

# Self-employed up 367,000 in Four Years, Mostly Since 2011

Coverage: **UK**

Date: **06 February 2013**

Geographical Area: **UK**

Theme: **Labour Market**

---

## Key points

The key points are:

- The number of workers who are self-employed in their main job rose 367,000 between 2008, the start of the economic downturn, and 2012.
- 60% of the increase in self-employed workers occurred between 2011 and 2012.
- 84% of the increase in self-employed workers since 2008 was for those aged 50 and above.

In 2012:

- Self-employed people worked longer hours than employees, tended to be older than employees and were more likely to be male.
- The four most common occupations for self-employment were taxi or cab drivers, 'other' construction trades, carpenters and joiners and farmers.
- The proportion of workers who were self-employed was highest in London (18%), while the lowest proportion was in the North East (11%).

A short video explaining this story using audio commentary and graphical animations is available on the [ONS YouTube channel](#).

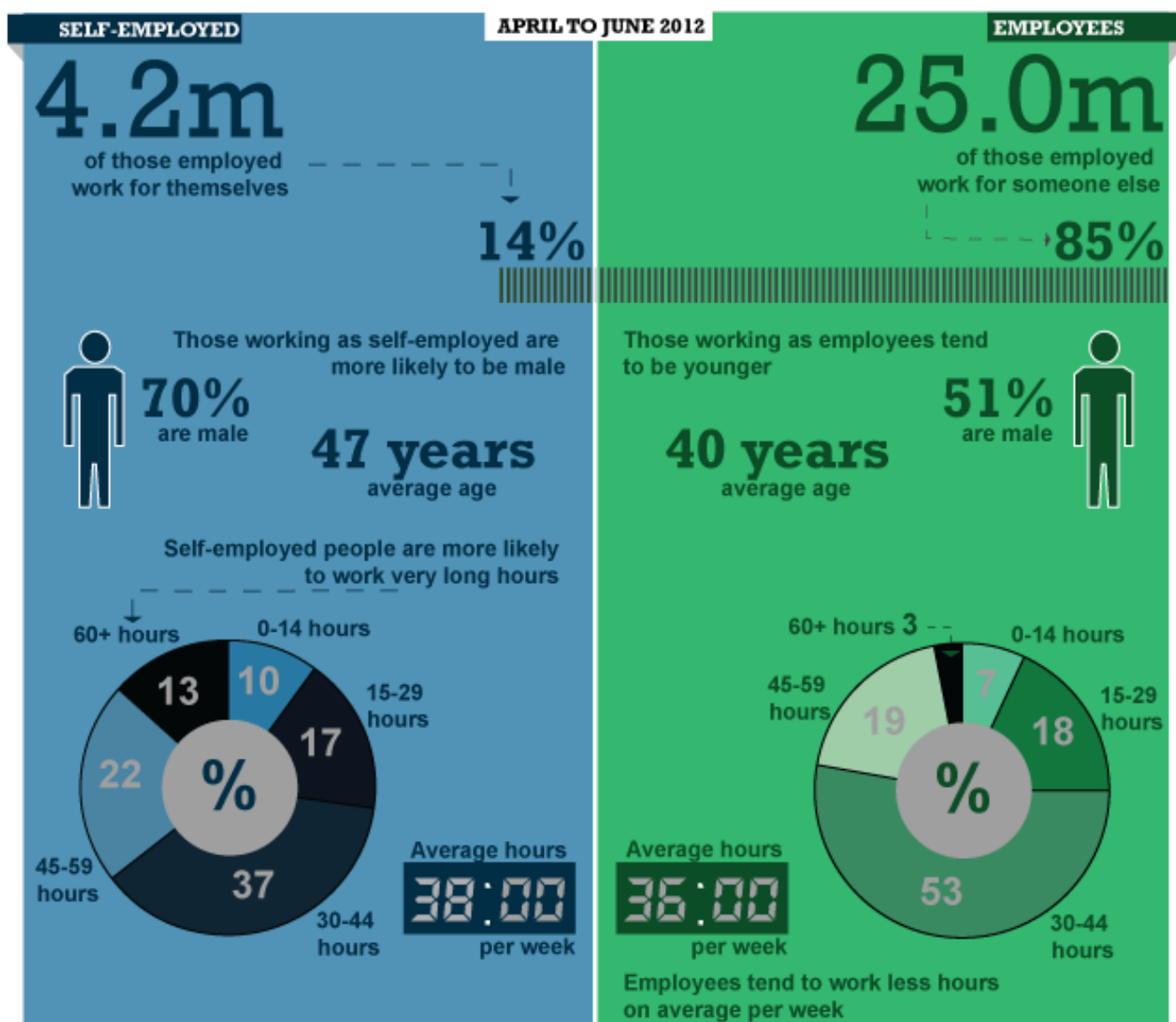
A short interview with Jamie Jenkins (Labour Market Analyst) explaining the characteristics of self-employed workers in the UK is available on the [ONS YouTube channel](#).

