

Saskatchewan

Small Business Profile 2015

October 2015



**Ministry of the Economy
Performance and Strategic Initiatives Division
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Introduction

Small business is big business in Saskatchewan.

Small businesses – businesses with fewer than 50 employees – account for over 98% of the more than 148,000 business enterprises in the province. They are active in virtually every sector of the economy, providing vital inputs that keep the wheels of industry turning. Small businesses are a source of innovative products and services that contribute to the quality of life we all enjoy.

In 2014, small businesses employed 31.4% of Saskatchewan’s workers, and paid out over \$6.3 billion (B) in wages and salaries, which was 26% of the province’s total payroll. Nearly one-third of Saskatchewan’s gross domestic product (GDP) can be attributed to small business. In fact, Saskatchewan ranks fourth among the provinces for the share of its total economic output generated by small businesses.

Small business in Saskatchewan is growing.

The province consistently ranks near the top of the nation for its business environment, as reported by independent organizations like the Canadian Federation of Independent Business and the Fraser Institute. Business-friendly policies and abundant opportunity are reflected in rising small business counts and in steadily growing small business employment – especially in industries that provide goods and services to the resource sector. For example, in the last five years, small business employment in the construction sector has increased by 31.6%, and employment in small businesses providing professional, scientific and technical services has increased by 21.1%.

Employees are sharing the gains of a prospering small business sector. Wages paid by Saskatchewan small businesses grew faster than in any other province, rising 4.4% per year, on average, over the last 10 years. Nominal wages in 2014 were 54.2% higher than they were in 2004.

This paper briefly attempts to profile a dynamic, diverse sector of the provincial economy. It is intended to shed light on the performance of Saskatchewan small businesses and to highlight issues that policy makers and business leaders should consider to ensure the ongoing competitiveness of this vibrant economic sector.

Technical Note

This report looks at the role of small business establishments in Saskatchewan through recent trends. It reports on a number of key indicators, including the number of small businesses operating in Saskatchewan, the industry breakdown of small businesses, growth in small business employment, and the small business sector's contribution to the provincial economy.

The paper also compares activities in the small business sector to medium- and large-sized enterprises. Trends in the small business sector are examined in an historical context, as well as in comparison to small businesses in other provinces and the national average.

In this report, businesses are classified according to number of employees. Small businesses are classified as those with fewer than 50 employees (including business establishments that do not keep payroll employment, known as "non-employer", or "indeterminate"), medium-sized businesses are those with 50 to 499 employees, while businesses with 500 or more employees are considered to be large enterprises.

The main data for this report were obtained from Statistics Canada's Business Register¹ and the Survey of Employment, Payroll, and Hours (SEPH²). Other data were obtained from Statistics Canada's Labour Force Survey and the Statistical Service of B.C. (B.C. Stats).

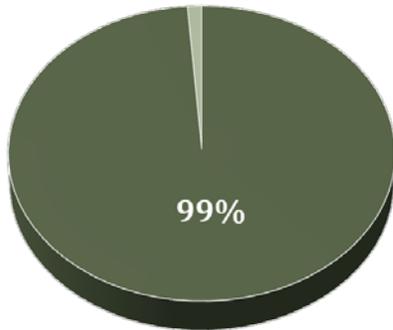
It is important to note that a methodological change by Statistics Canada in 2014. One example of a change that impacted this document was the revision of the status of "Indeterminate" to "Without employees." This caused a shift in the categorization of approximately 70,000 businesses across Canada to the "Without Employees" category. Also, the change in coverage to businesses without employees represents an increase of approximately 600,000 to cover all businesses which meet the following criteria:

- is incorporated
- shows a minimum of \$30,000 in revenue (non-taxable and/or taxable)

¹ The Business Register maintains a count of business establishments from both public and private sectors with payroll deductions remitted to the Canada Revenue Agency. The establishments that do not have payroll employees are classified as "indeterminate" or "non-employers". Although the establishments in the "indeterminate" category do not maintain employee payroll accounts, they may have employee work forces which consist of contract workers, part-time employees, family members or business owners. Industry breakdowns are based on the North American Industry Classification System (NAICS).

² The SEPH covers employer businesses and reports on number of payroll employees and average weekly earnings. Self-employed persons who are not on payroll are not included in the SEPH data. Also not included are employees in agriculture, fishing and trapping industries, private household services, religious organizations, and military personnel of defence services.

Key Facts



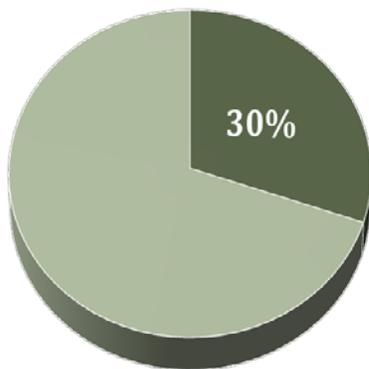
Most businesses are small businesses

Approximately 99% of the businesses in Saskatchewan are small businesses. In 2014, there were over 147,000 small businesses operating in the province.



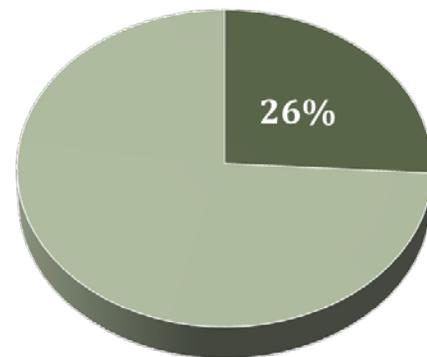
Saskatchewan has a high concentration of small businesses

There are 131 small businesses per thousand people in Saskatchewan, which is the highest rate in the country and above the national average of 104.



A highly productive sector

Small businesses contributed 30% of Saskatchewan's gross domestic product in 2014, which was the third highest proportion in Canada.



A source of quality jobs

Over one-quarter of Saskatchewan's payroll earnings are from small businesses. Earnings of small business employees in Saskatchewan are second-highest in Canada and are growing faster than in any other province.

1. Small Business Sector

As of December 31, 2014, there were 148,829 business establishments in Saskatchewan. Of these, 70.5% (104,995) were classified as “non-employers” in the sense that they do not maintain employee payroll accounts. Typically these would be owner-operator businesses, which may use unpaid labour from family members or contract the services of other companies, as needed, as an alternative to maintaining staff of their own. The remaining 29.5% (43,834) are classified as “employer businesses” because they maintain at least one paid employee, as indicated by a payroll deduction remitted to the Canada Revenue Agency.

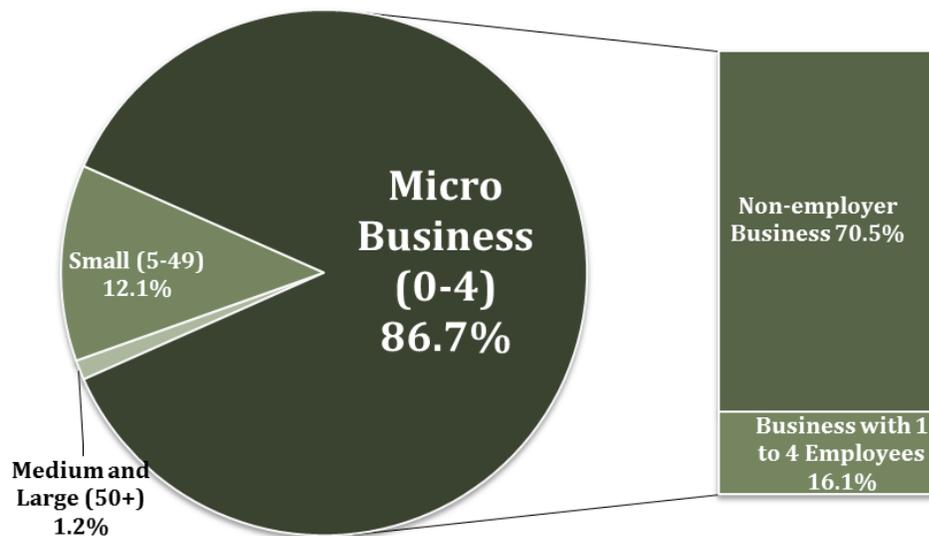
Table 1: Saskatchewan Businesses by Size, 2014

	Number of Businesses	% of Total
Small Businesses (0-49 Employees)	147,016	98.8%
Non-employer Businesses	104,995	70.5%
Medium Businesses (50-499 Employees)	1,720	1.2%
Large Businesses (500+ Employees)	93	0.1%
Total Businesses	148,829	100.0%

Source: Statistics Canada, Business Registry

When defined as both employers with less than 50 paid employees plus those in the non-employer category (including farmers), the small business sector in Saskatchewan represented 98.8% (147,016) of total businesses in 2014.

