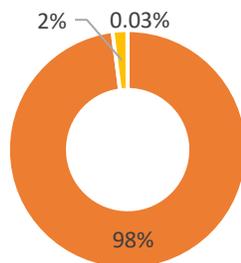


DEFINING ALGOMA'S SMALL BUSINESS

Industry Canada categorizes business as follows

- a small business has 1 to 99 paid employees
- a medium-sized business has 100 to 499 paid employees
- a large business has 500 or more paid employees

In Algoma, There are 2,947 employers who employ more than 1 employee. 2,878 of those employers fall under small businesses (98%), 18 of those are medium sized employers (2%), and 8 are larger employers (0.03%) as of June, 2017.¹



■ Small ■ Medium ■ Large Business

Number of Employers vs. Non-Employers in Canada
Employers are establishments with at least one person on payroll. Non-Employers are establishments which have no traditional payroll and consist of owner-operated businesses and businesses with part-time workers and contracted workers.

The majority of business establishments in Algoma are Non-Employers which represent 60% of all establishments (4,503 total business without employees).

Employer establishments that have one or more paid employees make up the remaining 40% percent of Algoma's establishments (2,947 total business with employees). As for Ontario, the percentages are similar as 70% make up Non-Employers businesses (1,058,931 total business without employees) and the remaining 30% make up Employer businesses (458,387 total employers with employees).

Micro Businesses vs. Small Businesses

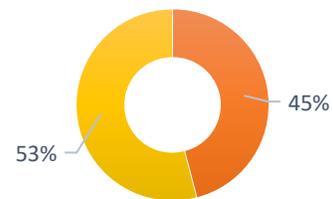
According to Industry Canada Small Businesses are those that have between 5 and 99 paid employees. Industry Canada actually breaks small businesses down into two categories - Micro and Small.

Micro Businesses are those that have between 1 and 4 paid employees.

Micro businesses are just a subset of small businesses, and for all intents and purposes are considered small businesses. However, it is interesting to segment micro businesses because they represent such a large portion of Algoma's businesses.

As you can see from the below chart, Micro Businesses (paid 1 to 4 employees) represents 45% of all the employer establishments in Algoma. Small Businesses (paid 5-99 employees) represents 53% of all the employers' establishments.

Together they account for 98% of the small business in Algoma.



■ Micro Businesses ■ Small Business

Key Takeaway

Small businesses are a part of our daily lives here in Algoma. They drive Ontario's economy and more importantly, our local communities. As small business owners, let's be proud of the contributions we make to our local communities and country as a whole. As consumers, let's take the initiative to support our local small businesses. After all, they are our family, friends, and neighbours.

¹ Source: Statistics Canada, Canadian Business Patterns, June 2017