

JOBS AUDIT

Working hours in the UK – the irresistible rise of the ‘mini-job’

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The total number of hours worked per week in the UK is higher than ever before (970 million at the end of 2013). This is the result of a record number of people in work rather than an increase in the average number of hours people work each week. On the contrary, average working hours are lower today than in 1992, the earliest date for which comparable and consistent time series data are available from the Office for National Statistics (ONS).

It is a common popular perception that an increase in the number of people working shorter hours in recent years is entirely a consequence of the Great Recession and its aftermath. This is understandable given that the number of people working full-time has not yet returned to the pre-recession peak and that the proportion of people working part-time because they can't find a full-time job has doubled from 9% to 18% since the start of the recession. The suggestion therefore is that average working hours will increase as the economic recovery strengthens and at last provides the underemployed with the full-time jobs they require.

However, as this Jobs Audit concludes, although a sustained economic recovery should reduce underemployment it would be wrong to assume that this will reverse what is in fact a long-run trend toward shorter working hours in the UK, which reflects a combination of structural changes in the labour market and changing workplace practices.

The trend in working hours

Working hours are often discussed by reference to whether people are employed full-time or part-time. Yet while many analysts apply the conventional rule of thumb that part-time employment refers to jobs involving less than 30 hours of work per week there is no formal definition. The Labour Force Survey (LFS) headline estimates of the level and change in full-time and part-time employment are based on how survey respondents classify themselves, though the survey does record both the actual and usual hours (including paid and unpaid overtime) worked by respondents.

Each month the ONS publishes estimates of the average actual hours of work of full-time and part-time workers and hours worked by people in second jobs, as well as the overall average. Table 1 shows how the most recent estimates for 2013 compare with those in 1992, 2002 and at the start of the recession in 2008.

Table 1 Actual average weekly hours worked in the UK (1992-2013 seasonally adjusted)

	<i>All</i>	<i>Full-time</i>	<i>Part-time</i>	<i>Second jobs</i>
Mar-May 1992	33.1	38.1	14.8	9.4
Mar-May 2002	32.6	37.9	15.6	9.4
Mar-May 2008	32.0	37.1	15.6	10.1
Mar-May 2010	30.5	36.9	15.6	9.6
Mar-May 2013	32.0	37.5	15.9	9.5
Sep-Nov 2013	32.2	37.6	16.0	9.1

Source: ONS, Labour Force Survey

The overall average working week (32.2 hours in September-November 2013) is almost an hour shorter than 20 years ago, due to a fall in average hours in both full-time employment and in second jobs which is only partly offset by an increase in average hours in part-time employment. The recession saw a fall in hours in full-time employment and second jobs alongside stability in average part-time hours. This resulted in a fall in the overall average, though by 2013 the average had returned to the pre-recession level.

However, these averages to some extent conceal our view of the underlying trend in working hours which becomes clearer when one looks at the data series for usual weekly hours of work, see table 2 and figure 1. The ONS classifies hours into five sub-categories: less than 6 per week; 6-15 per week; 16-30 per week; 31-45 per week; and more than 45 per week. Our table further classifies these as 'micro-hours workers' (all those working 15 hours or less per week), 'mini-hours workers', 'midi-hours workers' and 'maxi-hours workers'.

