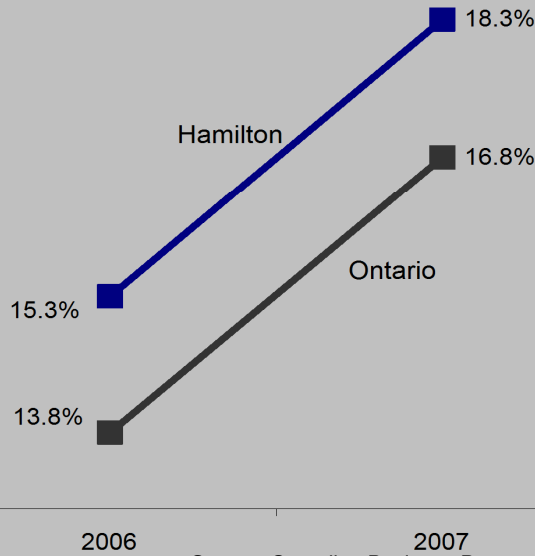
From the Hamilton Training Advisory Board

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Recent Trends

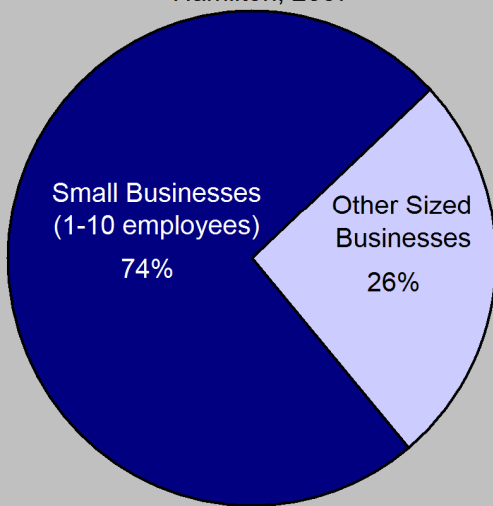
Estimated share of total employment in small businesses
 (Excludes self-employed)
 Hamilton and Ontario, 2006-2007



Source: Canadian Business Patterns, 2006-07.

Establishment Composition by Size

Small business share of all local business establishments
 (Excludes self-employed)
 Hamilton, 2007



Source: Canadian Business Patterns, 2007.

The Nature of Small Business

Small business activity is highly cyclical, usually outpacing the overall economy during periods of an economic recovery, and under-performing the economy during periods of economic weakness. The out-performance of small business in recent years also reflects the fact that small firms were less damaged by the rising dollar than larger companies.

There has been a reduction in the growth orientation of small firms in Canada. Almost 60% of small business owners in Canada consider themselves as “lifestylers” that use their business as a means of generating income, while balancing other commitments and choices.

Source: CIBC, Small business in Canada, Tal, 2006.

Small Business Share by Sector

Share of establishments employing 1 to 10 people
 (Excludes self-employed)
 Hamilton, 2007

Agriculture, Forestry, Fishing and Hunting	86%
Mining and Oil and Gas Extraction	86%
Utilities	84%
Construction	81%
Manufacturing	78%
Wholesale Trade	77%
Retail Trade	73%
Transportation and Warehousing	70%
Information and Cultural Industries	70%
Finance and Insurance	70%
Real Estate and Rental and Leasing	69%
Professional, Scientific and Technical Services	66%
Management of Companies and Enterprises	66%
Administrative and Support, Waste Management and Remediation Services	66%
Educational Services	59%
Health Care and Social Assistance	55%
Arts, Entertainment and Recreation	53%
Accommodation and Food Services	50%
Other Services (except Public Administration)	27%
Public Administration	0%



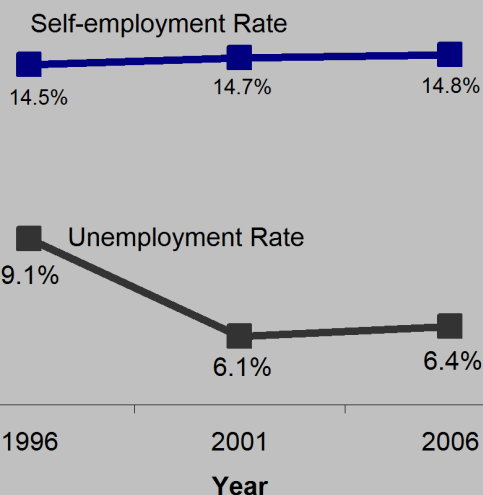
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Employment Trends

