## Gender differences in self-employment rates

#### **Key facts**

- In OECD economies, two and a half times as many men as women are self-employed with paid employees.
- In all OECD economies, except Turkey, self-employed women are more likely than self-employed men to work in the services sector. About 80% of self-employed women work in the services sector compared to less than 60% for men. In Germany, Israel and the United Kingdom the share of self-employed women working in the services sector is above 90%.
- Around 70% of women employers in the OECD area own firms in market services and more particularly in trade, hotels and transport activities. In all OECD countries except Poland, the share of female own account workers is higher in the services sector than in agriculture, industry and construction.

#### Relevance

Women entrepreneurship is increasingly recognised as a key source of employment creation and innovation and for addressing inequalities. However, gender differences in entrepreneurship are often difficult to measure, complicating the evaluation of support policies for women entrepreneurs.

#### **Definitions**

The number of women employers is given by the number of women who report their status as "self-employed with employees" in population surveys. The number of women own-account workers is given by the number of women who report their status as "self-employed without employees". The share of women employers (own-account workers) is given in relation to the total number of women in employment. The same indicators are calculated for self-employed men.

Self-employment jobs are defined in this section as those "jobs where the remuneration is directly dependent upon the profits (or the potential for profits) derived from the goods and services produced (where own consumption is considered to be part of profits). The incumbents make the operational decisions affecting the enterprise, or delegate such decisions while retaining responsibility for the welfare of the enterprise" (15th Conference of Labour Statisticians, January 1993). The definition therefore includes both unincorporated and incorporated businesses and as such differs from the definitions used in the System of National Accounts which classifies self-employed owners of incorporated businesses and quasicorporations as employees.

Information on data for Israel: http://dx.doi.org/10.1787/888932315602.

#### Comparability

The main comparability issue relates to the classification of "self-employed" owners of incorporated businesses. Some countries, for example Japan, New Zealand, Norway and the United States, include only the self-employed owners of unincorporated businesses, following the 2008 SNA. To improve international comparability, the number of incorporated employers and own-account workers in the United States has been estimated, using information from the Contingent and Alternative Work Arrangements Surveys.

In Figures 6.4 and 6.5, based on Labour Force Surveys data, services include ISIC Rev. 4 sectors 45-75.

In Figure 6.6, based on population census data, agriculture includes agriculture, forestry and fishing; industry includes manufacturing, mining and quarrying, and other industries; trade, hotels and transport include wholesale and retail trade, transportation and storage, accommodation and food service activities; other services include information and communication, financial and insurance activities, real estate activities and other services; professional services include professional, scientific, technical, administrative and support service activities; public and social services include public administration, defence, education, human health and social work activities.

Not all the self-employed are "entrepreneurs". Self-employment statistics include, for example, craft-workers and farmers. Care is thus needed in interpreting the data in analyses of entrepreneurship.

#### **Sources**

Australia: Labour Force Survey; Census Population and Housing, 2011.

Chile: Encuesta Nacional de Empleo.

Canada: Labour Force Survey.

Eurostat: Labour Force Surveys; Census Hub.

Israel: Labour Force Survey.

Japan: Labour Force Survey; 2010 Population Census of Japan.

Korea: Economically Active Population Survey; Population

Mexico: Encuesta Nacional de Empleo.

United States: Current Population Survey.

Brazil: National Household Sample Survey; 2010 Population Census.

South Africa: Labour Force Survey.

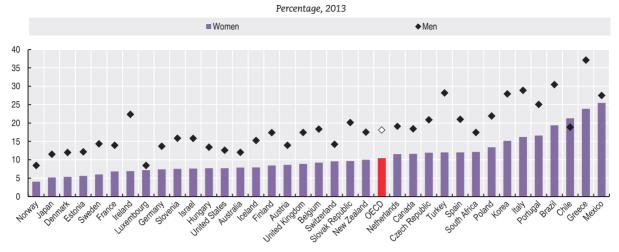
#### **Further reading**

Hipple, S. (2010), "Self-employment in the United States", Monthly Labor Review, September.

OECD (2012), Closing the Gender Gap. Act Now, OECD Publishing, Paris, www.oecd-ilibrary.org/social-issues-migration-health/close-the-gender-gap-now\_9789264179370-en.