Chart 1: Distribution of Businesses by Size, Saskatchewan, 2014



Source: Statistics Canada, Business Register

Micro-businesses (businesses having 0-4 employees) accounted for 86.7% of all businesses. Within the micro-business segment, 70.5% of these businesses had no payroll employees and 16.1% employed one to four staff.

Looking specifically at Saskatchewan's 147,016 small businesses in 2014, micro-businesses comprised 87.8% of the total. Businesses with 5-19 employees accounted for 9.8%, and businesses with 20-49 employees contributed 2.4% to the total.

Table 2: Number of Small Businesses in Saskatchewan, by Employment Size, 2014

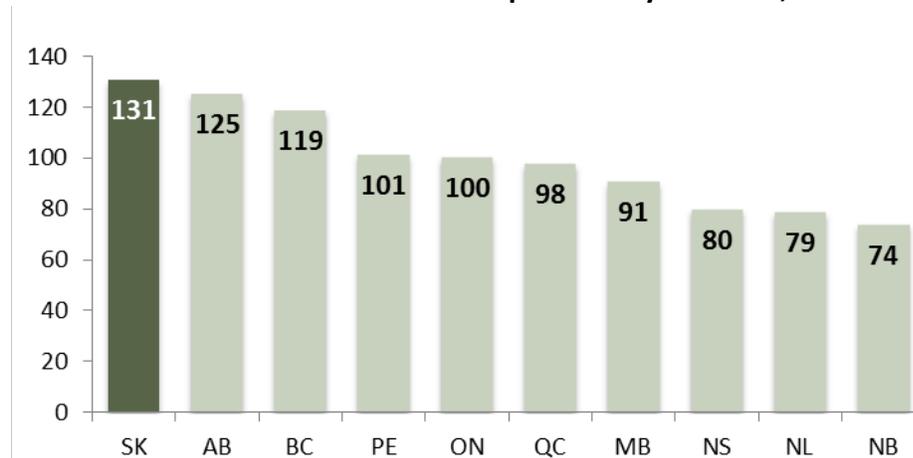
	Number of Businesses	% of Total
Total Businesses with 0 to 4 Employees	129,029	87.8%
Non-employer Business	104,995	71.4%
Business with 1-4 Employees	24,034	16.3%
Business with 5 to 19 Employees	14,469	9.8%
Business with 20 to 49 Employees	3,518	2.4%
Total Small Businesses	147,016	100%

Source: Statistics Canada, Business Register

Inter-Provincial Comparisons – Business Count

As of December 31, 2014, there were 3.8 million (M) business establishments in Canada. Of these, more than half (58.7%) were located in Ontario and Québec, and 35.9% were in the western provinces. The remaining 5.4% were spread among the Atlantic provinces (5.1%) and the territories (0.3%). In each of the provinces, more than 97% of businesses had fewer than 50 employees.

Chart 2: Small Businesses Per 1000 Population by Province, 2014



Source: Statistics Canada, Business Register

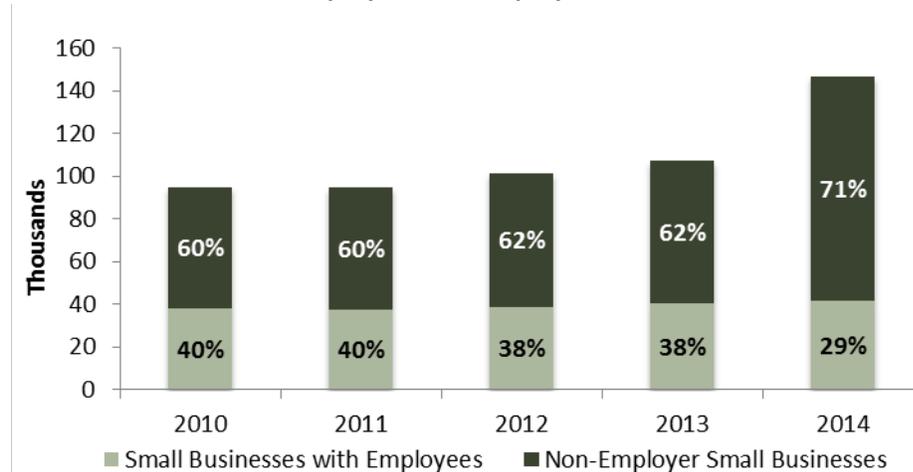
Note: All accounts for Canada include the numbers of businesses for the Northwest Territories, the Yukon, and Nunavut.

Saskatchewan has the highest per capita count of small business establishments among Canadian provinces, with a rate of 131 businesses per 1,000 people. The national average was 104 per 1,000 population. The large agriculture sector in Saskatchewan is part of the reason for Saskatchewan's high small business count. In 2014 there were 41,701 businesses in the agriculture sector, of which 41,689 were small businesses.

2. Small Business Trends: 2004 to 2014

As of 2014, incorporated companies that show a minimum of \$30,000 in revenue (taxable or non-taxable) without payroll employees are considered non-employer businesses. This methodological change by Statistics Canada dramatically shifted the number of non-employee businesses compared to previous years. The number of small businesses in Saskatchewan was up by 50,636 (+52.5%) in 2014, compared to 2004, but it is not clear how much of the growth is a result of methodological changes and how much is the actual increase in the number of non-employer businesses. Most of the growth occurred in small businesses with no payroll employees (+46,219), as a consequence of the change in methodology, while those with payroll employees increased by a smaller amount (+4,417 or 11.7%).

Chart 3: Breakdown of Employer/Non-Employer Small Businesses, Saskatchewan, 2010-2014



Source: Statistics Canada, Business Register

From 2013 to 2014, the number of small businesses increased by 36.9% (+39,602), with a gain in employer businesses (+1,546) and non-employer businesses (+38,056). Between 2004 and 2014, the increase of 52.5% in the number of small businesses can be explained by the shift caused by the change in methodology for the non-employer businesses (+78.6%), together with a large increase in employer businesses (+11.7%). Medium-sized enterprises increased by 12.7% (+194), and the number of large enterprises grew by 34.8% (+24) in this period³.

Table 3: Changes in Total Business Count

³ Changes in business count do not necessarily indicate the true number of new or discontinued businesses. Some businesses may move between size categories as they reduce or increase staff, adding to the count in the new category, and simultaneously reducing the count in the old category.

	% 2013-2014	% 2004-2014
Non-Employer	56.9%	78.6%
Small (1-49)	3.8%	11.7%
Medium (50-499)	8.9%	12.7%
Large (500+)	8.1%	34.8%
Total all Small Business(0-49)	36.9%	52.5%

Source: Statistics Canada, Business Register

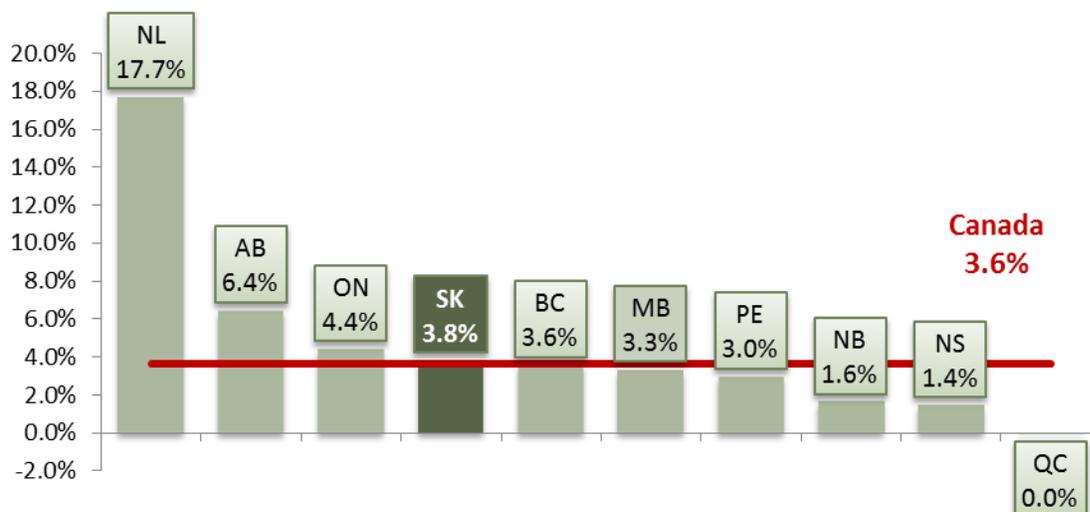
3. Small Business Trends by Province

Small businesses constitute more than 94% of each province's total employer businesses. In Saskatchewan, Alberta, and B.C., the 2014 small business share of employer businesses was over 95%, while Manitoba had the lowest share with 94.7%. The national average was 95.3%.

