

Chapter 6

Self-employment and entrepreneurship by the foreign-born

This chapter presents self-employment data for European Union residents who were born outside of their country of residence. This includes the rate of self-employment by immigrants and the proportion of self-employed immigrants who have employees. Data are presented at the European Union and European Union Member State levels.

Note by Turkey:

The information in this document with reference to « Cyprus » relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Turkey shall preserve its position concerning the “Cyprus issue”.

Note by all the European Union Member States of the OECD and the European Union:

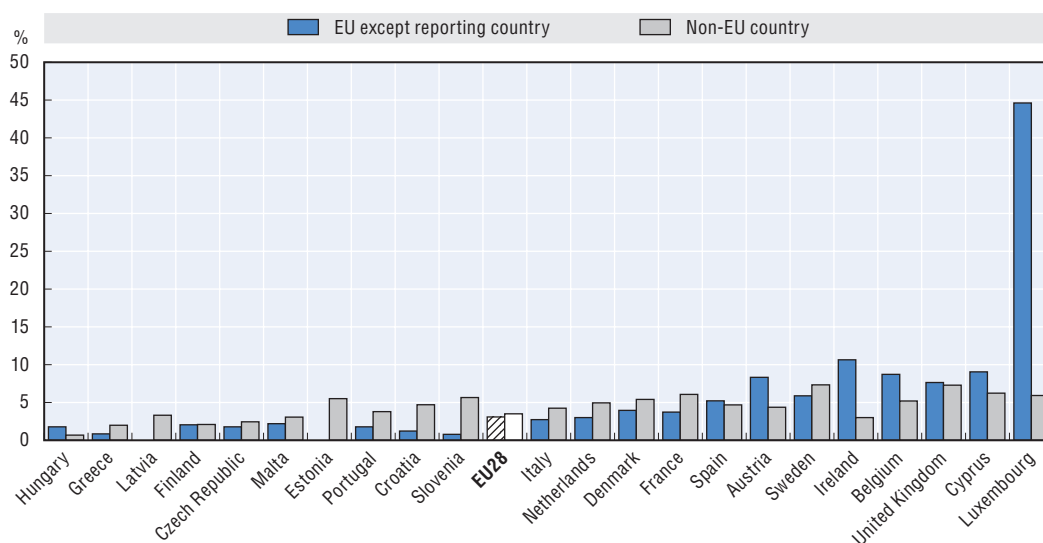
The Republic of Cyprus is recognised by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

Self-employment among the foreign-born

- 6.6% of self-employed people in the European Union were born outside of their country of residence, which is more than 2 million people. Of these foreign-born self-employed people, 47% were born outside of the European Union.
- The self-employment rate of foreign-born people is slightly lower than the self-employment rate for people born within their country of residence (14.1% vs. 15.3%).
- In 2013, self-employed people who were foreign-born were less likely to have employees (24.7% vs. 28.5%).

Out of the 30.6 million self-employed people in the European Union in 2013, 6.6% were born outside of their country of residence (2.0 million people). Breaking this down further, 3.1% were born in a European Union country other than their current country of residence and 3.5% were born outside of the European Union (Figure 6.1). The proportion of self-employed people who were foreign-born varies greatly by European Union Member State, ranging from 2.5% in Hungary to 50.5% in Luxembourg. In 8 Member States, the self-employed that were born in the European Union but outside of the country of residence outnumbered the self-employed born outside of the European Union, including most notably Luxembourg. In 2013, 44.6% of self-employed people in Luxembourg were born in other European Union countries, which is by far the highest proportion observed among European Union countries.

Figure 6.1. **Proportion of the self-employed born outside of their country of residence, 2013**