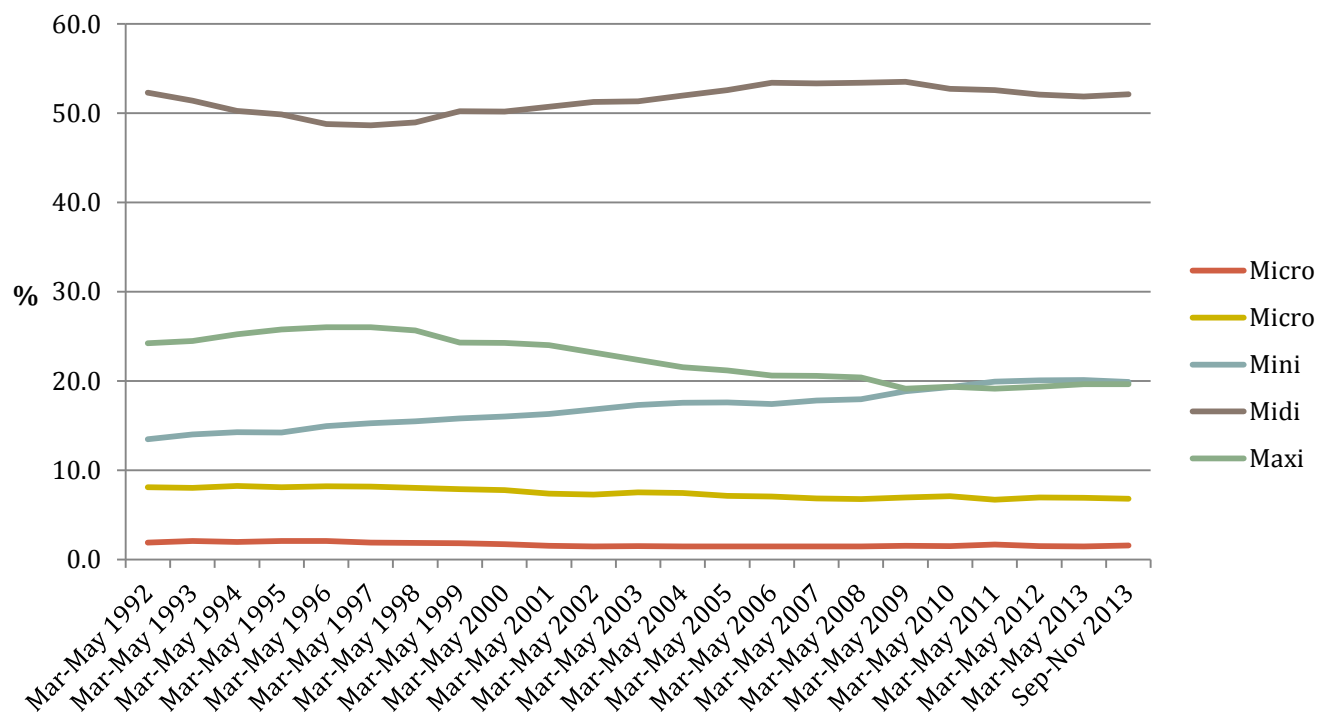
Table 2 Distribution of usual weekly hours of work (UK 1992-2013 seasonally adjusted)

	<i>Micro (less than 6 hours)</i>	<i>Micro (6- 15 hours)</i>	<i>Mini (16-30 hours)</i>	<i>Midi (31-45 hours)</i>	<i>Maxi (more than 45 hours)</i>
	% of total	%of total	% of total	% of total	% of total
Mar-May 1992	1.9	8.1	13.5	52.3	24.2
Mar-May 1993	2.1	8.0	14.0	51.4	24.5
Mar-May 1994	2.0	8.3	14.3	50.3	25.2
Mar-May 1995	2.1	8.1	14.2	49.9	25.8
Mar-May 1996	2.1	8.2	14.9	48.8	26.0
Mar-May 1997	1.9	8.2	15.3	48.6	26.0
Mar-May 1998	1.9	8.0	15.5	49.0	25.7
Mar-May 1999	1.8	7.9	15.8	50.2	24.3
Mar-May 2000	1.7	7.8	16.0	50.2	24.3
Mar-May 2001	1.5	7.4	16.3	50.7	24.0
Mar-May 2002	1.5	7.3	16.8	51.3	23.2
Mar-May 2003	1.5	7.5	17.3	51.3	22.4
Mar-May 2004	1.5	7.5	17.6	52.0	21.5
Mar-May 2005	1.5	7.1	17.6	52.6	21.2
Mar-May 2006	1.5	7.1	17.4	53.4	20.6
Mar-May 2007	1.4	6.8	17.8	53.3	20.6
Mar-May 2008	1.5	6.8	18.0	53.4	20.4
Mar-May 2009	1.6	6.9	18.9	53.5	19.1
Mar-May 2010	1.5	7.1	19.3	52.7	19.4
Mar-May 2011	1.7	6.7	19.9	52.6	19.1
Mar-May 2012	1.5	7.0	20.1	52.1	19.4
Mar-May 2013	1.5	6.9	20.1	51.9	19.6
Sep-Nov 2013	1.6	6.8	19.9	52.1	19.6

