

Self-employment

Key facts

- Self-employment rates and the number of self-employed were significantly above pre-crisis values in 2015 in France (partly reflecting a change in legislation to simplify the creation of small businesses), the Netherlands and the United Kingdom, with recent trends also pointing strongly upwards. Self-employment rates and the number of self-employed were also significantly above pre-crisis values in Finland and the Czech Republic but recent trends are pointing downwards in these countries.
- Self-employment rates and the number of self-employed remained below pre-crisis values in most countries, although recent trends in both are pointing upwards in Australia, Hungary and Norway.

Definitions

The *self-employed* are defined as those who own and work in their own business, including unincorporated businesses and own-account workers, and declare themselves as “self-employed” in population or labour force surveys.

Self-employment jobs are defined 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 thus 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 quasi-corporations as employees.

The *self-employment rate* refers to the number of self-employed as a percentage of total employment.

- Self-employment levels were significantly below pre-crisis values in Greece, Japan, Korea and Portugal with recent trends pointing downwards.

Relevance

Entrepreneurship is an important determinant of sustainable and inclusive growth, with significant potential for creating further jobs beyond self-employment.

Comparability

Evidence in many countries points to rising shares of part-time employees, which may impair the interpretability and comparability of self-employment and self-employment rates across time and countries.

For Japan and Norway, data for self-employment do not include owners who work in their incorporated businesses, and instead are counted as employees.

Care is needed in interpreting the results with regards to entrepreneurship. Not insignificant shares of the self-employed in some countries may reflect arts and crafts or subsistence type activities.

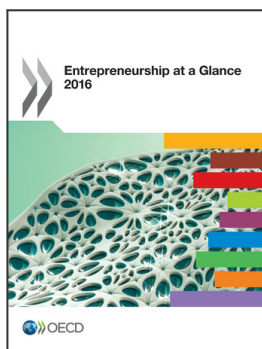
Sources

OECD Main Economic Indicators (database), <http://dx.doi.org/10.1787/mei-data-en>.

Further reading

Hipple, S. and L. Hammond (2016), “Self-employment in the United States”, Spotlight on Statistics, www.bls.gov/spotlight/2016/self-employment-in-the-united-states/home.htm.

OECD/European Union (2015), *The Missing Entrepreneurs 2015: Policies for Self-employment and Entrepreneurship*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264226418-en>.



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