Self-employment and unemployment rates, Ontario 1996, 2001, 2006



Source: Statistics Canada, 1996-2006

Top Self-employment Occupations

Hamilton, 2006

Occupation and number of people self-employed

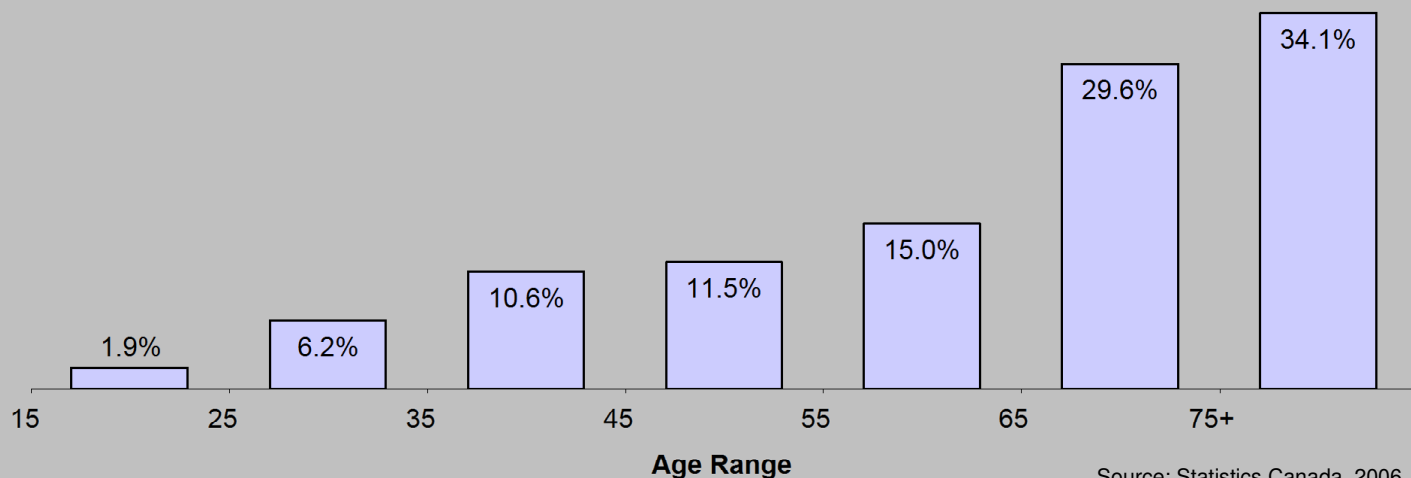
Other sales and service occupations	2,025
Managers in retail trade, food and accommodation services	1,940
Construction trades	1,900
Other managers	1,520
Professional occupations in health	1,285
Transportation equipment operators and related workers, excluding labourers	1,145
Occupations unique to agriculture, excluding labourers	1,070
Judges, lawyers, psychologists, social workers, ministers of religion, and policy and program officers	925
Professional occupations in art and culture	900
Professional occupations in natural and applied sciences	785

Individuals tend to enter self-employment when economic conditions are better. Ontario's self-employment rate has remained quite stable, despite a lower un-employment rate. This is likely due to a balance in the number of people entering self-employment due to a healthy economy, and declining employment in agriculture where self-employment is very common. If economic conditions deteriorate, some people may be pushed into self-employment because of poor job opportunities, but just as many could be pushed out, as self-employment and small business is vulnerable to decreases in consumer spending.

Source: Bank of Canada, Kamhi and Leung, 2005.

Self-employment Rate by Age

Hamilton, 2006



Source: Statistics Canada, 2006.

Self-employment remains more prominent among older workers. Higher levels of experience, skills, capital and contacts, work to pull many older workers into this avenue of employment. Another factor is that older displaced workers may have more difficulty than younger ones in finding paid employment, leaving self-employment as the only alternative.

Source: Canadian Labour Market, Drost and Hird, 2000.

**EMPLOYMENT
ONTARIO**

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ON THE WEB AT WWW.HTAB.CA



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