## Self-employed up 367,000 in four years, mostly since 2011

In April to June 2012, there were an estimated 4.2 million people in the UK who were self-employed in their main job. This represented 14% of the 29.4 million people in employment. Compared with employees – which are those who work for someone else – self-employed people tended to be older with a higher concentration of men.

The average working week for a self-employed person was 38 hours, two hours more than the average for employees. Self-employed people were also more likely than employees to work very long hours with 35% working 45 hours or more per week compared with 22% of employees. Also, 13% of self-employed people worked 60 hours or more per week compared with 3% of employees. Focusing on those who worked 60 hours or more, the top self-employed occupation was a farmer, indicating that long hours may reflect the nature of some self-employed jobs.

### Self-employed workers compared to employees, April to June 2012, UK



Source: Labour Force Survey - Office for National Statistics

#### Download chart

[XLS](#) [XLS format](#)  
(39.5 Kb)

In addition to these 4.2 million workers who were self-employed in their main job, in April to June 2012 there were a further 304,000 people who were not self-employed in their main job but had a second job in which they were self-employed.

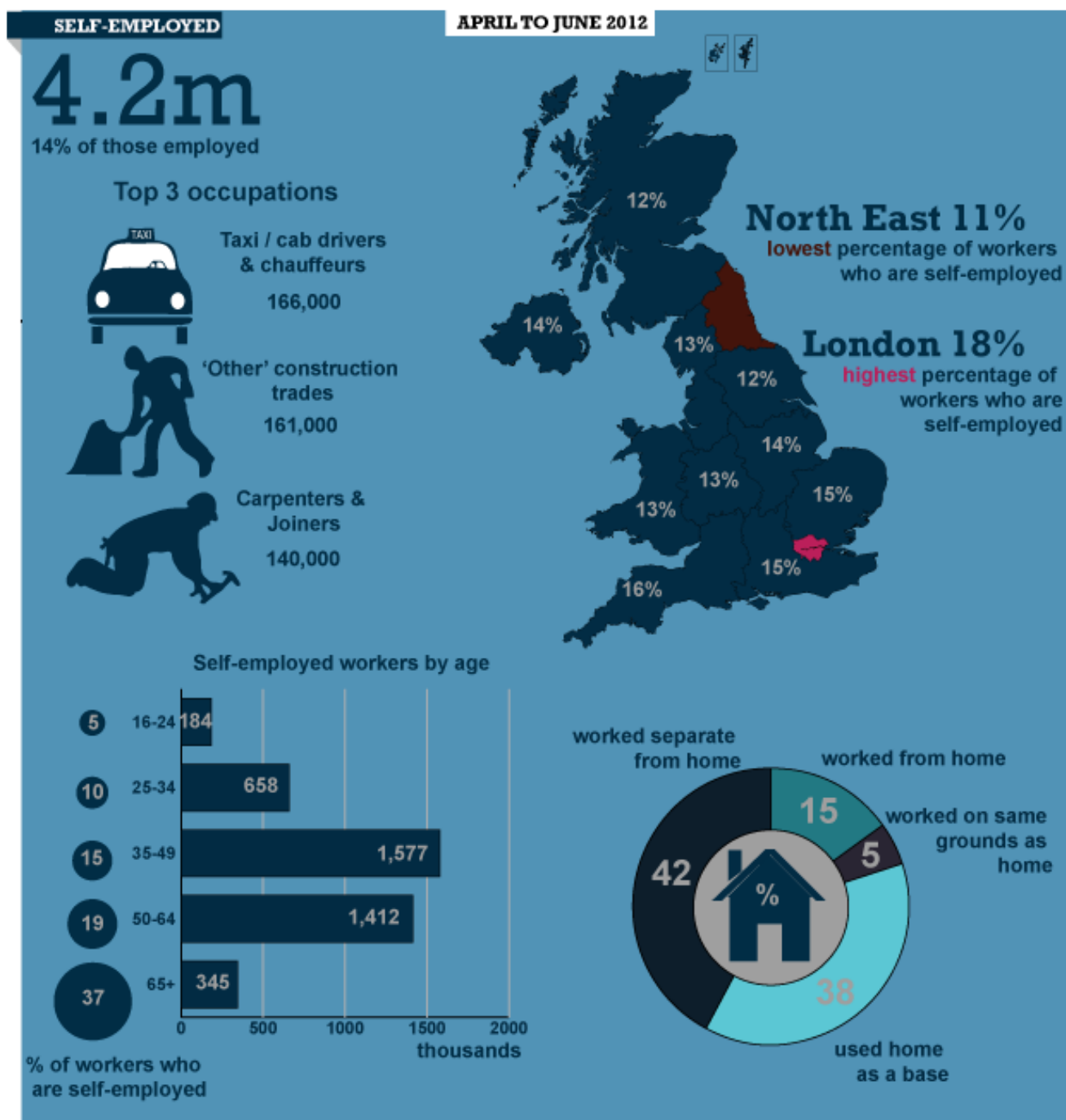
### **Self-employment highest in London**

Focusing on the regions of England and the devolved countries of the UK, in 2012, London, the South West, the South East and the East of England all had percentages of self-employed workers higher than the UK. London had the highest percentage with 18% of those in employment being self-employed and the North East had the lowest with 11% of those in employment being self-employed.

There has been very little change in the top self-employed occupations over the last 20 years and in 2012 the four most common occupations were taxi/cab drivers and chauffeurs, 'other' construction trades, carpenters/joiners and farmers.

The home is a place of work for some self-employed workers with 58% relying on their home to carry out some or all of their working duties in 2012. 15% worked from their own home, 5% worked on the same grounds or building as their home and 38% used their home as a base.

## Self-employed workers, 2012, UK



Source: Labour Force Survey, Annual Population Survey (APS) - Office for National Statistics

**Download chart**

[XLS](#) [XLS format](#)  
(33.5 Kb)

**Older age groups have higher percentage of self-employed**

Employment, whether self-employed or as an employee, is most prevalent in the middle aged category of 35 to 49 years. For those who are self-employed, 1.6 million or 38% were in this age group. A further 1.4 million or 34% of the self-employed were in the age group 50 to 64 years.