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Figure 6.1. Share of self-employed men and women



StatLink http://dx.doi.org/10.1787/888933231106

Figure 6.2. Share of men and women employers

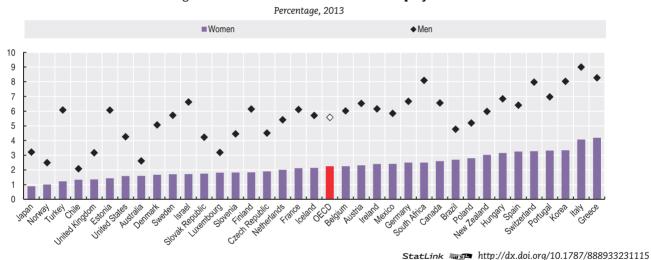
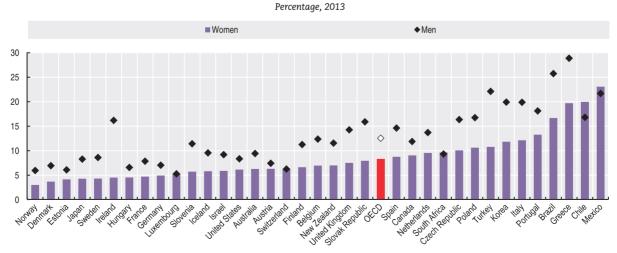


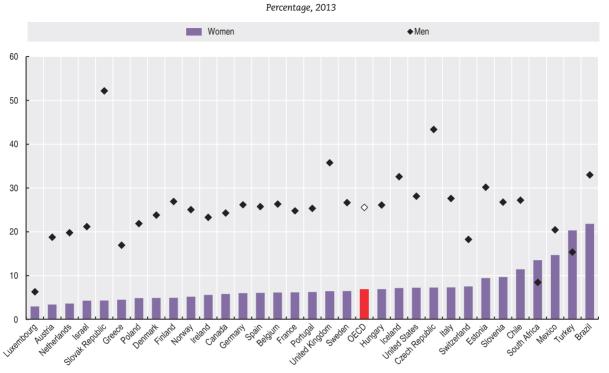
Figure 6.3. Share of men and women own-account workers



StatLink http://dx.doi.org/10.1787/888933231128

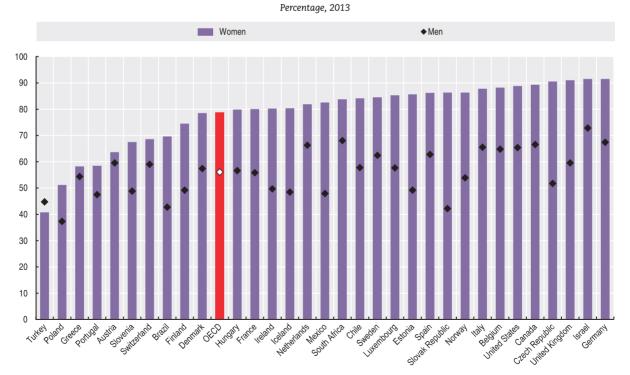
Gender differences in self-employment rates

 $Figure\ 6.4.\ \textbf{Self-employed whose activity is in manufacturing and construction}$ 



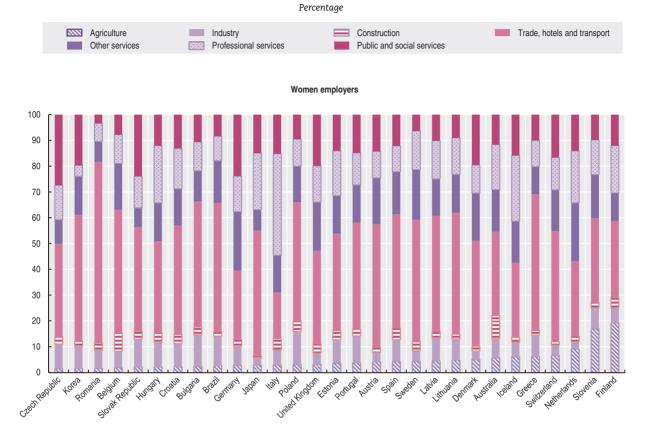
StatLink http://dx.doi.org/10.1787/888933231137

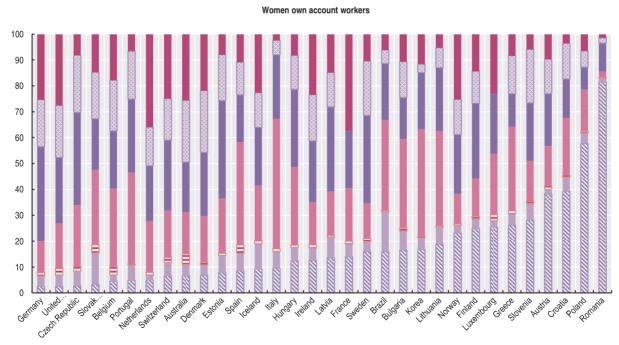
Figure 6.5. **Self-employed whose activity is in services** 



StatLink http://dx.doi.org/10.1787/888933231144

Figure 6.6. Distribution of self-employed women by sector







#### From:

# **Entrepreneurship at a Glance 2015**

### Access the complete publication at:

https://doi.org/10.1787/entrepreneur\_aag-2015-en

## Please cite this chapter as:

OECD (2015), "Gender differences in self-employment rates", in *Entrepreneurship at a Glance 2015*, OECD Publishing, Paris.

DOI: https://doi.org/10.1787/entrepreneur\_aag-2015-24-en

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