

Fact Sheet: Calgary Small Business

CALGARY CENSUS METROPOLITAN AREA (CMA)
2018 EDITION

RESEARCH & STRATEGY
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Highlights

Calgary small businesses account for 95 per cent of all businesses – they are a driving force within the city’s business community. Small businesses provide jobs for local residents and are important for the vitality of inner cities. Small business owners have the advantage over larger corporations in that their size gives them the flexibility to adapt quickly in terms of aligning resources. They are able to be innovative with products and implement processes and efficiencies. These advantages, married with their general passion for their business and ability to

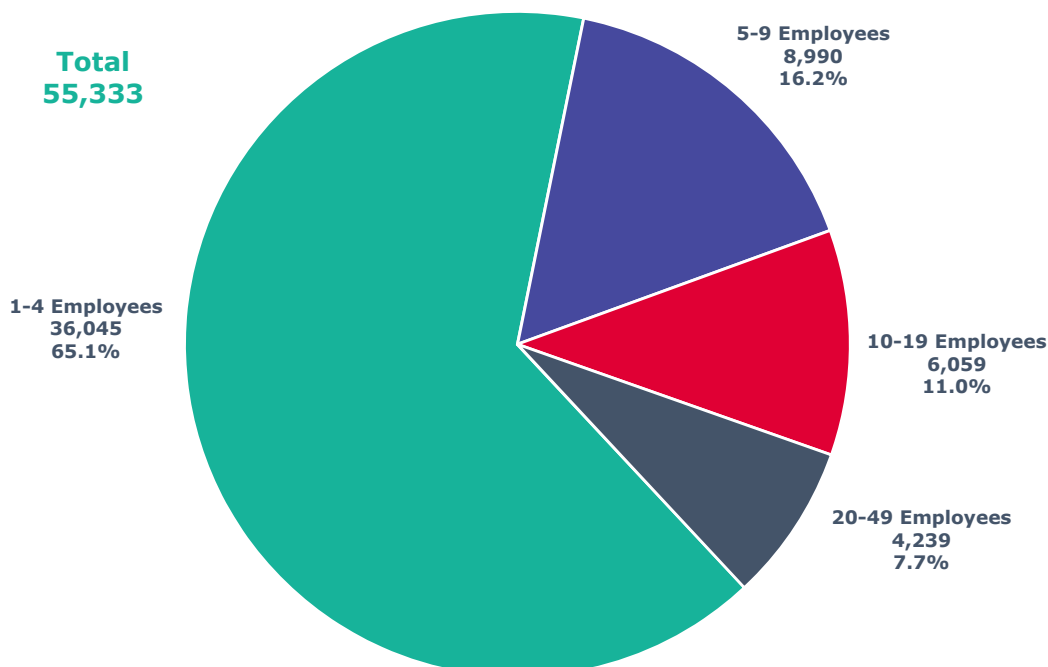
enjoy the advantage of customer focus, sets them apart from larger corporations.

Business Counts

Of Calgary’s total businesses (58,033) in 2017, small business (businesses with less than 50 employees) accounted for 95.3 per cent (or 55,333).

A breakdown of Calgary’s small businesses by employee size demonstrates that the smallest segment (1 to 4 employees) is the largest at 36,045 businesses or 65.1 per cent.

Calgary CMA Small Business by Number of Employees



Source: Statistics Canada, December 2017

Small Business by Industry and Employee Size

The dominant industries that made up Calgary's small business sector in 2017 were:

- Professional, Scientific, and Technical Services - 11,453 businesses (20.7 per cent of total share)
- Construction - 6,573 businesses (11.9 per cent of total share)
- Retail Trade - 4,498 businesses (8.13 per cent of total share)



Highly educated, globally connected workforce.

Calgary has the highest proportion of STEM degree completions of major cities in Canada.

Calgary is a global city and one of the most ethnically diverse cities in Canada. 33.7 per cent of Calgary's population is visible minority and 29.4 per cent are immigrants.