Source: ONS, Labour Force Survey

At present, just over half of people in employment (52% or 15.7 million) are midi-hours workers, around 1 in 5 (5.99 million) are mini-hours workers and a similar proportion maxi hours workers (5.91 million), with the remainder working micro-hours (2.5 million). The most striking feature is the ongoing trend toward mini-hours working and away from maxi-hours working. During the past two decades, the proportion of people in employment working mini-hours has increased from 1 in 7 to 1 in 5, while the proportion working maxi-hours has fallen from 1 in 4 to 1 in 5. But while the recession saw the number of mini-hours workers rise above the number of maxi hours workers for the first time these respective trends are apparent well before the recession and thus best viewed as long-run structural rather than cyclical phenomenon.

Fig 1 Distribution of usual weekly hours of work (UK, all in employment, 1992-2013)



One should note that the usual weekly hours figures refer to hours worked in a person’s main job. The apparent trend toward more people working mini-hours in their main job would therefore be misleading if it was simply accompanied by an offsetting rise in the number of people with second jobs. However, the proportion of workers with second jobs has remained fairly constant over time as have average hours in second jobs, so multi-jobbing can’t have affected the overall downward trend in working time (table 3).

Structural changes underlying trend to shorter workers hours

The key structural change affecting working hours has been the further shift in employment from manufacturing to services. In the past 20 years the share of manufacturing employment in total

employment has fallen from just over 20% to just under 10%, while the share of service sector employment has increased from just under 70% to 80%. This is important partly because people employed in manufacturing on average work more hours per week (around 42 hours in 2013) than workers in services (around 35 hours), and partly because average hours worked in services have tended to fall slightly over time as employers have adopted more flexible working practices whereas average hours worked in manufacturing have remained broadly stable.

Table 3: Second jobbers as % total employment and hours worked (UK 1992-2013, seasonally adjusted)

	<i>% of people in employment with second job</i>	<i>Average hours second job</i>
Mar-May 1992	3.8	9.4
Mar-May 2002	4.0	9.4
Mar-May 2008	3.8	10.1
Mar-May 2010	3.9	9.6
Mar-May 2013	3.7	9.5
Sep-Nov 2013	3.9	9.1

Source: ONS, Labour Force Survey

Another structural change, the growing share of self-employment, which now accounts for 14.4% of total employment, might have been expected to counter the trend toward shorter hours because the self-employed on average work longer hours (currently around 38 hours per week) than employees (around 36 hours per week). But this has not occurred because both the self-employed and employees exhibit the same trend toward mini-hours working and away from maxi-hours working (figures 2 and 3).

Fig 2 Distribution of usual weekly hours of work (UK, employees, 1992-2013)