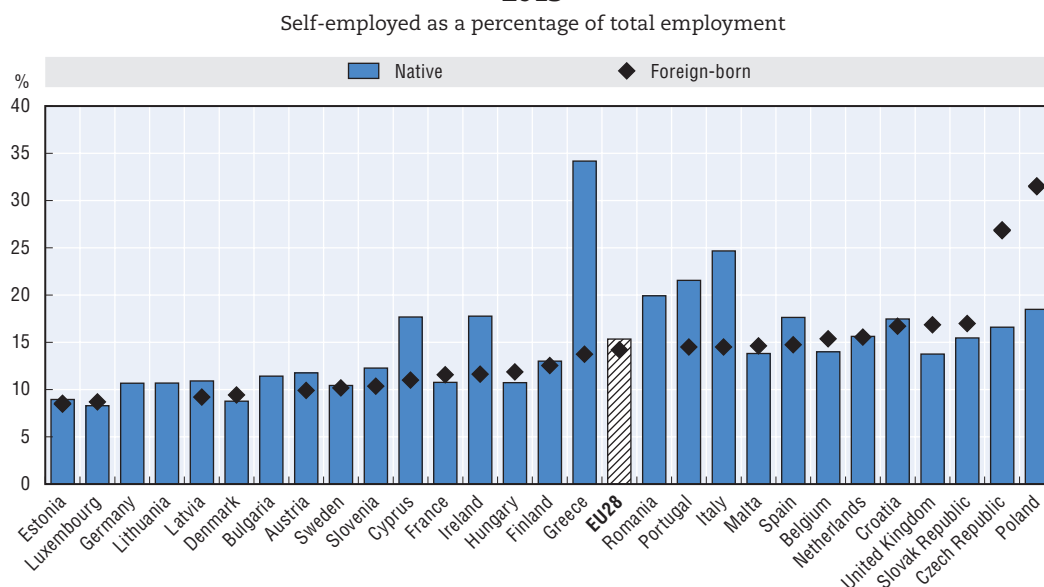


Source: Eurostat (2014), Labour Force Survey 2013.

StatLink  <http://dx.doi.org/10.1787/888933287100>

The self-employment rate for foreign-born people (i.e. those born outside of their country of residence) was 14.1% in the European Union in 2013 (Figure 6.2). This is slightly lower than the self-employment rate for domestically-born people (15.3%). The self-employment rate for foreign-born people tended to be between 10% and 15% across Member States, with the outliers in 2013 being Estonia (8.3%), Luxembourg (8.6%), Latvia (9.1%), Denmark (9.3%), Austria (9.8%), the United Kingdom (16.7%), the Slovak Republic (16.8%), the Czech Republic (26.7%) and Poland (31.3%). The self-employment rate for people born within the country was greater than it was for the foreign-born in all but 7 European Union countries in 2013.

Figure 6.2. **Self-employment rates by foreign-born people for by Member State, 2013**

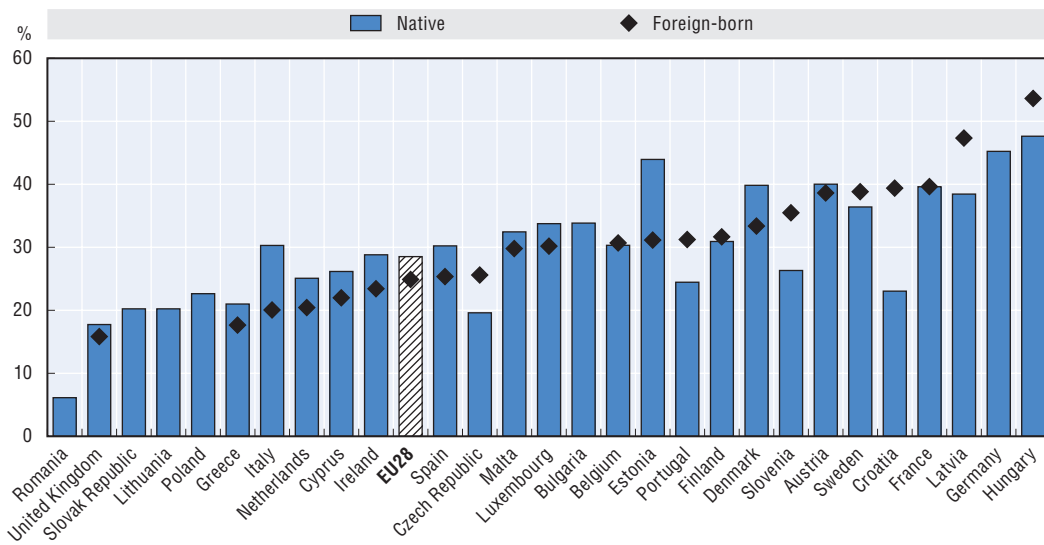


Source: Eurostat (2014), Labour Force Survey 2013.

StatLink <http://dx.doi.org/10.1787/888933287118>

Self-employed people in 2013 who were foreign-born were slightly less likely to have employees than those who were born within their country of residence. At the European Union-level, 24.7% of foreign-born self-employed people had employees compared with 28.5% of domestically-born self-employed people. Across Member States, the proportion of foreign-born self-employed people with employees ranged from 15.6% in the United Kingdom to 53.4% in Hungary. In 2013, foreign-born self-employed people were more likely than domestically-born self-employed people to have employees in five Member States: Slovenia, Sweden, Croatia, Latvia and Hungary.

Figure 6.3. Proportion of foreign-born self-employed with employees, 2013



Source: Eurostat (2014), Labour Force Survey 2013.

StatLink  <http://dx.doi.org/10.1787/888933287124>

References

Eurostat (2014), Employment and unemployment (LFS) <http://ec.europa.eu/eurostat/web/lfs/data>.



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