Census 2016, Statistics Canada

Footnote

¹For the purposes of this publication, a small business is one that has between 1 and 49 employees.

Small Business by Industry and Employee Size

Calgary CMA

Industry	1-4 Employees	5-9 Employees	10-19 Employees	20-49 Employees	Total	% Distribution
Agriculture, forestry, fishing and hunting	202	43	16	10	271	0.5%
Mining, quarrying, and oil and gas extraction	611	147	145	133	1,036	1.9%
Utilities	45	17	7	12	81	0.1%
Construction	4,552	996	610	415	6,573	11.9%
Manufacturing	594	315	257	252	1,418	2.6%
Wholesale trade	1,016	569	447	317	2,349	4.2%
Retail trade	1,693	1,360	902	543	4,498	8.13%
Transportation and warehousing	1,650	238	154	128	2,170	3.9%
Information and cultural industries	268	173	56	57	554	1.0%
Finance and insurance	1,102	311	294	167	1,874	3.4%
Real estate and rental and leasing	1,812	269	153	131	2,365	4.3%
Professional, scientific and technical services	9,698	897	525	333	11,453	20.7%
Management of companies and enterprises	153	59	66	71	349	0.6%
Administrative and support, waste management and remediation services	1,466	518	269	251	2,504	4.5%
Educational services	367	97	96	78	638	1.2%
Health care and social assistance	2,846	791	524	329	4,490	8.11%
Arts, entertainment and recreation	239	100	68	71	478	0.9%
Accommodation and food services	718	818	869	673	3,078	5.6%
Other services (except public administration)	2,452	948	439	188	4,027	7.3%
Public administration	20	5	8	9	42	0.1%
Unclassified	4,541	319	154	71	5,085	9.2%
Total	36,045	8,990	6,059	4,239	55,333	100.0%

Note: Small Businesses by Industry omits those which are deemed unclassified by Statistics Canada. Unclassified businesses are included in the Small Business Total.

Source: Canadian Business Counts, Statistics Canada, December 2017

Small Business Per Capita

Relative to its population, Calgary had the second highest number of small businesses per capita of the major cities in Canada in 2017 at a rate of 37.2 per 1,000 population.

Self-Employment

In 2017, there were 136,500 self-employed Calgarians, an increase of 7.2 per cent from the 127,300 self-employed in 2016. On a per capita basis, Calgary had the second highest number of self-employed of major cities in Canada at 91.7 per 1,000 population.

During the past 10 years (2008-2017), Calgary experienced self-employment growth of 21.12 per

cent. Calgary's self-employment growth during this period was the highest of major Canadian cities.

In 2017, the largest group of Calgary entrepreneurs were in the 35 to 44 age group at 36,100 or 26.4 per cent, followed by the 45 to 54 age bracket at 31,900 or 23.4 per cent.

