

Self-Employment Summary Bulletin for Shropshire

March 2023

Key Points

- The number of people in Shropshire who are self-employed has risen slightly since 2011 but at a slower rate than overall population growth. The ageing population and economic circumstances at the time of the Census have undoubtedly influenced the trend.
- Growth has, however, been higher than employment growth between 2011 and 2021 (+5.3% compared with +0.1%).
- Traditionally, Shropshire has enjoyed high levels of self-employment especially amongst the 16-64 population. The self-employment rate amongst the 16+ population is higher than in the West Midlands and England, although the gap has narrowed slightly over the last decade.
- Levels of self-employment are higher in the rural parts of Shropshire.
- More than four-fifths of the self-employed population are sole traders.
- Part-time employment is common amongst the self-employed, although less so for those who have employees.
- There has been a strong rise in the number of self-employed people working part-time and a corresponding fall in numbers working full-time. The Covid-19 pandemic is likely to have driven this trend, which has been replicated regionally and nationally as well as in Shropshire.

Prepared by the Business Improvement: Data, Analysis and Intelligence – Resources Directorate



Self-Employed Numbers & Rates

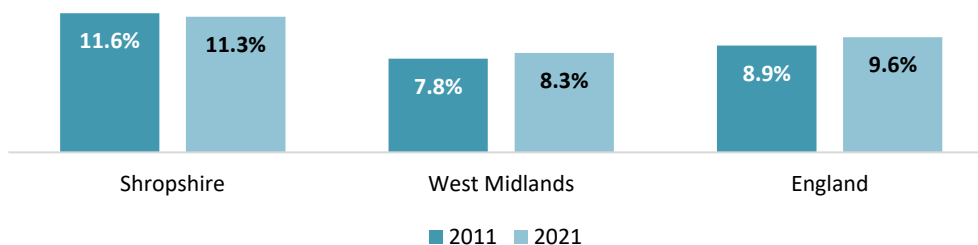
The number of self-employed people in Shropshire rose by 1,541 people (+5.3%) between the 2011 and 2021 Censuses which is lower than growth in the 16+ population (+7.6%). Nationally, the 16+ population rose by a similar amount (+7.0%), but the growth in the self-employed population exceeded this (+15.8%). The ageing population is impacting on levels of economic activity and employment rates – this is a national trend, but one that is being felt more acutely in Shropshire. Within the context of falling economic activity (-1.6% in Shropshire between 2011 and 2021) and static employment (+0.1% between 2011 and 2021), growth in self-employment has at least been sustained. It should be noted that the data is likely to have been impacted by the Covid-19 pandemic and its associated toll on the labour market.

Number of Self-Employed People

| | 16+ Population | | | Self-Employed Population | | |
|---------------|----------------|------------|----------|--------------------------|-----------|----------|
| | 2011 | 2021 | % change | 2011 | 2021 | % change |
| Shropshire | 252,979 | 272,245 | +7.6% | 29,320 | 30,861 | +5.3% |
| West Midlands | 4,507,405 | 4,801,331 | +6.5% | 351,062 | 401,053 | +14.2% |
| England | 42,989,620 | 46,006,957 | +7.0% | 3,846,289 | 4,454,696 | +15.8% |

Historically, Shropshire has had higher levels of self-employment than the West Midlands and England, especially amongst the working age population. Considering the total adult (16+) population, 11.3% were self-employed in 2021, which represents a slight decline from 11.6% in 2011. Although the rate remains higher in Shropshire, the gap has narrowed over the last decade, with the regional rate rising to 8.3% and the national rate to 9.6%.

Self-Employment Rates, 16+ Population, 2011 & 2021



Shropshire is in the top quartile of upper tier local authorities in terms of the self-employment rate, ranking 39th out of 174.