Saskatchewan had 42,021 small business establishments with payroll employees in 2014, which represented 3.5% of the 1.2M small employer establishments in Canada, and 9.7% of those in Western Canada (434,640). Saskatchewan's share was fifth-highest in Canada.

The number of Saskatchewan small businesses with payroll employees increased by 3.8% in the 2013-2014 period, which was the fourth highest increase among Canadian provinces and above the Canadian average (+3.6%). During the ten year period 2004-2014, the number of small employer businesses in Saskatchewan grew by 11.7%, which was the sixth-highest growth rate in Canada and below the Canadian average (+20.3%).

Chart 4: Growth in Small Businesses with Payroll Employees, Canada and Provinces, 2014



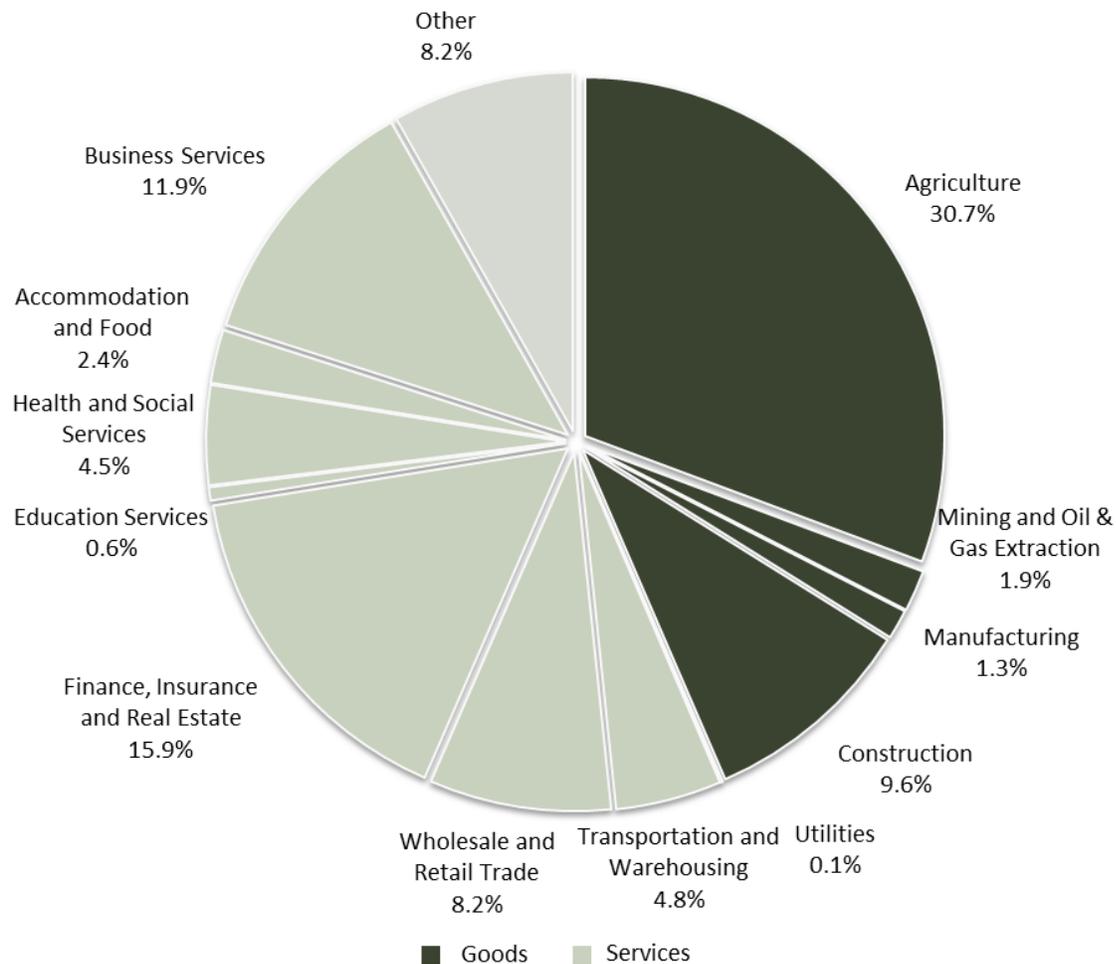
Source: Statistics Canada, Business Register

In 2013, there were 37 small businesses with payroll employees per 1,000 population in Saskatchewan, compared to the national average of 33 businesses per 1,000 population.

4. Number of Businesses by Sector

In 2014, there were more small businesses in Saskatchewan's agriculture sector (41,689) than in any other sector of the economy. The agriculture sector⁴ accounted for 12.1% of employer businesses (4,826) and 38.4% of non-employer businesses (36,863).

Chart 5: Industry Distribution of Saskatchewan Small Businesses (0-49 Employees), 2014



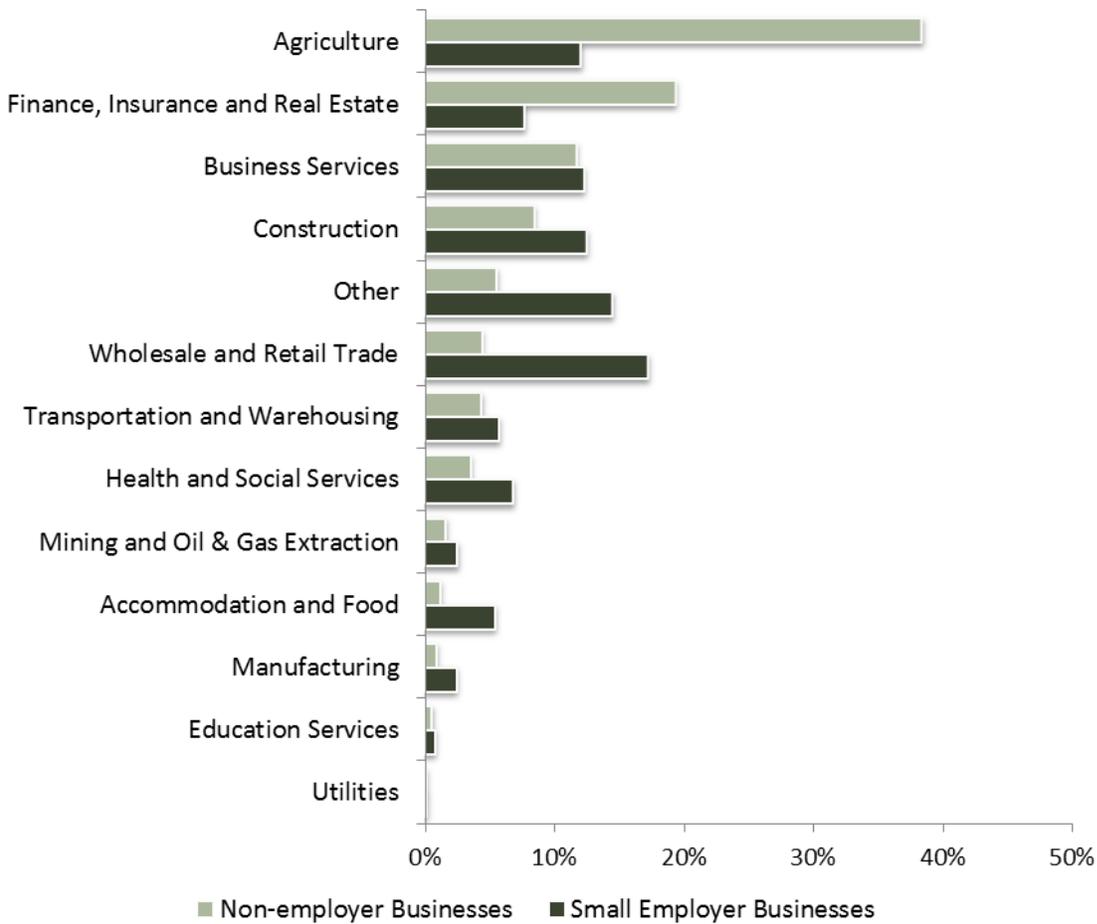
Source: Statistics Canada, Business Register

Goods-producing industries comprise 43.5% of all the small businesses in Saskatchewan. This is largely due to the fact that the largest individual sector, agriculture, accounts for 30.7% of all small businesses in Saskatchewan. Finance, insurance and real estate (15.9%) represents the highest percentage of small businesses in the service sector.