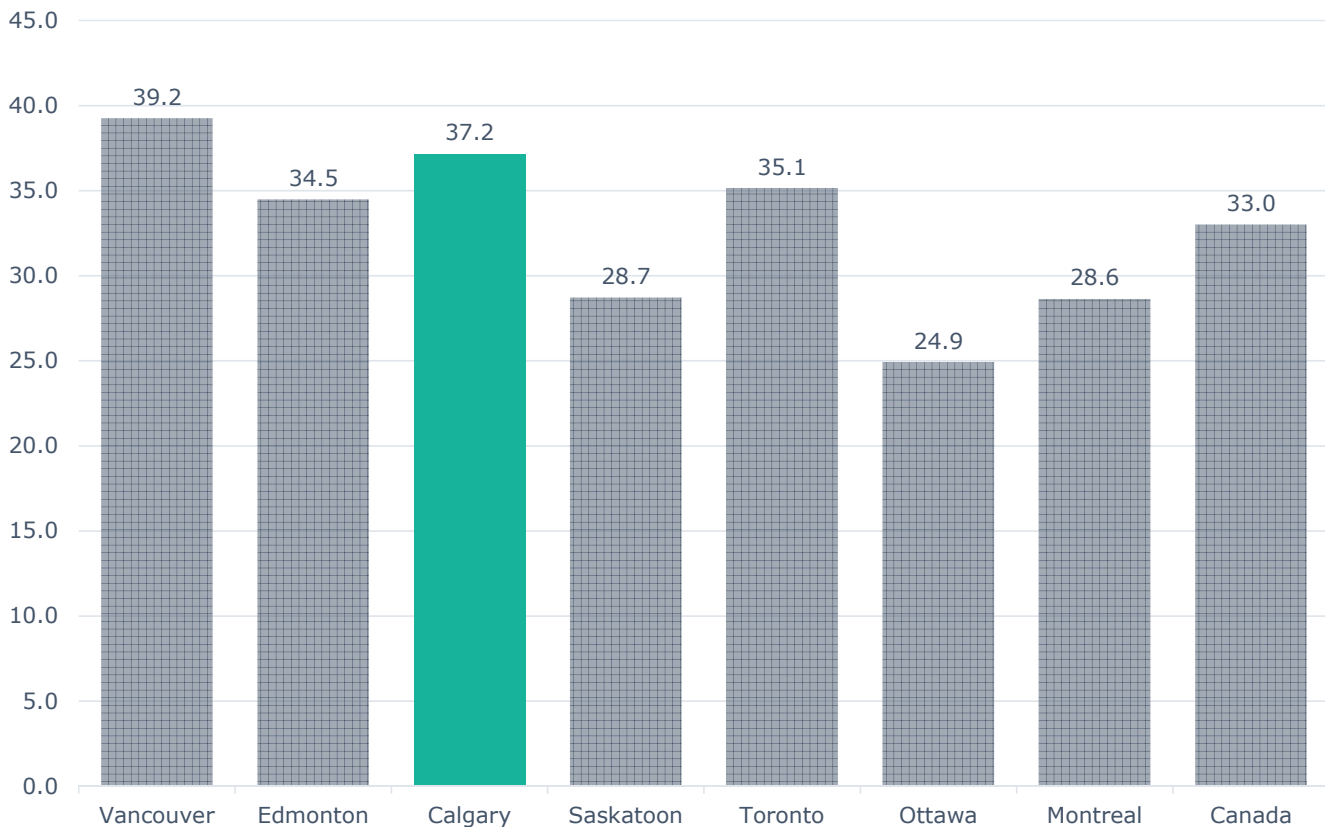


Exceptional quality of life.

Calgary has ranked among the Top 5 most liveable cities in the world every year since 2009 because of our economy, safety, infrastructure, social programs and a healthy lifestyle.

