

Harmonised Definitions for Business Data Variables

GSS Harmonised Definitions

Employment variables: Number of employees
and Number of self-employed persons

About This Document and Update History

GSS Harmonised Principle

About this document

This document forms part of a series of GSS Harmonised Principles, designed to provide approved harmonised questions, definitions and outputs for a variety of social and business related topics. The use of harmonised questions, definitions and outputs will provide greater consistency for survey producers and comparability when using data.

For more information, please see the Introductory Document, available on the GSS website:

<https://gss.civilservice.gov.uk/statistics/methodology-2/harmonisation/>

This is Version 1.0 published in July 2017.

This document is part of a series of harmonised definitions for business variables.

Contact




GSS Harmonised Principle

Contact us

For more information about Harmonisation or to join our mailing list, please visit our website at:

<https://gss.civilservice.gov.uk/statistics/methodology-2/harmonisation/>

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Employment variables: Number of employees and Number of self-employed persons

Employment Variables – Number of employees and Self-employed persons

Inputs - Definitions

This document is part of the set of Harmonised Principles for Business Data Sources. The harmonised versions of these variables are designed to meet best practice across the GSS, and adhere to national and international regulations in the collection and reporting of National and Official Statistics

This document details 7 discrete employment variables;

1. Number of Employees
 - 1.1. Disaggregation of Number of Employees
2. Number of self-employed persons
3. Number of employees and self-employed persons (Number of persons employed)

1. Number of Employees

Definition of Number of Employees

This variable represents the average number of persons who were, at some time during the reference period, employees of the statistical unit.

Further explanations to the definition

While the employment relationship, which qualifies the parties (into employee and employer), is defined in specific legislation or a contract, the term “employee” usually means a person hired to provide services on a regular basis, in exchange for benefits and where the services provided are not part of an independent business. An employee is anyone aged 16 years or over that an organisation directly pays from its payroll(s), in return for carrying out a full-time or part-time job or being on a training scheme. For the sake of clarity, apprentices, if hired under such conditions, are considered employees. (Directorate G: Global Business Statistics FRIBS TF/27 February 2014/Doc.02).

The average should be calculated as the arithmetic mean of the number of employees over the shortest time periods of equal length fitting into the reference period, for which regular observations are practicable (e.g. daily, weekly, monthly, quarterly, etc.). **For ease of collection and reducing respondent burden it is recommended that businesses are asked to supply this variable for a specific date.**

Note: *The question wording outlined in the following section is the suggested ways to ask these questions. To preserve harmonisation and minimise respondent burden we suggest that all question should have a harmonised style similar to that presented here, which includes the reporting date, the variable being collected and a reference to the business for which the data is being collected. It is also expected that variations in layout may be required based on the mode of collection.*

Example Question(s): Number of Employees

On **(Specific Date)** what was the number of employees for the business?

Guidance to respondent

Guidance should be given to the respondent to enable them to supply the required data. Wherever practicable the guidance should be placed as close to the question as possible.

Include	Exclude
<ul style="list-style-type: none">all workers paid directly from this business's payroll(s)	<ul style="list-style-type: none">working owners who are not paid via PAYE.
<ul style="list-style-type: none">those temporarily absent but still being paid, for example on maternity leave	<ul style="list-style-type: none">voluntary workers
	<ul style="list-style-type: none">former employees only receiving a pension
	<ul style="list-style-type: none">self-employed workers
	<ul style="list-style-type: none">agency workers paid directly from the agency payroll (to avoid confusion remove if the respondent is an employment agency)
	<ul style="list-style-type: none">subcontractors

The guidance to the respondent has primarily been derived from two European Commission Standards (Commission Regulation No 1503/2006 and Directorate G: Global Business Statistics FRIBS TF/27 February 2014/Doc.02) and current practice within Office for National Statistics

Note: The term 'business' in the question and guidance may be replaced by a more appropriate descriptions depending on the Standard Industrial Classification (SIC 2007), for example if the respondent is a Registered Charity or Government Department, 'organisation' maybe a more appropriate term to use than 'business'.

1.1. Disaggregation of Number of Employees

Definition of part – time work

There is no formal definition of part-time working although the OECD recommends that for international comparison 'part-time' should be defined as; "Part-time employment is defined as people in employment (whether employees or self-employed) who usually work less than 30 hours per week in their main job."(OECD)

However, there are also a number of other definitions used, for example www.gov.uk/part-time-worker-rights define a part-time worker as; "someone who works fewer hours than a full-time worker. There is no specific number of hours that makes someone full or part-time, but a full-time worker will usually work 35 hours or more a week."