⁴ The agriculture sector includes agriculture, forestry, fishing and hunting, as well as related support activities.

After agriculture, finance, insurance and real estate, and business services held the next highest share of non-employer small businesses, with 19.4% and 11.7% of the total, respectively. Wholesale and retail trade had the highest share of small businesses with payroll employees (17.2%).

Chart 6: Comparison of Non-employer and Employer Small Businesses, 2014



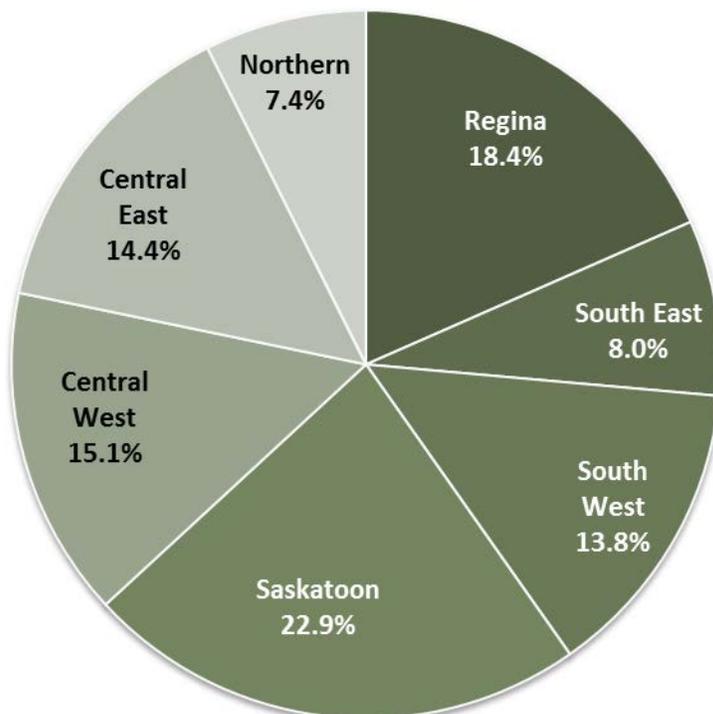
Source: Statistics Canada, Business Register

5. Regional Analysis

The Saskatoon census metropolitan area (CMA) (30,473 or 20.7%) and Regina CMA (22,689 or 15.4%), accounted for 36.2% of the province's 147,016 small businesses in 2014. The Moose Jaw census agglomeration (CA) and the Prince Albert CA contributed 2.4% and 2.5% of total small businesses, respectively.

Looking at broader geographic areas, the Saskatoon region was home to 22.9% (33,323) of Saskatchewan's small business establishments. The Regina region had 18.4% (26,798) of the total. Small businesses were relatively evenly distributed across the South West region (13.8%), Central East region (14.4%), and Central West region (15.1%).

Chart 7: Number of Small Businesses by Region, Saskatchewan, 2014



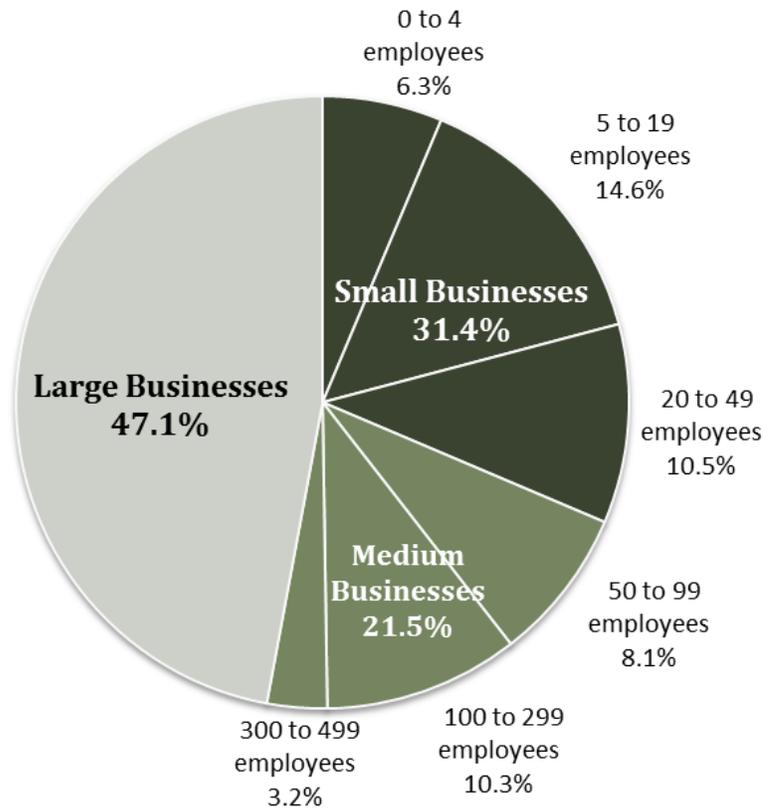
Source: Statistics Canada, Business Register

Between 2009 and 2014, six of the seven major regions recorded growth in the number of small businesses with payroll. The Regina region recorded a 15.3% increase in the number of small businesses, followed by Saskatoon region (+12.7%), South East region (+11.6%), South West region (+5.1%), Central East region (4.5%) and Central West region (3.2%). Only the Northern region (-2.8%) saw declines in the number of small businesses with payroll employees in this period.

6. Employment by Business Size

According to the Survey of Employment, Payroll and Hours (SEPH) data, in 2014, 478,097 employees were on payroll in Saskatchewan. Although large enterprises only comprise 0.1% of Saskatchewan businesses, they employ 47.1% of all employees (225,083). Small enterprises employ 31.4% (150,111) of the total, and medium-sized enterprises employ 21.5% (102,903).

Chart 8: Saskatchewan Employment by Size of Business, 2014



Source: Survey of Employment, Payroll and Hours

Between 2004 and 2014, the share of total employees attributed to large enterprises increased by 2.7 percentage points to 47.1%, while the share belonging to the other size categories decreased. Large enterprises added a total of 53,654 jobs between 2004 and 2014.

Table 4: Share of Payroll Employees, 2014

	% change 2013-14	% change 2004-14	Share 2014	Share 2004
Micro (0-4)	-0.3%	7.2%	6.3%	7.3%
Small (0-49)	0.3%	15.2%	31.4%	33.7%
Medium (50-49)	1.1%	21.3%	21.5%	22.0%
Large (500+)	2.2%	31.3%	47.1%	44.3%

Source: Survey of Employment, Payrolls and Hours (SEPH)

Small businesses were responsible for 19,833 net new jobs between 2004 and 2014. Enterprises with 20-49 employees (+10,091) were responsible for most of the jobs created by the small business sector. The number of jobs in medium-sized businesses went up by 18,044 between 2004 and 2014.

Between 2013 and 2014, payroll employment increased among small businesses (+439), medium-sized businesses (+1,127), and large businesses (+4,863). Overall, payroll employment was up by 6,429 (+1.4%) between 2013 and 2014.

Table 5: Number of Employees by Business Size, 2004 to 2014

	2004	2013	2014	chg 2013-14	% chg 2013-14	chg 2004-14	% chg 2004-14
All Sizes	386,566	471,668	478,097	6,429	1.4%	91,531	23.7%
Small (0-49)	130,278	149,672	150,111	439	0.3%	19,833	15.2%
Medium (50-499)	84,859	101,776	102,903	1,127	1.1%	18,044	21.3%
Large (500+)	171,429	220,220	225,083	4,863	2.2%	53,654	31.3%

Source: Statistics Canada, CANSIM Table 281-0042

Note that self-employed persons who are not on payroll are not included. Also not included are employees in agriculture, fishing and trapping industries, private household services, religious organizations, and military personnel of defence services.