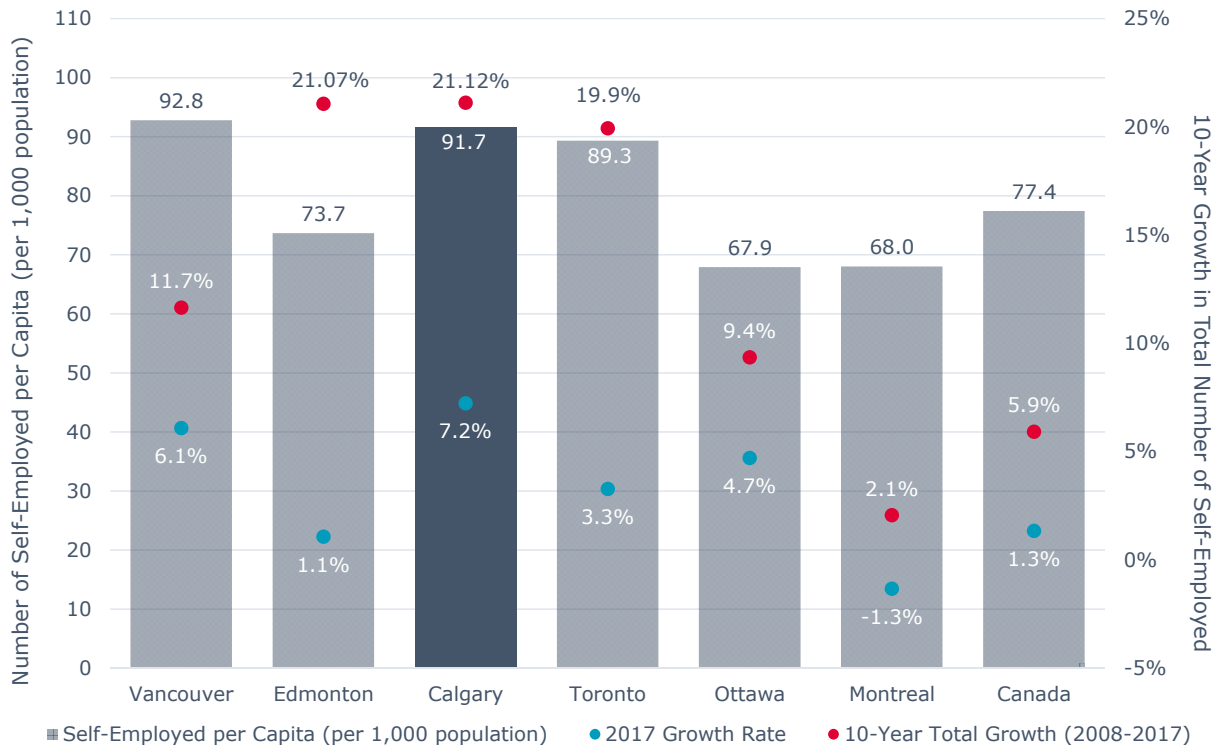
The Economist Intelligence Unit, 2009-2017

Small Business per Capita Across Canada



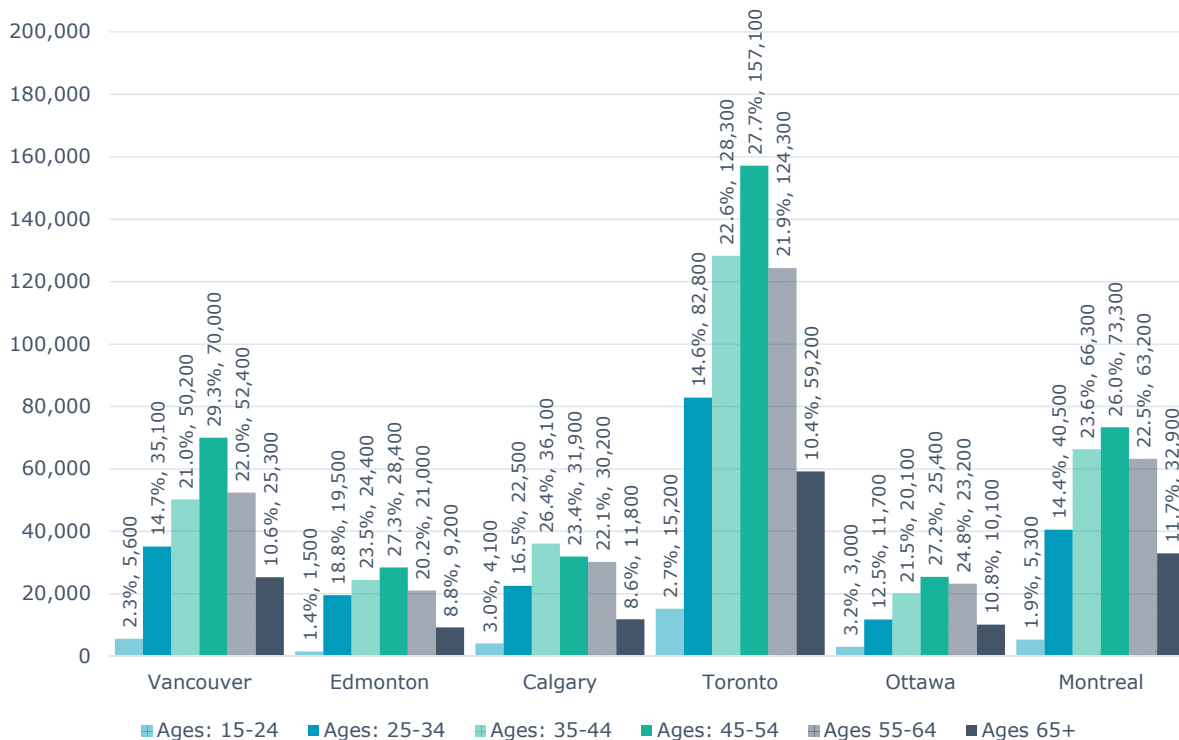
Source: Statistics Canada, CMA Population, 2017 and Canadian Business Counts, December 2017
1 to 49 Employees (Per 1,000 Population)