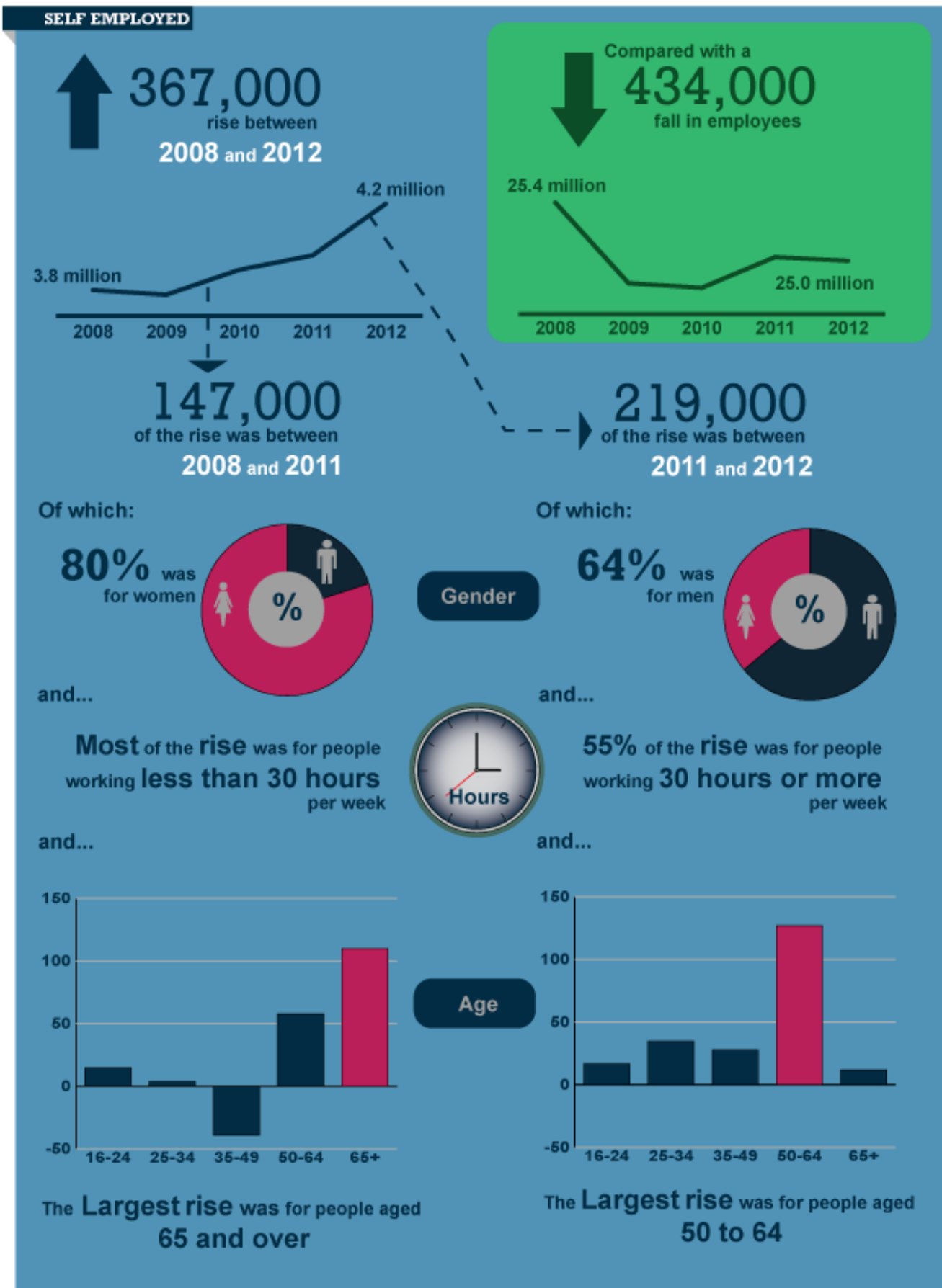
As people get older they are far more likely, if in work, to be self-employed. Just 5% of young people aged 16 to 24 who are working are self-employed compared with 37% of those aged 65 and over. This may be due to older workers finding it easier to set up as self-employed after gaining experience and skills working for someone else and establishing a network of contacts. It may be easier for some older workers to gain access to the initial start up costs associated with some self-employed jobs, for example through redundancy payments or savings. Also older workers may be more likely to carry on working if they are self-employed than if they were working for someone else as they become more attached to the business and will not have a pension set up by an employer.

### **Number of self-employed increased by 367,000 between 2008 and 2012**

Focusing on changes between April to June 2008, the start of the 2008/09 recession, and the same quarter in 2012, the number of self-employed people increased by 367,000 continuing a rising trend. The rise in self-employment over this four year period happened against a backdrop of falling numbers of people working as employees which fell by 434,000.