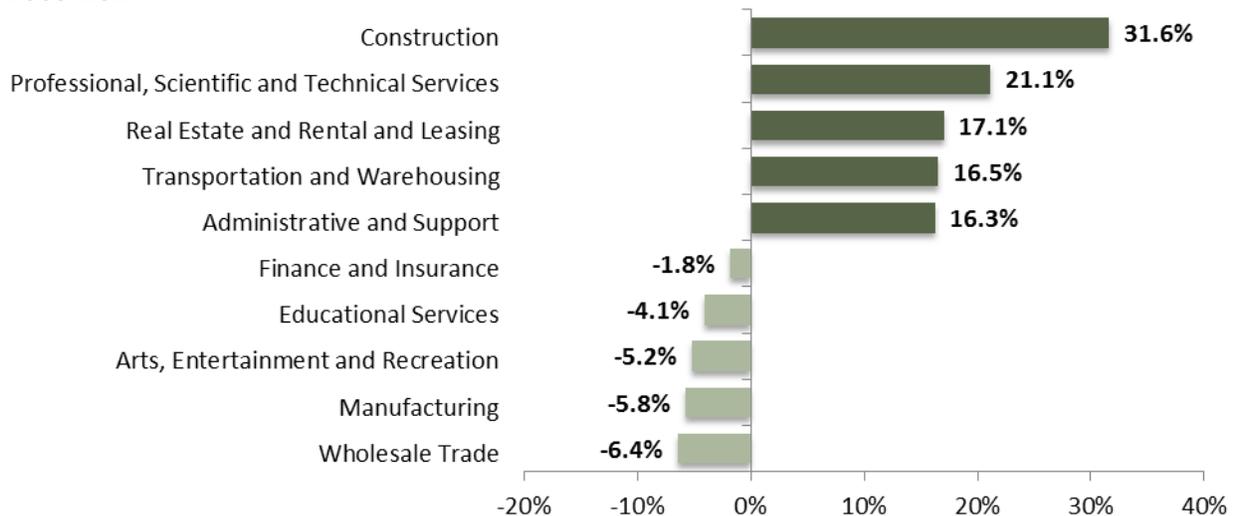
7. Employment by Sector

In 2014, five industry sectors had the majority of their workers employed by small businesses. These sectors included other services (72.5%), construction (60.8%), real estate and rental and leasing (55.1%), professional, scientific and technical services (53.7%), and accommodation and food services (53.6%).

In another three sectors, at least one-third of the work force was employed by small enterprises: retail trade (34.7%), transportation and warehousing (35.1%), and administrative and support (41.6%).

Since 2009 the sectors with the highest levels of growth have been construction (+31.6%), professional, scientific and technical services (+21.1%), real estate and rental and leasing (+17.1%), transportation and warehousing (+16.5%) and administrative and support (+16.3%). The sectors with the lowest levels of small business employment growth have been finance and insurance (-1.8%), educational services (-4.1%), arts, entertainment and recreation (-5.2%), manufacturing (-5.8%), and wholesale trade (-6.4%).

Chart 9: Saskatchewan Small Business Employment Change, Top and Bottom Five Sectors, 2009-2014



Source: Statistics Canada, CANSIM Table 281-0042

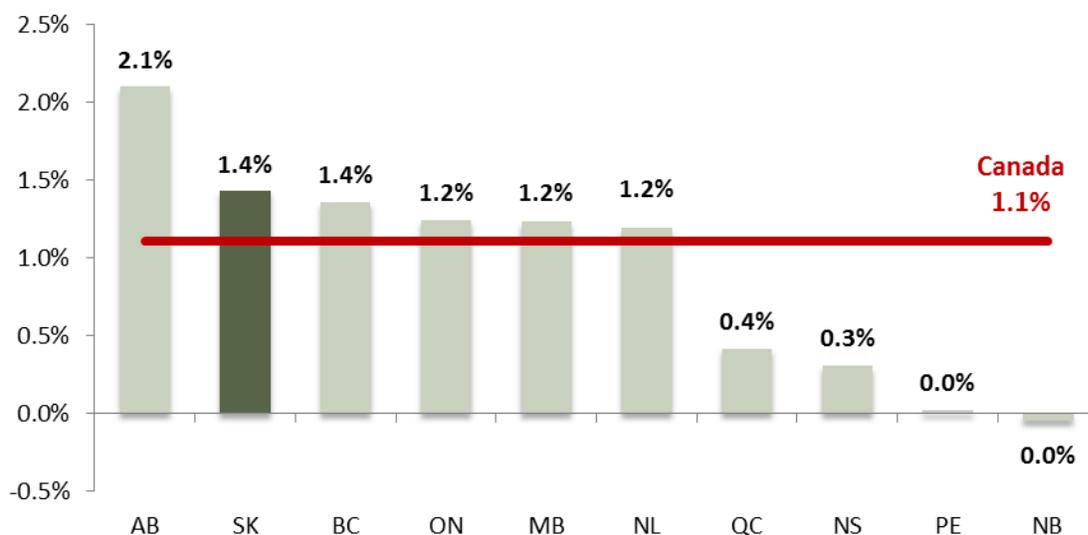
8. Employment by Province

In 2014, there were 4.8M small business employees in Canada. Ontario had almost 1.7M small business employees, or 35.2% of the Canadian total. B.C. (722,438) and Alberta (630,795) were home to 15.0% and 13.1% of Canadian small business employees, respectively. Small enterprises in Manitoba employed 163,099 (3.4% of the national total), and there were 150,111 employees in Saskatchewan small businesses (3.1% of the national total). Together, the four western provinces had almost 1.7 M small business employees in 2014, or 34.7% of the Canadian total.

In Saskatchewan, the small business sector's share of provincial payroll employment was 31.4% in 2014, above the national average (31.3%). B.C. at 36.5% had the highest proportion of payroll employment derived from small businesses, followed by Québec (33.1%), P.E.I. (32.9%) and New Brunswick (32.3%). Manitoba had the lowest share at 28.4%. Saskatchewan ranked sixth among the provinces in terms of the proportion of employment derived from small businesses.

Among the provinces, Saskatchewan had the second-highest growth rate in small business employment between 2004 and 2014. Small business jobs in Saskatchewan grew, on average, by 1.4% per year, ahead of New Brunswick (0%), P.E.I. (0%), Nova Scotia (+0.3%), Québec (+0.4%), Newfoundland and Labrador (+1.2%), and Manitoba (+1.2%) and Ontario (+1.2%). For western provinces, small business employment grew in B.C. by 1.4% and Alberta by 2.1% per year, on average. The national average was 1.1%.

Chart 10: Small Business Payroll Employment Average Annual Growth Rate, 2004-2014



Source: Statistics Canada, CANSIM Table 281-0042

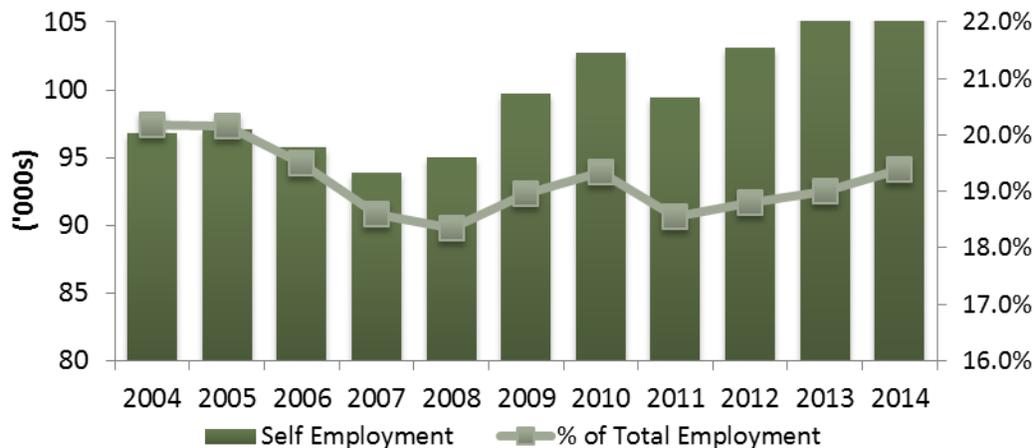
9. Self-Employment Trends: 2004 to 2014

Statistics Canada's LFS identifies self-employed workers as working owners of a business, persons who work on their own account but do not have a business, and persons working without pay in a family business. The data include farmers⁵.