Self-Employed per Capita and 10-Year Growth



Source: Statistics Canada, 2017, per 1,000 Population

Number of Self-Employed by Age Group



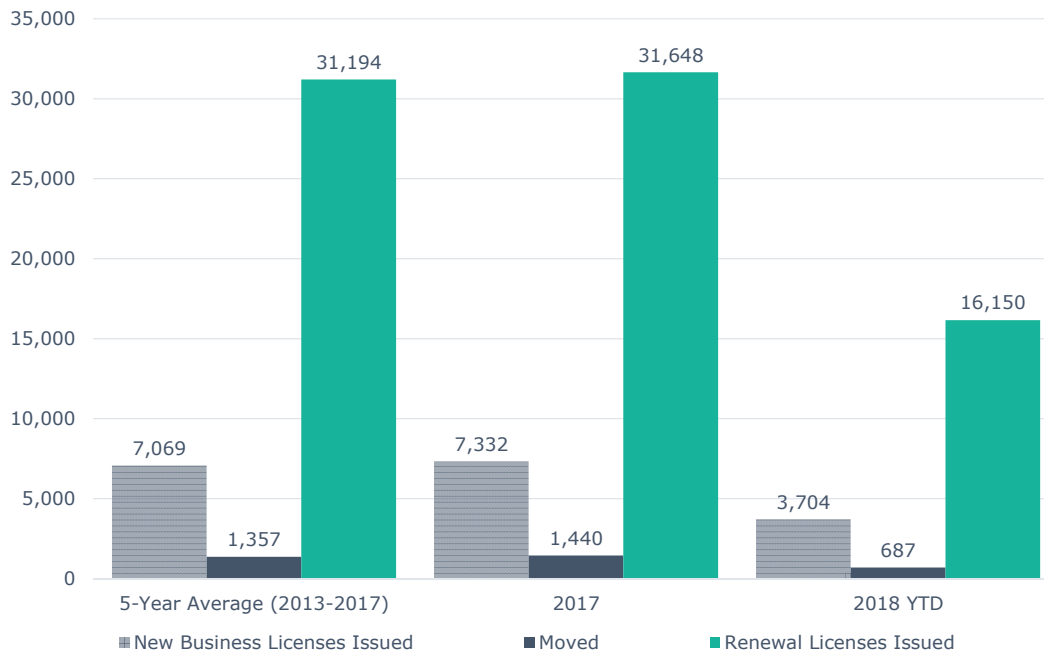
Source: Statistics Canada, 2017

Business Licenses, Openings & Closures

Any time a business makes changes, moves, changes owners or ownership structure, The City of Calgary ends one licence and issues a new one. In 2017, there were 31,648 business license renewals and 7,332 new business licenses issued.

