



# Aboriginal Entrepreneurs Survey, 2002



## ON RESERVE/OFF RESERVE

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This fact sheet provides information on the characteristics of Aboriginal entrepreneurs and their businesses, based on 2001 Census data and findings from the Aboriginal Entrepreneurs Survey, which used 2002 as the reference period.

The survey was conducted in the fall of 2003 by Statistics Canada on behalf of Industry Canada's Aboriginal Business Canada program.



Industry  
Canada

Industrie  
Canada

Aboriginal Business  
Canada

Entreprise autochtone  
Canada

Canada 

## 2001 CENSUS HIGHLIGHTS

More than 14% of Canada's 27 195 Aboriginal self-employed individuals resided on reserve. Of these 3920 individuals:

- ◆ 93% were North American Indians;
- ◆ less than one third were women; and
- ◆ almost all resided in rural areas.

Nearly 86% of Canada's 27 195 Aboriginal self-employed individuals resided off reserve. Of these 23 275 individuals:

- ◆ more than half were Métis;
- ◆ more than one third were women; and
- ◆ 61% resided in urban areas.

## ABORIGINAL ENTREPRENEURS SURVEY, 2002 HIGHLIGHTS<sup>1</sup>

When compared to Aboriginal entrepreneurs residing on reserve, those living off reserve:

- ◆ were more likely to incorporate or operate their business in partnership and less likely as sole proprietors;
- ◆ were less likely to view stability, profitability and personal or family employment as very important business objectives;
- ◆ were more likely to use loans and lines of credit as a source of start-up funds;
- ◆ were more likely to have operated full-time in 2002;
- ◆ were less likely to have Aboriginal employees;
- ◆ were more likely to sell some of their products and services to other provinces or territories;
- ◆ were less likely to expect their business to grow in the next two years;
- ◆ were less likely to state that they did not expect their business to grow in the next two years because of barriers;
- ◆ were less likely to view the economic situation and access to financing as very important barriers to growth; and
- ◆ were more likely to view taxes as a very important barrier to growth.

Aboriginal SMEs: Industry	On Reserve	Off Reserve
Primary	15.3%	15.0%*
Construction	14.5%	17.0%*
Manufacturing, Transportation & Warehousing	12.3%	9.2%*
Wholesale & Retail Trade	14.1%	11.9%*
Arts, Entertainment, Accommodation, Food & Cultural	17.8%	14.1%*
Services <sup>2</sup>	19.4%	17.7%*
Other	6.6%	15.3%
	<b>100.0%<sup>3</sup></b>	<b>100.0%<sup>3</sup></b>

Aboriginal SMEs: Profile	On Reserve	Off Reserve
Ownership Structure		
Sole Proprietorship	82.6%	64.0%
Partnership	10.7%	19.8%
Incorporation	6.7%	16.2%
Age of Business		
0 - 5 Years	31.6%	32.9%*
6 - 9 Years	22.6%	23.6%*
10+ Years	45.8%	43.4%*
Business Objectives <sup>4</sup>		
Stability	88.2%	83.4%
Profitability	84.0%	79.3%
Personal or Family Employment	75.3%	68.1%
Business Training (College or University Level)	26.0%	26.1%*
Business Plan	21.2%	22.0%*

Aboriginal SMEs: Financing	On Reserve	Off Reserve
Start-Up Financing		
Less Than \$25 000	67.8%	69.5%*
\$25 000 to \$49 999	11.7%	10.9%*
\$50 000 to \$99 999	8.0%	9.0%*
\$100 000 or More	12.5%	10.5%*
% of Borrowed Start-Up Funds		
None	49.0%	50.0%*
Less Than 25%	8.6%	9.7%*
25% - 49%	7.4%	8.2%*
50% - 74%	15.5%	14.3%*
75% - 99%	11.0%	9.7%*
100%	8.5%	8.2%*
Sources of Start-Up Funds		
Personal Savings	82.4%	83.0%*
Loans or Lines of Credit	27.8%	38.6%

Aboriginal SMEs: Operations	On Reserve	Off Reserve
Full-Time Operations in 2002	77.4%	86.2%
Full-Time Employees		
0	63.0%	65.6%*
1+	37.0%	34.4%*
Aboriginal Full-Time Employees		
0	4.8%	38.9%
1+	95.2%	61.1%
Part-Time Employees		
0	61.4%	72.1%
1+	38.6%	27.9%
Aboriginal Part-Time Employees		
0	9.9%	48.9%
1+	90.1%	51.1%
Sales to Local Market	83.1%	79.2%*
Sales to Provincial Market	53.9%	56.1%*
Sales to National Market	13.2%	18.6%
Sales to International Market	11.8%	13.4%*

Aboriginal SMEs: Results and Prospects	On Reserve	Off Reserve
Profits in 2002	73.0%	72.2%*
Sales Revenues Increase in 2001	37.1%	44.0%
Sales Revenues Stable in 2001	36.2%	39.9%*
Growth Expectation: Next Two Years	69.2%	61.6%
No Growth Expectation: Next Two Years	30.8%	38.4%
Barriers to Growth <sup>5</sup>	75.6%	53.4%
Economic Situation	53.7%	41.0%
Taxes	20.7%	46.2%
Access to Financing	47.5%	38.0%

Source: Statistics Canada, Aboriginal Entrepreneurs Survey, 2002 (2004)

\* Differences between On Reserve and Off Reserve results are not large enough to be statistically significant at the 95% level.