In 2014, the number of self-employed (including farmers) accounted for 19.4% of total employment in Saskatchewan. This is down from 27.2% of total employment in 1984, and 20.2% in 2004.

The number of self-employed workers increased by 13,900 (14.4%) from 96,800 in 2004 to 110,700 in 2014. The number of self-employed workers gained 3,300 people from 2013 to 2014.

Chart 11: Saskatchewan Self-Employment, 2004-2014

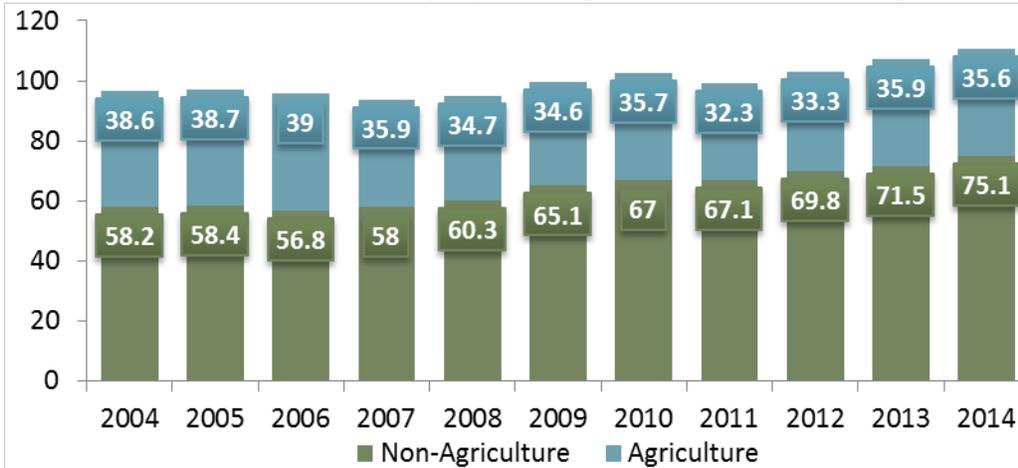


Source: Statistics Canada, Labour Force Survey

The net increase of 13,900 in the number of self-employed people in Saskatchewan between 2004 and 2014 is due to the gain of 16,900 self-employed people in the non-agriculture sectors coinciding with a loss of 3,000 people in agriculture sector.

⁵ Self-employed businesses can be operated as an unincorporated or incorporated entity and within each of these categories can be further classified as operating with paid help or without paid help. Another category of self-employed workers consists of unpaid members of family businesses. This produces five categories of self-employed workers in the province.

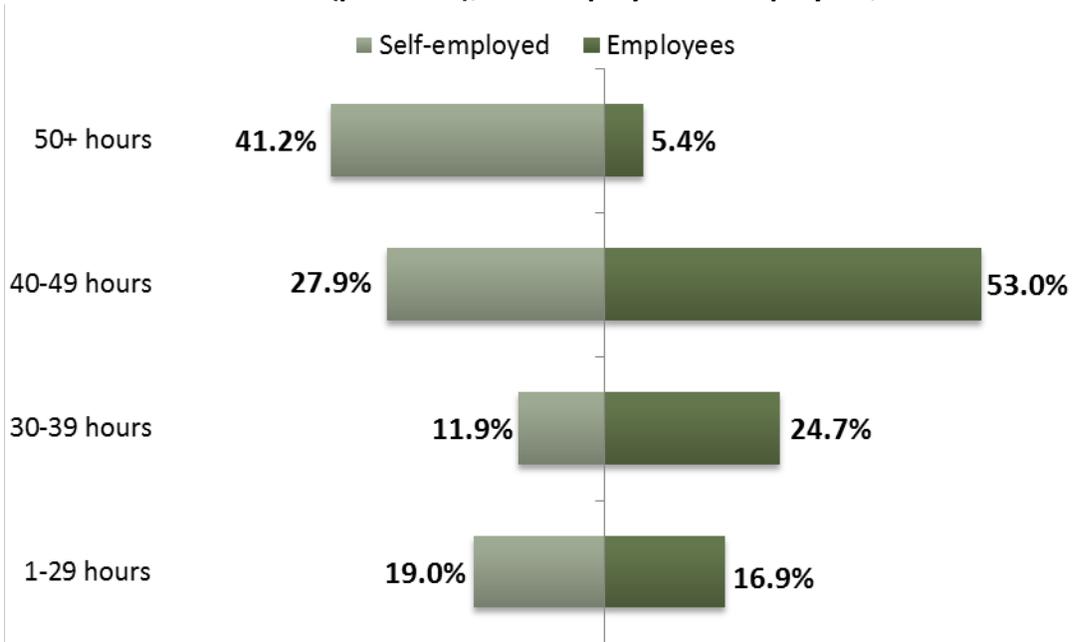
Chart 12: Saskatchewan Self-Employment Agriculture versus Non-Agriculture, 2004-2014



Source: Statistics Canada, Labour Force Survey

Self-employed people tend to work more hours than workers employed by other people. In 2014, 41.2% of self-employed workers worked more than 50 hours per week, compared to just 5.4% of employees.

Chart 13: Hours Worked (per week), Self-Employed vs. Employees, Saskatchewan, 2014

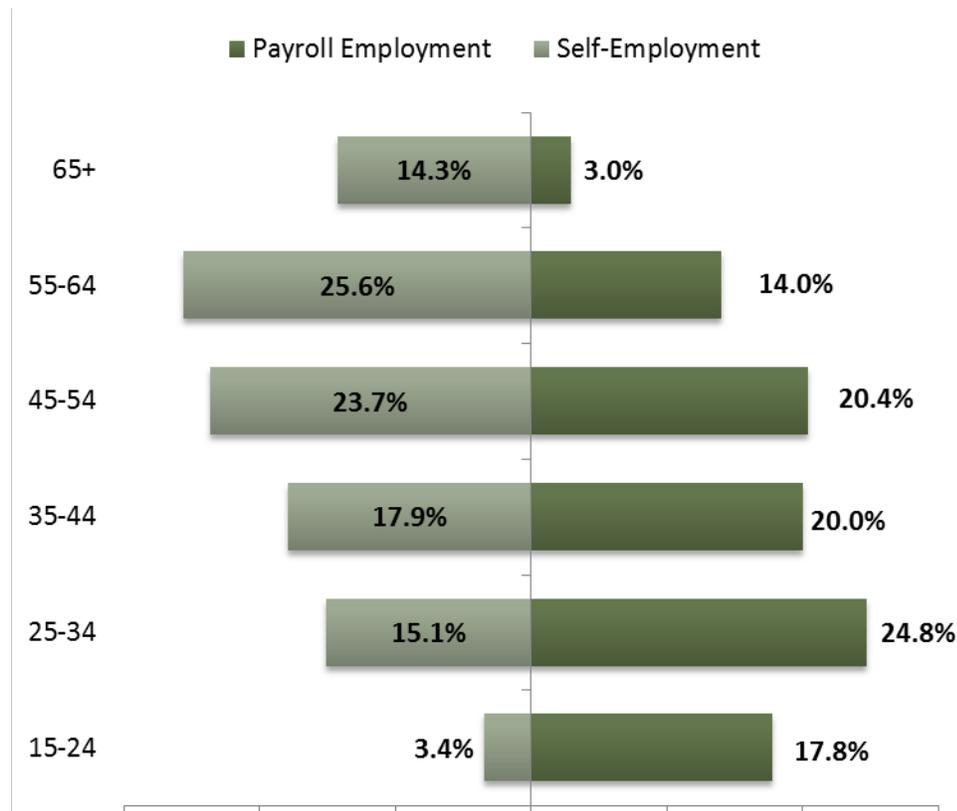


Source: Statistics Canada, Labour Force Survey

10. Self-Employment by Age

Older age groups comprise the largest percentage of self-employment in Saskatchewan. In 2014, self-employed workers over 45 years of age made up almost two-thirds (63.5%) of total self-employment, but only 37.4% of payroll employees. By comparison, self-employed youth (15-34 years) accounted for 18.5% of all self-employed people, but 42.6% of payroll employees.