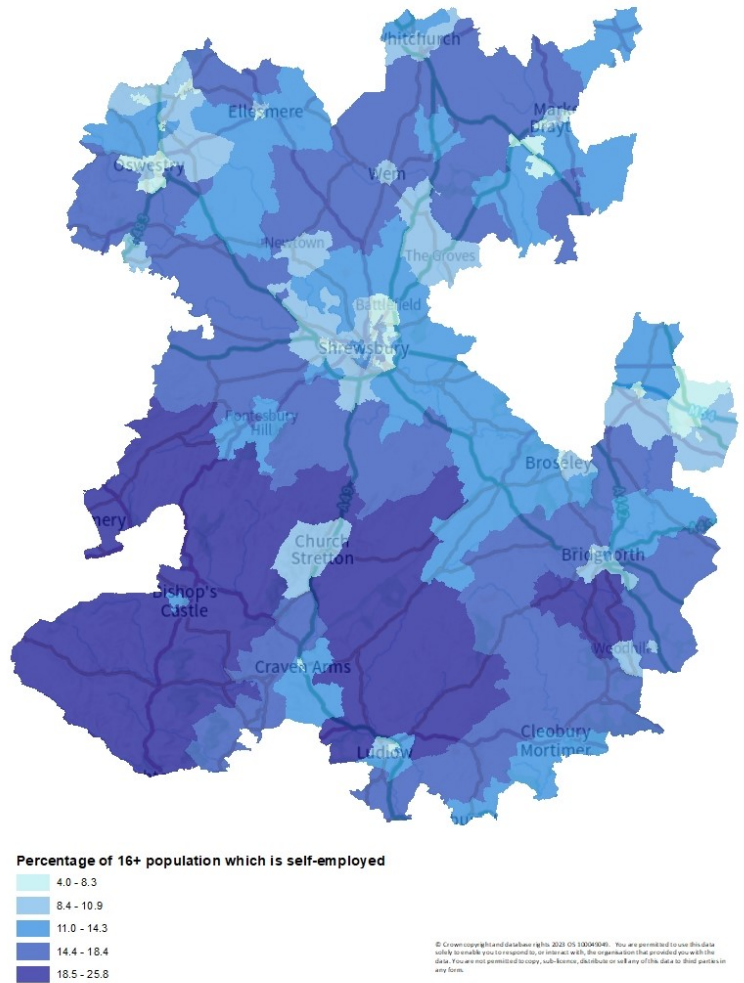


Self-Employment Rates by LSOA

Self-employment rates vary across Shropshire, as shown in the adjacent map. Rates range from 4% of the 16+ population to more than a quarter.

Typically, they are highest in rural areas, especially in the South and South West of Shropshire, where access to employment centres can be more challenging and where there is greater reliance on skilled trades and other professions where self-employment is common.

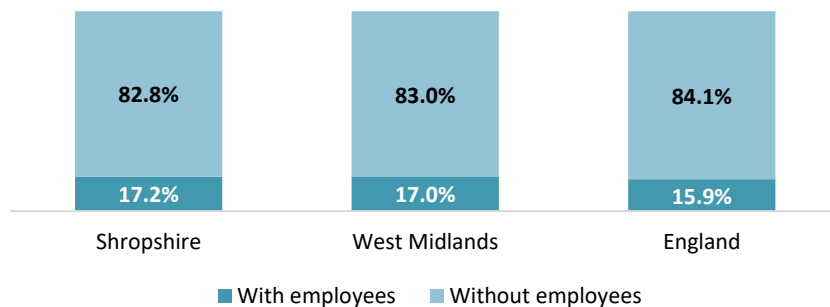
In contrast, self-employment is lower in the key market towns, especially in Shrewsbury and Oswestry where there is a broader range of employment opportunities.



Composition of the Self-Employed Population

Most self-employed people are sole traders and do not have any employees. The proportion which does employ staff is 17.2%, which is the equivalent of 5,299 people. This proportion is similar in the West Midlands and very marginally lower in England. 25,562 self-employed people in Shropshire do not employ anyone (82.8% of the total).

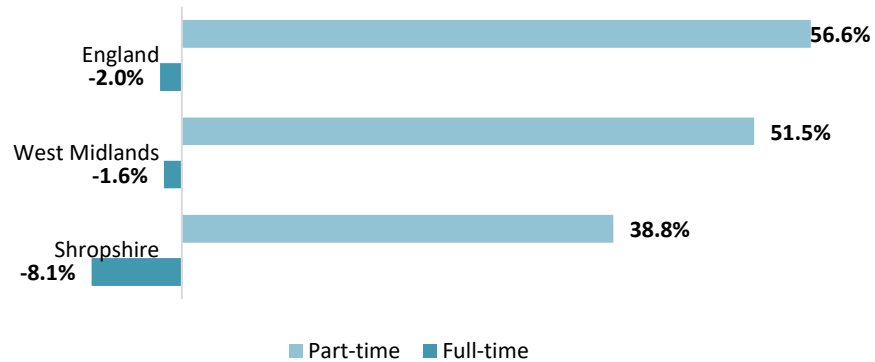
Proportion of Self-Employed Population with or without Employees, 2021