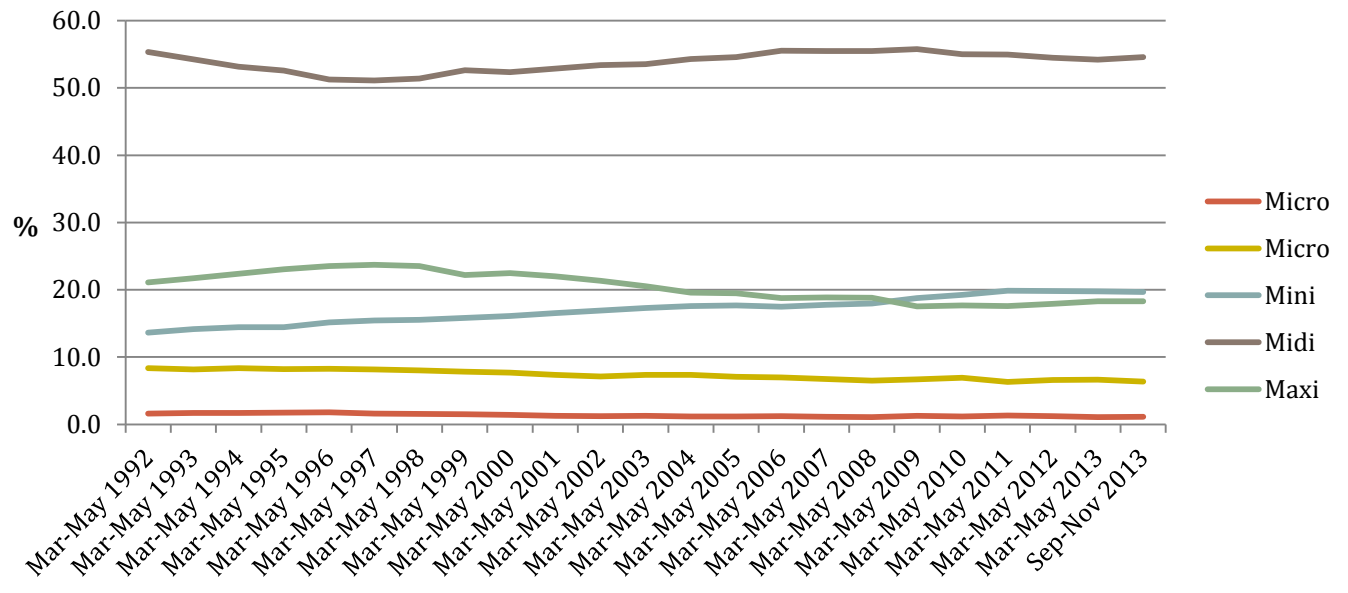
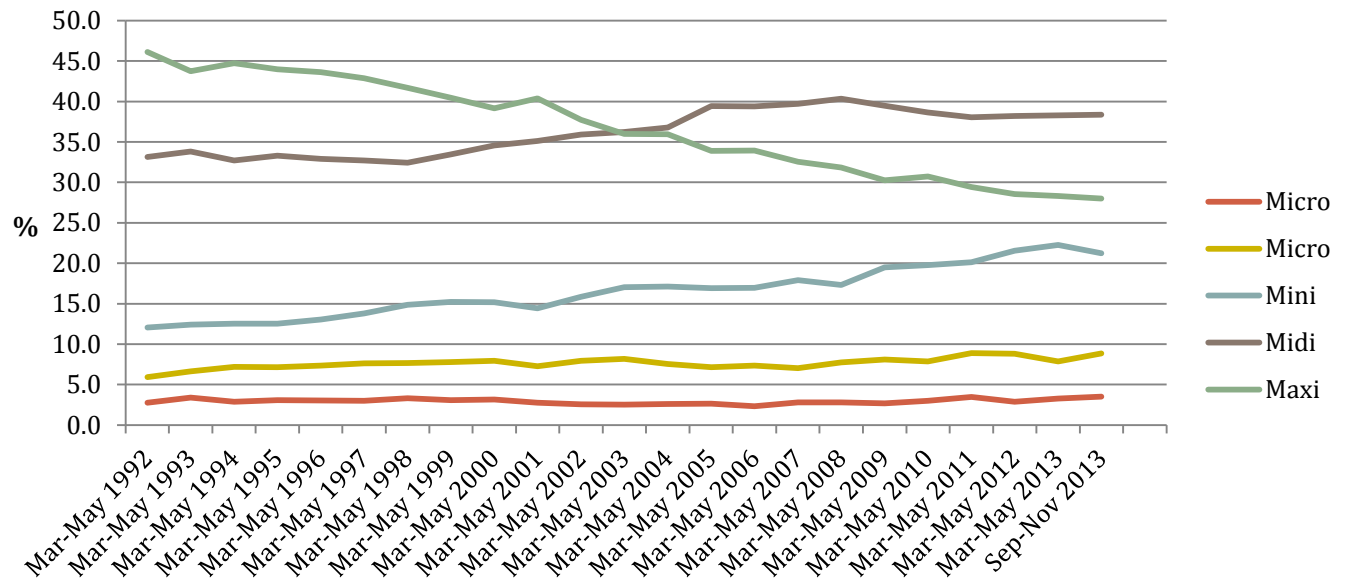