1 Identified highlights are based on the weighted responses of the 1126 Aboriginal entrepreneurs who took part in the survey. As such, when attempting to generalize findings to a population or sub-population, data precision indicators must be taken into account.

2 This category includes professional, scientific & technical, education, health & social services.

3 Presented industrial distribution percentages may not add up to exactly 100.0% due to rounding.

4 Respondents were asked to rate the importance of a number of business objectives. The responses reported here are the business objectives most frequently identified as being "very important" at the national level.

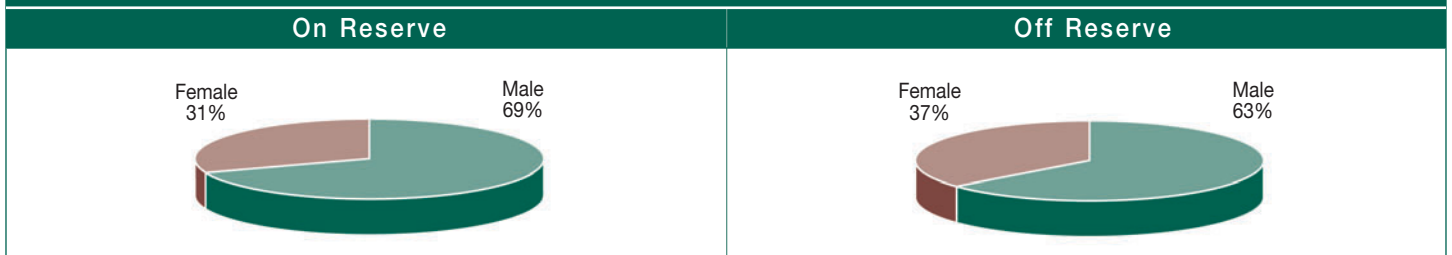
5 Respondents were asked to rate to what extent certain barriers presented obstacles in growing their business over the next two years. The responses reported here are the barriers most frequently identified as being "very important" at the national level.

Number of Aboriginal Self-Employed Workers	On Reserve	Off Reserve
On Reserve/Off Reserve Aboriginal Self-Employed Workers	3920	23 275

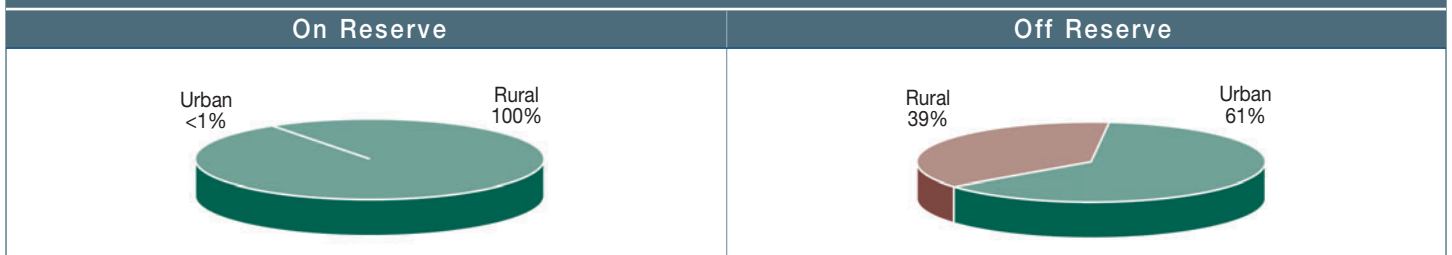
## Aboriginal Self-Employed Workers: Heritage Group Distribution



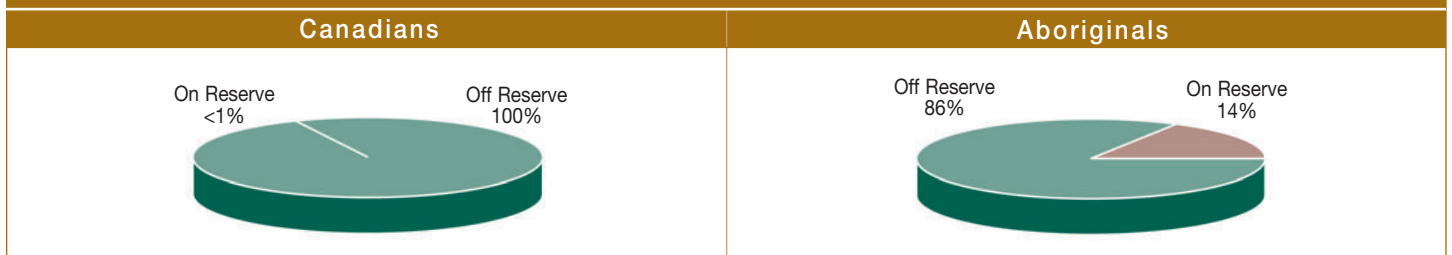
## Aboriginal Self-Employed Workers: Gender Distribution



## Aboriginal Self-Employed Workers: Urban/Rural Distribution



## Self-Employed Workers: On Reserve/Off Reserve Distribution



Source: Statistics Canada, 2001 Census