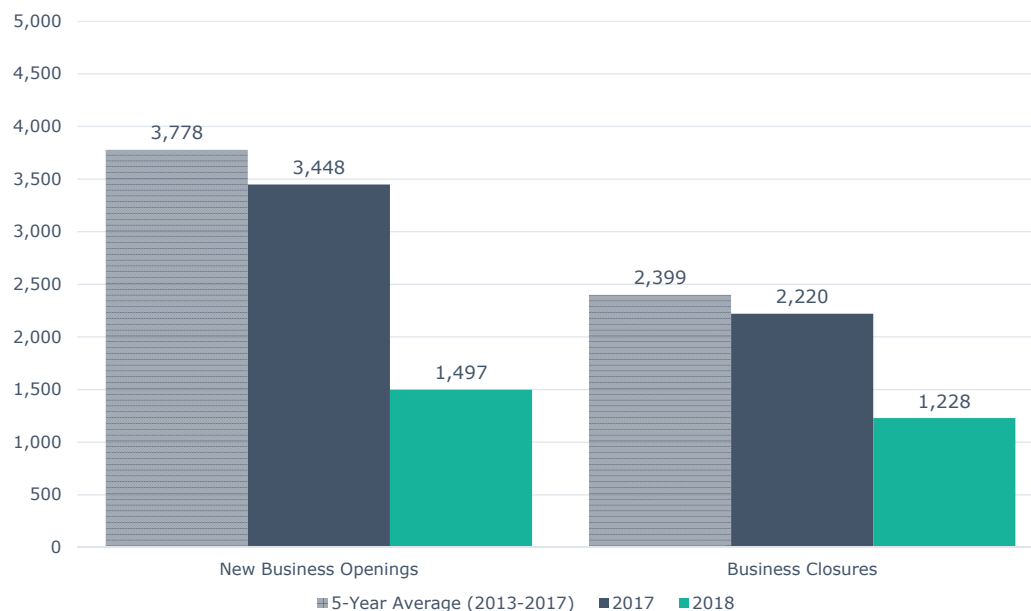
These results are in line with the 5-year average (2013-2017) of 31,194 business license renewals and 7,069 new business licenses issued. In 2017, there were 2,220 business closures in Calgary, slightly below the 5-year average of 2,399. There were 3,448 new business openings in 2017. Note: Results do not include businesses licenses issued by higher levels of government or associations.

City of Calgary Business Licenses



Source: The City of Calgary Planning and Development, June 2018

City of Calgary Business Openings and Closures



Note: Exclusive of moves/relocations.
Source: The City of Calgary Corporate Economics, June 2018