Chart 14: Age Distribution of Saskatchewan Self-Employed versus Employees, 2014



Source: Statistics Canada, Labour Force Survey

Decreased participation in self-employment by younger workers is a long-term trend. Between 2004 and 2014, self-employment among 15-24 year-old youths decreased by 30.9%. Self-employment among mid-career workers in the 35-44 year-old age category declined by 12.4% from 2004 to 2014. During the same period, the number of self-employed 55-64 year-olds increased by 45.9%.

Table 6: Self-employment by Age Group in Saskatchewan

Age Group	Self-Employment (% chg)		Total Employment (% chg)	
	2013-14	2004-14	2013-14	2004-14
15+	3.1%	14.4%	1.0%	19.0%
15-24	-20.8%	-30.9%	-3.6%	1.5%
25-34	16.0%	51.8%	5.4%	44.3%
35-44	-4.3%	-12.4%	3.0%	-2.4%
45-54	-7.7%	-0.8%	-3.5%	2.5%
55-64	7.2%	45.9%	0.3%	64.5%
65+	24.4%	32.8%	10.1%	81.5%

Source: Statistics Canada, Labour Force Survey

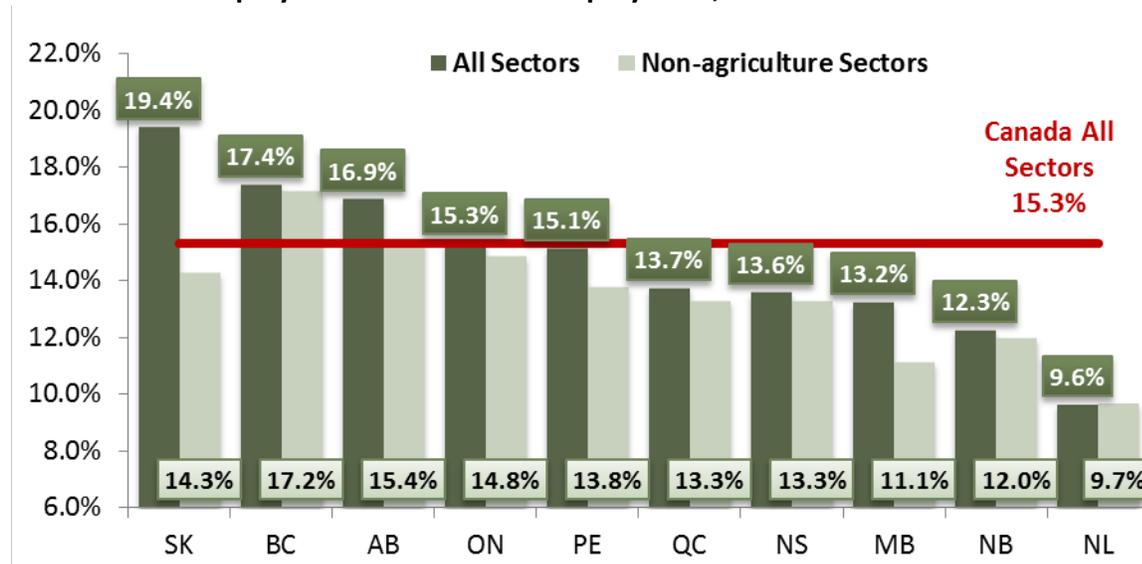
11. Self-Employment by Province

In 2014, Saskatchewan had a total of 110,700 self-employed persons, the fifth-largest number in Canada, ahead of Manitoba and the four Atlantic provinces.

Compared to other provinces, Saskatchewan had the largest proportion of self-employed individuals in the workforce, at 19.4%. This exceeded the national average of 15.3%. B.C. (17.4%) and Alberta (16.9%) also exceeded the national average.

For the non-agricultural sector, 14.3% of total employment was self-employed in Saskatchewan, behind B.C. (17.2%), Alberta (15.4%), and Ontario (14.8%). Newfoundland and Labrador had the lowest share of self-employed in the non-agricultural sector at 9.7%.

Chart 15: Self Employment as % of Total Employment, 2014



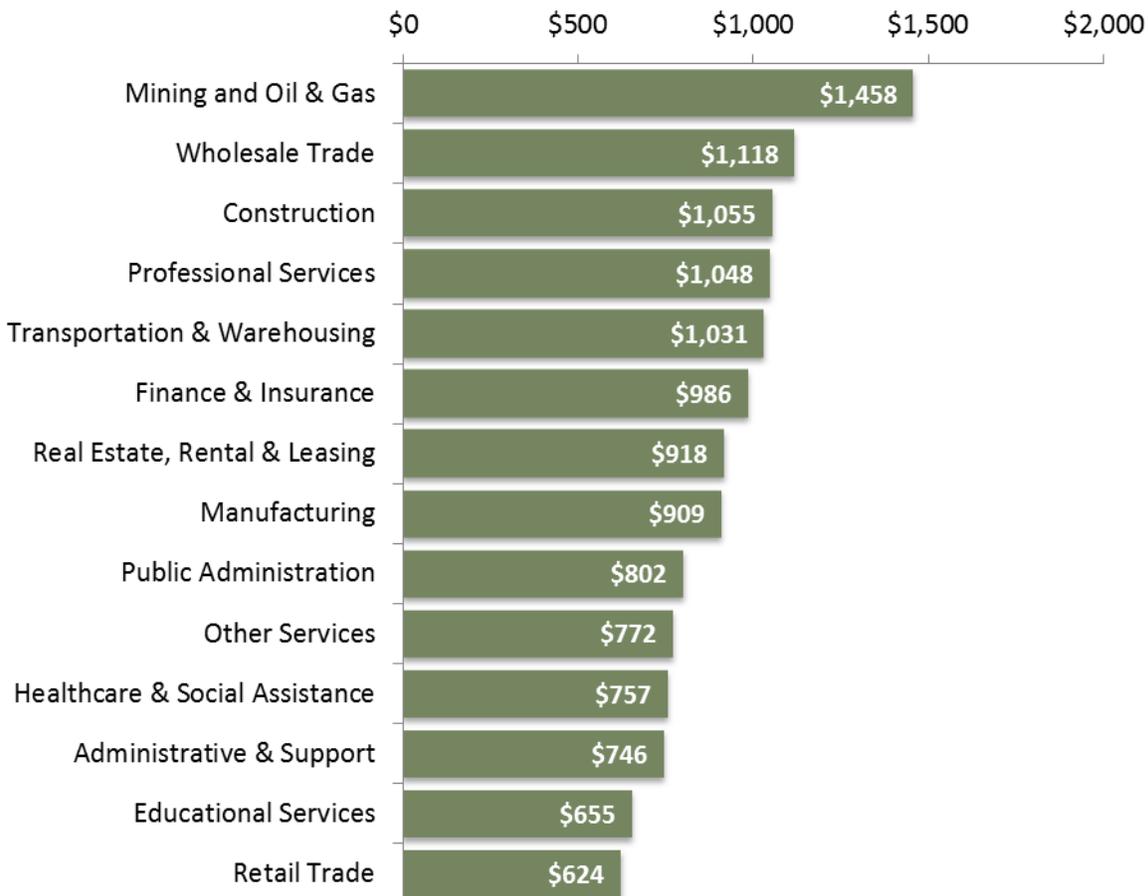
Source: Statistics Canada, Labour Force Survey

12. Earnings by Sector

On average in 2014, small business employees in the mining, oil and gas extraction sector (\$1,458), wholesale trade (\$1,118), construction (\$1,055), professional services (\$1,048), transportation and warehousing (\$1,031), finance and insurance (\$986), real estate and rental and leasing (\$918) and manufacturing (\$909) earned more than the Saskatchewan average for all small businesses (\$807).

At the other end of the scale, small business employees in accommodation and food services (\$350), arts, entertainment and recreation (\$454), retail trade (\$624), educational services (\$655), administrative and support (\$746), healthcare and social assistance (\$757), other services (\$772) and public administration (\$802) earned below the provincial average in 2014.