Employment by Type

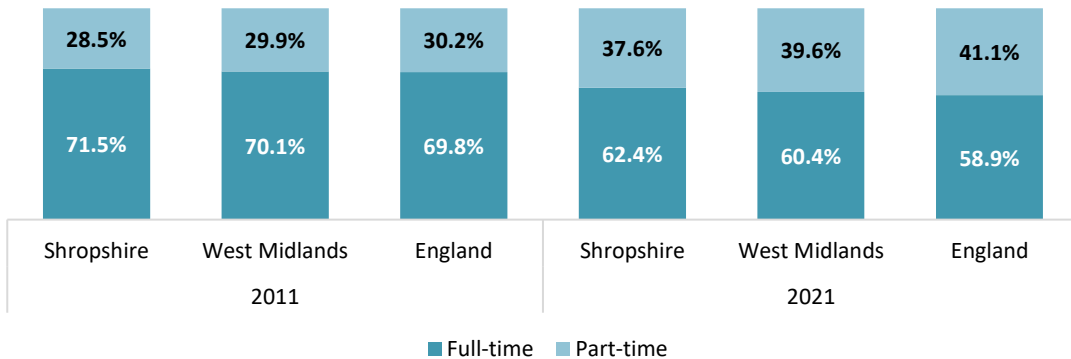
Although most self-employed people work on a full-time basis, there has been a very strong rise in the number of part-time workers over the last decade, and it is very likely that this has been heavily influenced by the pandemic and reduced work opportunities. In Shropshire, the number of self-employed people working full-time fell by 1,701 between 2011 and 2021 (-8.1%) while the number working part-time rose by 3,242 (+38.8%). This trend was replicated regionally and nationally, although the reduction in full-time self-employment was less acute and the rise in part-time self-employment was even stronger.

Change in Full-time and Part-time Self-Employment: 2011-2021



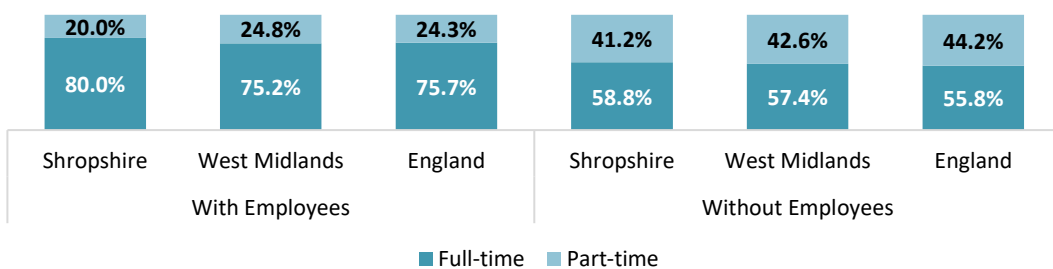
The proportion of the self-employed population working part-time rose from 28.5% in Shropshire in 2011 to 37.6% in 2021.

Breakdown of Self-Employment by Hours Worked, 2011 & 2021



Not surprisingly, the self-employed who have employees are much more likely to work on a full-time basis than their sole trader counterparts. In Shropshire, 80% of the self-employed with employees worked full-time compared with 58.8% of those with no employees.

Breakdown by Number of Hours Worked with and without Employees, 2021



Definitions

There are three main types of economic activity status:

- *economically active: in employment (an employee or self-employed)*
- *economically active: unemployed (those who were looking for work and could start within two weeks, or waiting to start a job that had been offered and accepted)*
- *economically inactive (those who did not have a job between 15 March and 21 March 2021 and had not looked for work between 22 February and 21 March 2021 or could not start work within two weeks)*

Full-time students who either work, or are looking for work, are classified as economically active.

The economically active population includes people who were put on furlough at the time of Census 2021, who were considered to be temporarily away from work.

The data in this bulletin have been extracted from 2021 Census table TS066 and from 2011 Census DC620 EW

For more information please contact: BusinessIntelligence@shropshire.gov.uk

Or refer to ONS website:

[Labour market and travel to work: Census 2021 in England and Wales - Office for National Statistics](#)

