PL031: Self-defined current economic status

Domain/Area	Labour information/Basic labour information on current activity status
	and on current job
Transmission type	Early and regular
Reference period	Current
Unit	All current household members aged 16 and over
Mode of collection	Personal interview, proxy or registers
Values	1 Employee working full-time
	2 Employee working part-time
	3 Self-employed working full-time (including family worker)
	4 Self-employed working part-time (including family worker)
	5 Unemployed
	6 Pupil, student, further training, unpaid work experience
	7 In retirement or in early retirement or has given up business
	8 Permanently disabled or/and unfit to work
	9 In compulsory military or community service
	10 Fulfilling domestic tasks and care responsibilities
	11 Other inactive person
Flags	1 Filled
	-1 Missing

Description

This variable replaces, from the 2009 operation onwards, the variable PL030 defined in the EU-SILC Regulation¹.

The self-declared current 'main activity status': The concept of 'current' implies that any definitive changes in the activity situation are taken into account. For instance, if a person has lost a job or has retired recently, or the activity status has otherwise changed in a definitive manner, then the situation as of the time of the interview should be reported. In this sense, 'current' overrides any concept of averaging over any specific reference period.

The target variable captures the person's own perception of their main activity at present. It differs from the ILO concept to the extent that people's own perception of their main status differs from the strict definitions used in the ILO definitions. For instance, many people who would regard themselves as full-time students or homemakers may be classified as ILO-employed if they have a part-time job. Similarly, some people who consider themselves 'unemployed' may not meet the strict ILO criteria of taking active steps to find work and being immediately available.

The self-declared main activity status is, in principle, determined on the basis of how most time is spent, but no criteria have been specified explicitly.

If the person combines different part-time jobs as an employee that result in the equivalent hours of a full-time job, the person should consider his/herself as employee working full time (modality 1). The same holds if the person has a main job as an employee and an additional "small" (in terms of hours) second job as a self-employed person, both jobs being remunerated

¹ An agreement was reached during the Living Conditions Working Group meeting in June 2008 that the variable PL030 will be replaced by the variable PL031 with slightly different answering categories in order to harmonise labour variables. In 2010, the LC WG agreed that from the 2011 operation onwards, they would suppress PL030 and retain only PL031.

in what would be considered, together, as the remuneration for a full-time equivalent role.

Work: 'Work' means any work for pay or profit. Pay includes cash payments or 'payment in kind' (payment in goods or services rather than money).

Self-employed persons with a business, farm or professional practice are also considered to be working if one of the following applies:

A person works in his own business, professional practice or farm for the purpose of earning a profit, even if the enterprise is failing to make a profit;

A person spends time on the operation of a business, professional practice or farm even if no sales were made, no professional services were rendered, or nothing was actually produced (for example, a farmer who engages in farm maintenance activities; an architect who spends time waiting for clients in his/her office; a fisherman who repairs his boat or nets for future operations; a person who attends a convention or seminar);

A person is in the process of setting up a business, farm or professional practice; this includes the buying or installing of equipment, and ordering of supplies in preparation for opening a new business:

An unpaid family worker is said to be working if the work contributes directly to a business, farm or professional practice owned or operated by a related member of the same household.

<u>Seasonal workers</u>: During the off-season, seasonal workers cannot be considered as having a formal attachment to their high-season job—because they do not continue to receive a wage or salary from their employer even though they may have an assurance of return to work.

<u>Maternity and paternity leave</u>: Maternity leave is first given to the mother (but may include the leave of the father in the case of a transfer of the entitlements) and corresponds to the compulsory period of the leave stipulated by national legislation to ensure that mothers have sufficient rest, before and after childbirth, or for a period that is specified according to national circumstances.

People on maternity leave should always be considered as working.

The idea of having an additional category in the national questionnaire is seen as good practice.

<u>Parental leave</u>: Parental leave can be taken either by the mother or the father and is the interruption of work in the case of childbirth or bringing up a child of a young age. It corresponds to the period when parents receive "parental leave benefit". People on full-time parental leave should be treated as not working.

<u>Layoffs</u>: A person who is laid off is one whose written or unwritten contract of employment, or activity, has been suspended by the employer for a specified or unspecified period at the end of which the person concerned has a recognised right or recognised expectation to recover employment with that employer.

Layoffs are classified as working if they receive $\geq 50\%$ of their wage or salary from their employer or have an assurance of return to work within a period of three months.

Employee: Employees are defined as persons who work for a public or private employer and who receive compensation in the form of wages, salaries, fees, gratuities, payment by results or payment in kind; non-conscripted members of the armed forces are also included.

An employee is usually working for an outside employer, but a son or daughter, for example, who is working in a parent's firm and receives a regular monetary wage is classified here as

an employee.

A woman looking after children in her own home is classified as an employee if she is paid to do this by the local authority (or any other public administration) and if she doesn't take any decision affecting the enterprise (e.g. schedules or number of children). She is classified as self-employed if she undertakes such work privately.

Apprentices, or trainees receiving remuneration should be considered as employees.

Priests (of any kind of religion) are considered as employees

Persons who are simultaneously working in their own professional practice and for a public or private employer (e.g. doctors with their own practice and working in a hospital) should be classified according to the where they work the greater number of hours.

Self-employed: Self-employed persons are defined as persons who work in their own business, professional practice or farm for the purpose of earning a profit.

Members of producers' co-operatives should be considered as self-employed if in the co-operative, each member takes part on an equal footing with other members in determining the organisation of production, sales and/or other work of the establishment, the investments and the distribution of the proceeds of the establishment amongst their members.

Family worker: Family workers are persons who help another member of the family run an agricultural holding or other business, provided they are not considered as employees.

Persons working in a family business or on a family farm without pay should be living in the same household as the owner of the business or farm, or in a slightly broader interpretation, in a house located on the same plot of land and with common household interests. Such people frequently receive remuneration in the form of fringe benefits and payments in kind. However, this applies only when the business is owned or operated by the individual themselves or by a relative. Thus, unpaid voluntary work undertaken for charity should not be included.

This category includes:

A son or daughter working in the parents' business or on the parents' farm without pay;

A wife who assists her husband in his business, e.g. a haulage contractor, without receiving any formal pay;

Full-time/part-time: The distinction between full-time and part-time work should be made on the basis of a spontaneous answer provided by the respondent. It is impossible to establish a more exact distinction between part-time and full-time work, due to variations in working hours between Member States and also between branches of industry. By checking the answer with the number of hours usually worked, it should be possible to detect and even to correct implausible answers, since part-time work will hardly ever exceed 35 hours, while full-time work will usually start at about 30 hours.

As mentioned above, if the person combines different part-time jobs as an employee that amount together to the equivalent of full-time work, the person should consider his/herself as employee working full-time.

Retirement, early retirement: See RB170: Main activity status during the income reference period