Of this 367,000 increase in self-employed people, 219,000 (60%) occurred between 2011 and 2012.

## Change in self-employed workers, April to June 2008-2012, UK



Source: Labour Force Survey - Office for National Statistics

## Download chart

[XLS](#) [XLS format](#)

(32 Kb)

Looking at the regions of England and the devolved countries of the UK, between 2008 and 2012 the number of self-employed workers increased in all regions except Northern Ireland where the number decreased.

For the UK, while there has been an increase in the number of people who are self-employed there has been a reduction in the number of employees who work for the self-employed. Between 2008 and 2012 there were 66,000 fewer people who were self-employed and had employees working for them, with a 431,000 increase in people who were self-employed and worked solely on their own or with a partner but specify they have no employees.

Between 2008 and 2012, the percentage of self-employed workers who were underemployed, i.e. those who wanted to work more hours, increased from 6.4% to 10.8%. Therefore, although still a minority, some self-employed people were working fewer hours than they would have liked possibly due to a lack of demand. While in the past the underemployment rate for the self-employed tended to be below the rate for employees, during the economic downturn in 2008 the underemployment rate for the self-employed exceeded that of employees. In 2012 the percentage of employees who were underemployed was 10.5%. This had also increased since 2008 when it was 7.2%. A story focusing on underemployment was published in [November 2012](#).

### **84% of the increase in self-employed workers since 2008 was for those aged 50 and above**

Focusing on the rise in self-employment since 2008, five in every six (84%) were aged 50 and over. Within this four year period there have been two distinct phases: 2008-2011 and 2011-2012.

Between 2008 and 2011 most of the increase in self-employment was among:

- people aged 65 and over;
- women (accounting for 80% of the increase);
- people working less than 30 hours per week.

Between 2011 and 2012 the increase in self-employment was concentrated in:

- people aged 50 to 64;
- men (accounting for 64% of the increase);
- people working 30 hours or more per week who accounted for over half of the rise.

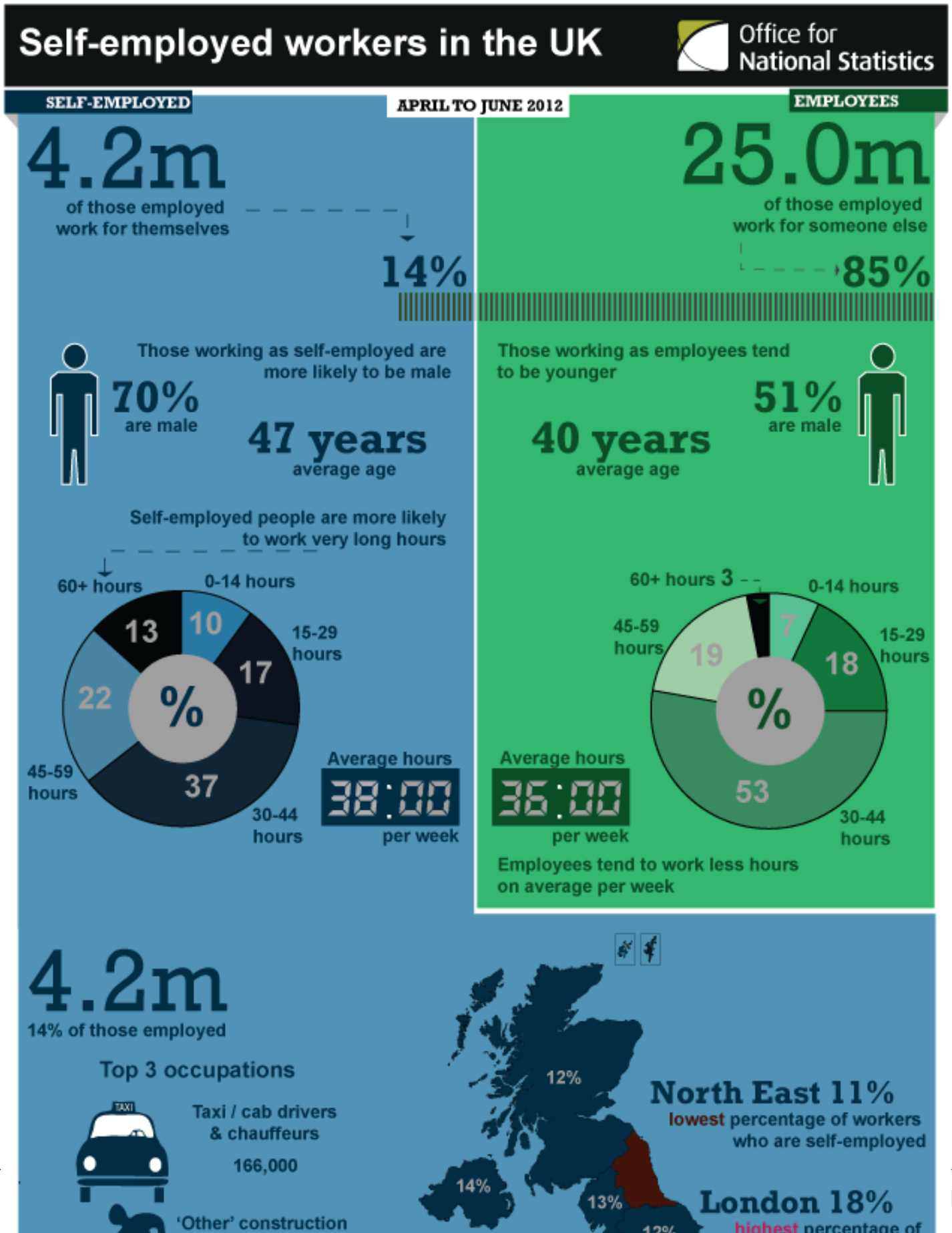
Finally, the increase in the number of self-employed workers was spread over a number of occupations and industries. Between 2011 and 2012 the most common increases were in