Fig 3 Distribution of usual weekly hours of work (UK, self-employed, 1992-2013)



The structural shift toward service sector employment and shorter hours working is intertwined with the increased participation of women in the labour market. But the trend toward shorter hours working is not explained simply by the changing gender balance of the workforce. While men on average work longer hours than women, the trend toward mini-hours working is observed for both men and women (figures 4 and 5). The structural trend toward shorter hours is almost certainly also related to the ageing workforce, with older workers, especially the more than 1 million working beyond state pension age who now comprise around 4% of total employment, for a variety of reasons preferring to work part-time. What is perhaps surprising in this latter respect, however, is the absence of any obvious effect of workforce ageing on the share of people working in micro-jobs, which one might have also expected to be attractive to older workers.

As a result of these various changes therefore, although the UK continues to be characterized as having an ingrained long hours work culture the reality has been an ongoing structural shift toward a shorter hours work culture which is likely to continue even in better economic times. Insofar as the trend toward mini-jobs may indicate that more people are able to strike a better work-life balance it

may be viewed as a positive development, although those for whom a mini-job also means a mini weekly income might take a less rosy view of our emerging employment landscape.

Fig 4 Distribution of usual weekly hours of work (UK, all men in employment, 1992-2013)

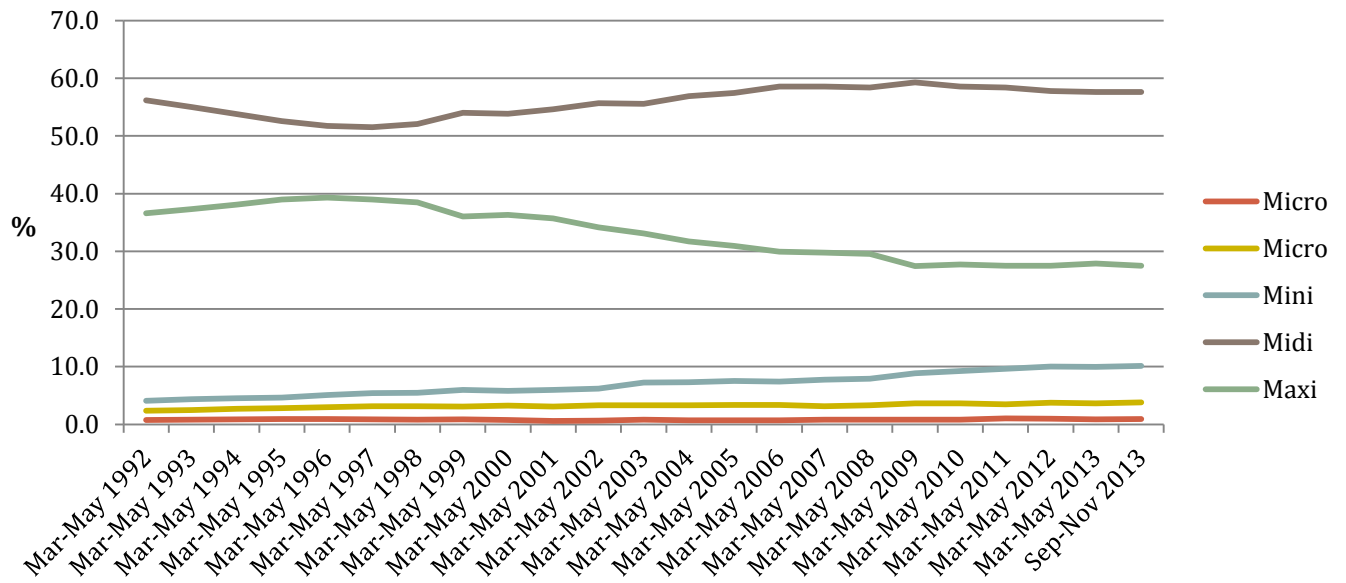


Fig 5 Distribution of usual weekly hours of work (UK, all women in employment, 1992-2013)