Office for National Statistics use the definition of part-time employment to be "30 hours or less" for the collection of Business Data and for Census 2011. The Business harmonisation Task and Finish Group has agreed that part-time should be defined as "30 hours or less" for the collection of business statistics.

Question(s): Number of Employees with 30 hours or less / more than 30 hours per week split and male/female splits

On **(Specific Date)** what was the number of employees for the business?

What was the number of:

- a. Male employees working more than 30 hours per week?
- b. Male employees working 30 hours or less per week?
- c. Female employees working more than 30 hours per week?
- d. Female employees working 30 hours or less per week?
- e. Total Employees ? (this should be the sum of (a) to (d) above)

2. Number of self-employed persons

Definition of Number of self-employed persons

The number of self-employed persons is the average number of persons who were at some time during the reference period the sole owners or joint owners of the statistical unit in which they work. Family workers and outworkers whose income is a function of the value of the outputs of the statistical unit are also included.

Further explanations to the definition

The average should be calculated as described in the further explanations to the definition of the variable *Number of employees*.

An outworker is a person who agrees to work for or to supply a certain quantity of goods or services to a particular statistical unit, by prior arrangement or contract with said statistical unit, but whose place of work is not within any of the establishments which make up that statistical unit. The statistical unit neither controls the time spent at work by an outworker, nor assumes responsibility for the conditions in which that work is carried out. (Directorate G: Global Business Statistics FRIBS TF/27 February 2014/Doc.02).

Example Question(s): Number of self - employed persons

On **(Specific Date)** what was the number of self – employed persons for the business?

Guidance to respondent

Guidance should be given to the respondent to enable them to supply the required data. Wherever practicable the guidance should be placed as close to the question as possible.

Include	Exclude
<ul style="list-style-type: none">• partners, directors or working owners in this business who receive drawings and / or a share of profits, but are not paid via PAYE	<ul style="list-style-type: none">• all employees paid directly from this business's payroll(s) including directors and working owners paid via PAYE.
<ul style="list-style-type: none">• unpaid family workers	<ul style="list-style-type: none">• agency workers paid directly from the agency payroll
<ul style="list-style-type: none">• sole traders not paid via PAYE	
<ul style="list-style-type: none">• sole proprietors not paid via PAYE	
<ul style="list-style-type: none">• outworkers not paid via PAYE	

3. Number of employees and self-employed persons

Definition of Number of employees and self-employed persons

The number of employees and self-employed persons is the sum of the variables “*Number of employees*” and “*Number of self-employed persons*”. This is the same as the “Number of persons employed”

Note:

Number of persons employed = Number of employees + Number of self-employed persons

The number of employees is often used as a temporary approximation of the number of persons employed. However the distinction is important and when a business has a sizable proportion of working owners/proprietors or sole traders working in the business the variance between number of persons employed and number of employees can be significant.

This definition is consistent with the Short Term Statistics Definition of Variable: 210 “*Number of persons employed*” (*Commission Regulation (EC) 1503/2006*).

This variable can also be collected directly.

Example Question: Number of persons employees and self employed persons

On (Specific Date) what was the number of employees and self – employed persons for the business?

Guidance to respondent

Guidance should be given to the respondent to enable them to supply the required data. Wherever practicable the guidance should be placed as close to the question as possible.

Include	Exclude
<ul style="list-style-type: none">all employees paid directly from this business's payroll(s) including directors and working owners paid via PAYE	<ul style="list-style-type: none">agency workers paid directly from the agency payroll
<ul style="list-style-type: none">partners, directors or working owners in this business who receive drawings and / or a share of profits, but are not paid via PAYE	<ul style="list-style-type: none">voluntary workers
<ul style="list-style-type: none">those temporarily absent but still being paid, for example on maternity leave	
<ul style="list-style-type: none">unpaid family workers	

List of Annexes

- A. Visual example/ layout of Number of Employees with 30 hours or less / more than 30 hours per week split and male/female splits.

Visual example/ layout of Number of Employees with 30 hours or less / more than 30 hours per week split and male/female splits

On 12 June 2015 what was the number of employees for the business?

An employee is anyone aged 16 years or over that an organisation directly pays from its payroll(s), in return for carrying out a full-time or part-time job or being on a training scheme

Include

- all workers paid directly from this business's payroll(s)
- those temporarily absent but still being paid, for example on maternity leave

Exclude

- working owners who are not paid via PAYE.
- voluntary workers
- former employees only receiving a pension
- self-employed workers
- agency workers paid directly from the agency payroll)
- subcontractors

What was the number of:

a. Male employees working more than 30 hours per week?.....

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b. Male employees working 30 hours or less per week?.....

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c. Female employees working more than 30 hours per week?....

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d. Female employees working 30 hours or less per week?.....

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e. Employees ? (this should be the sum of (a) to (d) above).....

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