specialised construction activities and services to buildings and landscape which includes, for example, landscape gardeners.



# Full length infographic

Infographic illustrating self-employed workers in the UK



## Background notes

1. This report is part of a series of work on the labour market and economy to help in understanding the productivity conundrum. A detailed preliminary report was published on [October 16th](#).
2. All of the estimates in this story are not seasonally adjusted.
3. All UK analysis uses the quarterly LFS datasets for April to June.
4. All regional analysis uses annual APS datasets for July to June.
5. In April to June 2012, of the 29.4 million people in employment, 14% were self employed, 85% were employees and the rest were either on Government supported training schemes or were unpaid family workers.
6. Hours worked refers to the total usual hours worked including overtime. This is unavailable for some workers.
7. The mean is used for average hours and average age.
8. Changes in the number of self-employed people since 2008 by industry and occupation have not been included due to classification changes.
9. Underemployed workers are those who are employed but who either wish to work more hours in their current role or who are looking for an additional job or for a replacement job which offers more hours. They must also be over 16 and be currently working under 40 hours per week if they are between 16 and 18 and under 48 hours if they are over 18. Finally, they must be able to start working extra hours within the next two weeks.
10. The underemployment rate is calculated by dividing the number of underemployed workers by the number of people in employment who have known underemployment status.
11. The occupation 'other construction trades' is a general category for construction workers who do not fall into the other main skill groups, such as carpenters or plumbers. They undertake a variety of tasks in the construction, alteration, maintenance and repair of buildings and other structures.
12. Details of the policy governing the release of new data are available by visiting [www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html](http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html) or from the Media Relations Office email: [media.relations@ons.gsi.gov.uk](mailto:media.relations@ons.gsi.gov.uk)

These National Statistics are produced to high professional standards and released according to the arrangements approved by the UK Statistics Authority.

## Copyright

© Crown copyright 2013

You may use or re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit [www.nationalarchives.gov.uk/doc/open-government-licence/](http://www.nationalarchives.gov.uk/doc/open-government-licence/) or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).

This document is also available on our website at [www.ons.gov.uk](http://www.ons.gov.uk).