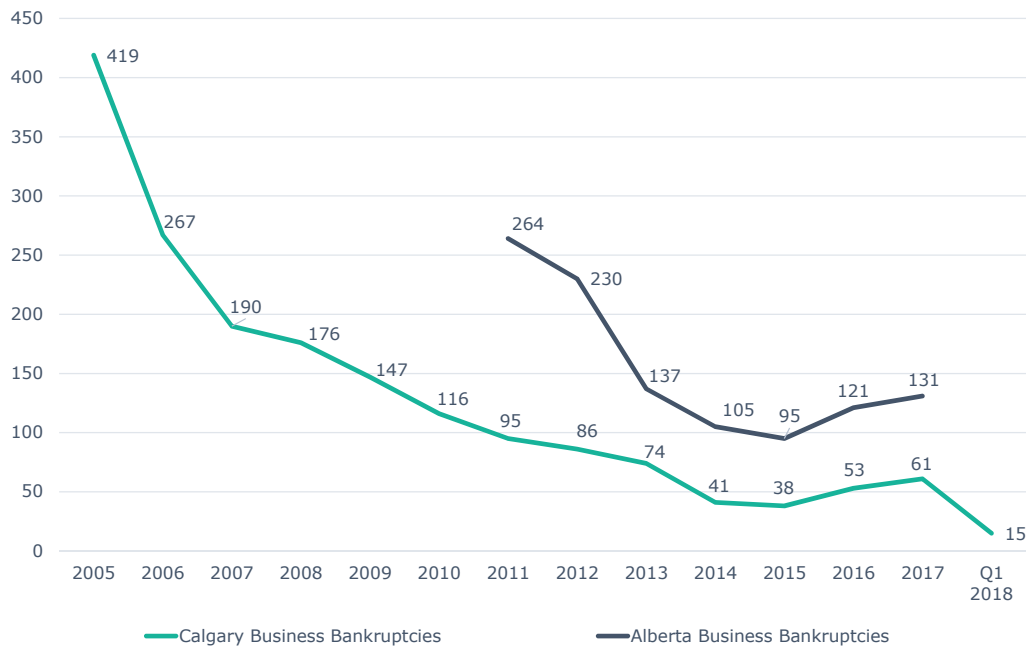
Bankruptcies

Calgary has experienced a steady decline in business bankruptcies historically, from a high of 419 in 2005 to 61 in 2017.

Of Alberta's 131 business bankruptcies in 2017, 46.6 per cent were from the Calgary CMA.

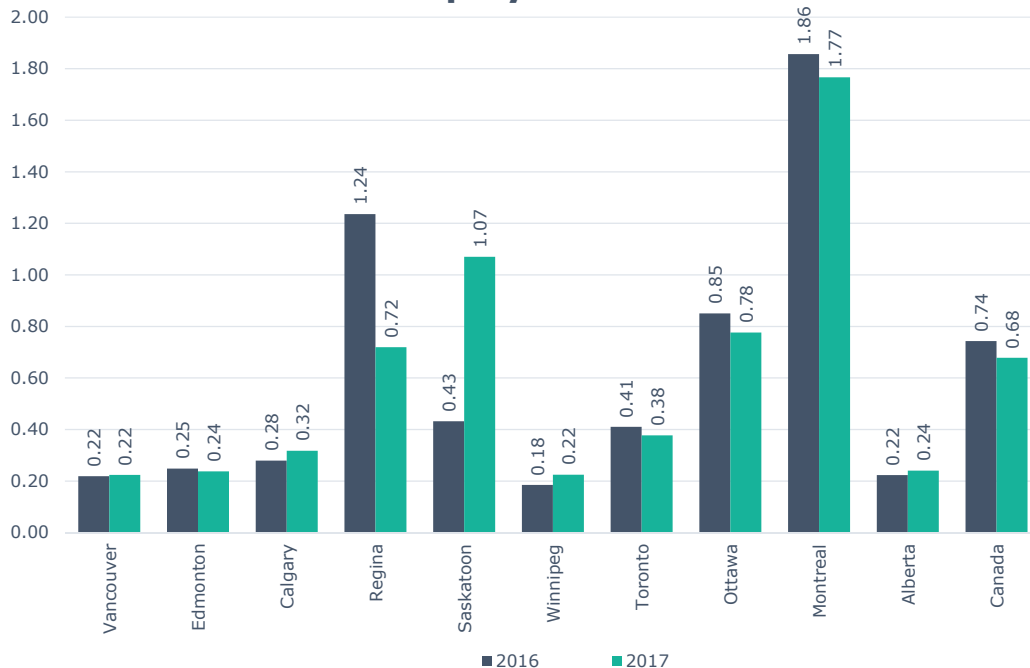
Since 95.3 per cent of Calgary businesses are small business, it's assumed that the majority of business bankruptcies involve small businesses. Calgary business bankruptcy rates are low compared to the Canadian average and other major Canadian cities.

Calgary and Alberta Business Bankruptcies



Source: Office of the Superintendent of Bankruptcy Canada, Q1 2018

Business Bankruptcy Rates Across Canada



Source: Office of the Superintendent of Bankruptcy Canada, 2018, (Per 1,000 Businesses)