**Chart 16: Saskatchewan Small Business Average Weekly Earnings by Sector, 2014
(Industrial Aggregate \$790)**



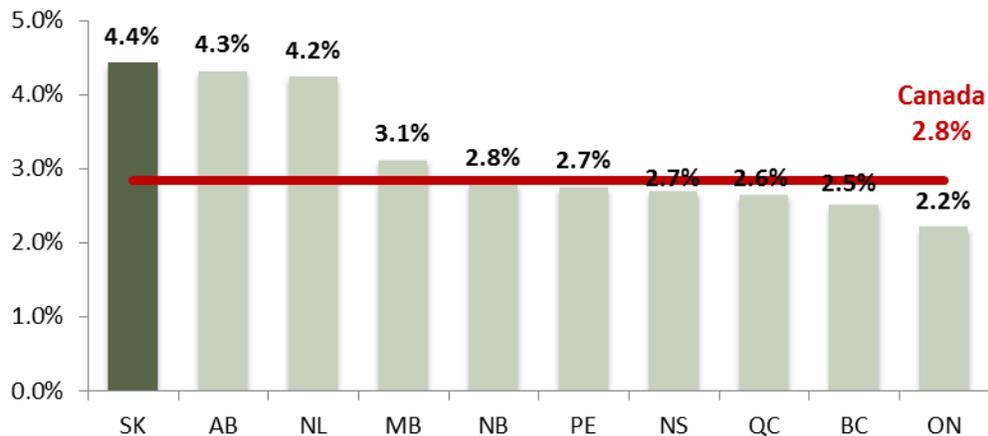
Source: Statistics Canada, CANSIM Table 281-0044

13. Earnings by Province

In 2014, average weekly earnings in Saskatchewan's small businesses were, at \$807, the second-highest in Canada. Small business earnings in Saskatchewan were about 2.2% higher than the Canadian average (\$789).

In Saskatchewan, small business employee earnings grew, on average, by 4.4% per year between 2004 and 2014, the highest growth rate in Canada. The national average was 2.8% per year. Small business employee earnings in four provinces grew at or above the national growth rate.

Chart 17: Small Business Average Weekly Earnings (Average Annual Growth Rate), 2004-2014



Source: Statistics Canada, CANSIM Table 281-0044

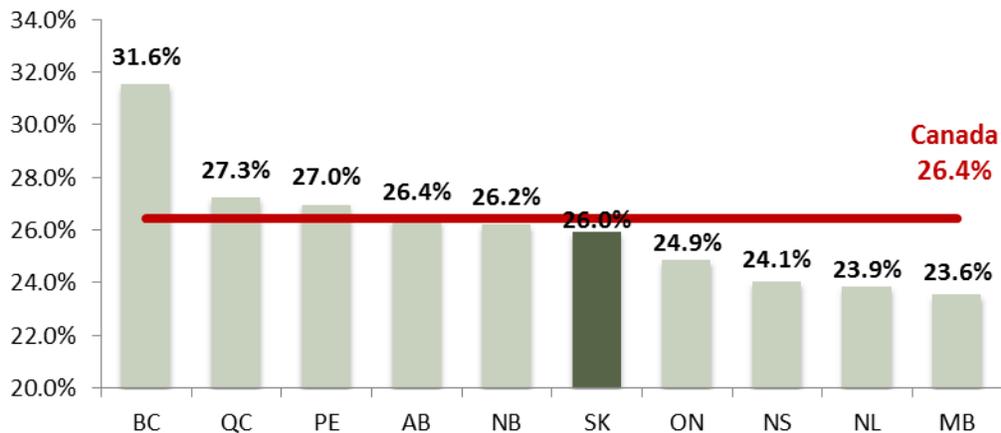
In absolute terms, the largest increase in average weekly earnings for small businesses between 2004 and 2014 occurred in Alberta (\$337). Saskatchewan (\$283) and Newfoundland and Labrador (\$255) ranked second and third, respectively. P.E.I. (\$151) had the smallest increase among the 10 provinces.

Small business employees working in Alberta earned the most in 2014, at \$976 per week, followed by Saskatchewan at \$807 and Ontario at \$806. Small business employees in P.E.I. received the lowest weekly earnings, at \$636 on average, in 2014.

14. Payroll by Business Size

It is estimated that in 2014, small businesses paid out approximately \$6.3B in payroll and accounted for 26% of the total wages and salaries paid to workers in Saskatchewan. B.C., at 31.6%, had the highest proportion of payroll attributed to small businesses, followed by Québec at 27.3%. The national average stood at 26.4%. Saskatchewan's share was the sixth-highest in Canada.

Chart 18: Small Business Sector's Share of Total Provincial Payroll, 2014



Source: Statistics Canada, CANSIM Table 281-0044

Micro-businesses, businesses with fewer than five employees, accounted for \$1.4B or 5.6% of the total, whereas businesses with 5-19 employees had a payroll of \$2.8B or 11.6% of the total. Those with 20-49 employees paid out \$2.1B or 8.8% of the total payroll.

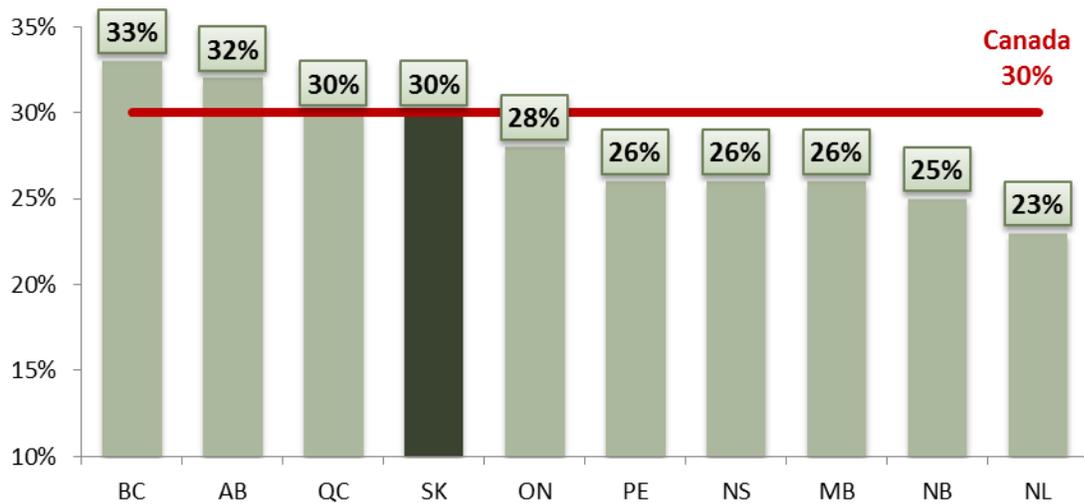
In 2014, large-sized businesses (500 or more employees) accounted for more than half of the total payroll (53.8% or \$13B), while medium-sized businesses (50-499 employees) accounted for 20.2% or \$4.9B of the total.

15. Small Business Contribution to GDP

Small businesses contribute to the provincial economy as producers of goods and services, as consumers, and as employers.

In 2014, small businesses accounted for 30% of Saskatchewan's GDP.⁶ Since 2004, small business GDP for Saskatchewan exceeded or matched the corresponding national average. The Canadian average was estimated to be 30% in 2014.

Chart 19: Small Business Contribution to GDP, 2014



Source: B.C. Stats

⁶ B.C. Stats has developed a method to determine the contribution of small businesses to GDP, using the income-based approach of the System of National Accounts. B.C. Stats' definition of "small business" covers businesses with fewer than 50 employees, plus those operated by the self-employed.

Sources of Data

Statistics Canada defines “businesses” as different types of organization from both the public and private sectors, such as a corporation, a self-employed individual, a government entity, a non-profit organization, a partnership, or financial fund. A business is viewed as an integrated structure composed of legal and non-legal operating units, and is assigned a NAICS code.

Statistics Canada, Business Register, Business Establishment Counts, Canada and Provinces, NAICS, End-of-Year Business Count.

Statistics Canada, CANSIM Table 281-0042 - Employment by Enterprise SEPH for all Employees, for selected industries classified using the NAICS, Annual (Persons).

Statistics Canada, CANSIM Table 281-0044 - Average Weekly Earnings by Enterprise SEPH for all Employees, for selected industries classified using the NAICS, Annual (Dollars).

Statistics Canada, LFS, Employment by Class of Worker, Public and Private Sector, Employees and Self-Employed, Sex, Industry, Canada, Provinces, Annual Average.

Statistics Canada, Survey of Suppliers of Business Financing.

Statistical Service of B.C., Small Business Contribution to GDP Estimates based on income-based approach of the System of National Accounts.

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