

Module on Self- Empoyment 2017

Methodology

Madrid, June 2018

1. Background

The Community Labour Force Survey (CLFS) is coordinated throughout the European Union in accordance with Council Regulation 577/98 on the organisation of a labour force sample survey in the Community (Official Journal L 077, 14 March 1998).

In Spain, the Community Labour Force Survey is included in the Spanish Labour Force Survey, which was adjusted to the mentioned regulation since the first quarter of 1999.

This regulation establishes that a series of questions on particular issues related with the labour market must be included in the second quarter of each year. Therefore, until 2005 an ad hoc module was carried out during these quarters in Spain, together with the Spanish Labour Force Survey.

En 2005, Regulation 430/2005 was published. It gave the opportunity to provide a group of variables called *structural variables* for an annual sub-sample which would be representative of the year. In case of using an annual sub-sample, it was determined that the gathering of information corresponding with the modules should be carried out together with the sub-sample variables during the whole year.

Therefore in Spain, starting from 2006, the questionnaire associated with the module is asked during the whole year in the sixth interview and for a sixth of the sample, when the information on the sub-sample variables is gathered.

For 2017 the subject addressed was *Self-employment*, pursuant to the Commission Implementing Regulation (EU) 2016/8 of 5 January 2016 which defines the technical characteristics of the LFS AHM.

In this module the self-employed group has been defined as it is in the currently in force International Classification on Status in Employment (ICSE). The characterization of some special collectives whose distinction between self-employed and employees is not clear is beyond the scope of the variables covered by the module. This subject will be taking into account in the new ICSE 2018, currently in development phase.

The target population in the 2017 AHM is everybody aged 16 or more who is employed.

2 Survey design and field work

The sample design of the ad-hoc module *on self-employment* is the same as that of the Spanish Labour Force Survey, since it is carried out together with the survey in a sixth of the quarter sample and during the whole year. The most important characteristics of the simple design are described below. More information is available on the National Statistics Institute publications: *EPA. Manual técnico* (Spanish Labour Force Survey. Technical handbook) and *EPA. Descripción de la encuesta, definiciones e instrucciones para la cumplimentación del cuestionario* (Spanish Labour Force Survey. Survey description, definitions and instructions to complete the questionnaire).

The Spanish Labour Force Survey is a continuous and quarterly survey whose geographical scope is the entire national territory. It is addressed to the population living in the main family dwellings, that is the dwellings used during the whole year or most of the year as a permanent and usual home. Collective households (such as hospitals, old people's homes, barracks, convents...) and secondary or seasonal dwellings are not included in the survey.

The survey has a stratified two-stage sampling. Census sections are the first-stage units and household dwellings are the second-stage units. All persons residing in selected dwellings are interviewed.

The sample size is 3,822 sections and, typically, 20 dwellings by section are interviewed on average. So that, the theoretical sample size is around 76,000 dwellings per quarter.

The sample has been spatially distributed following a compromise allocation between proportional allocation and uniform allocation, aiming at being able to provide province estimates (NUTS 3) and Autonomous Communities estimates (NUTS 2).

On the other hand, the sample is evenly distributed along the thirteen weeks that make each quarter. Around 5,000 dwellings are interviewed per week.

The sections sample is divided in 6 sub-samples called *waves* and each quarter the dwellings of a wave are replaced; thanks to this mechanism, each family is interviewed during six consecutive quarters and replaced by another family of the same section at the end of the six quarters period.

The field work is carried out by the interviewers working for the National Statistics Institute in each of its 52 delegations. The first interview is personal, the second and following interviews are carried out by phone, unless the family does not have a phone or if they prefer a personal interview.

Personal interviews are carried out in each one of the 52 delegations while the phone interviews are carried out in 7 delegations, where the CATI centres (centres for the computer-assisted gathering of phone information) are located. All the interviews are carried out with a laptop or a desktop computer. The delegation working system is weekly and basically the sequence is as follows:

– Interview week

- Revision and data editing week
- Questionnaires submission to Central Services (by teleprocessing) week

In December 2016 a intranet web page was created so that the provincial delegations could consult the ad-hoc module questions and the instructions for filling it in.

The fieldwork was carried out between January 9th 2017 and January 6th 2018, corresponding to the reference period between January 2th 2017 and December 31st 2017.

Table 1 shows sample size and non response.

Tabla 1. Sample size and non response in the sixth interview along the 2017 four quarters

	Total	
	Absolute value	Percentage
Initial sample	45,510	100
Refusals	2,231	4.90
Absences	3,629	7.97
Inaccessible	663	1.46
Total non response	6523	14.33
Interviewed original sample	38,987	86.93

38,987 dwellings made up the finally interviewed sample. None of them were rejected during the centralized processing.

Table 2. Sample effectively interviewed in the sixth interview

	Total	
	Absolute value	Percentage
Original simple interviewed	38,987	100
Sample loss due to centralized processing	0	0
Sample effectively interviewed	38,987	100

37,513 people were considered candidates for the target population of the 2017 ad-hoc module survey. There were 5 cases of non response for the module.

3 Questionnaire

Module on Self-employment

(For people aged 16 or more who have an employment)

For people aged 16 or more who have an employment, i.e.: $16 \leq EDAD$ and $TRAPLU \# b$

Otherwise, end of Module

If ($SITU11=1, 2, 3$ or $SITU12=1, 2, 3$) i.e., if is self-employed with employees , self-employed without employees or cooperative's member

Otherwise, go to the text above M12

Finally, we will ask you a few extra questions about the self-employment of your main job that will allow us to compare the situation of self-employed with that of employees

1. If ($SITU11=2, 3$ or $SITU12=2, 3$) i.e., if is self-employed with employees or self-employed without employees

In the 12 months previous to the Sunday of the reference week, how many clients did you work for?

If ($SITU11=1$ or $SITU12=1$) i.e., is a cooperative's member

In the 12 months previous to the Sunday of the reference week, how many clients had your cooperative?

- None 1 | Go to M5
- One 2 | Go to M3
- Two to nine 3
- More than nine 4
- Cannot say 0 | Go to M3

If ($SITU11=1, 2$ or $SITU12=1, 2$ or ($SITU11=3$ and $DESAC1=b,1,2,0$) or ($SITU12=3$ and $DESAC2=b,1,2,0$)) i.e., if is self-employed with employees , self-employed without employees who doesn't work for the company or business of an employer who provides work or cooperative's member

Otherwise, go to M3

2. If ($SITU11=2$ or $SITU12=2$ or ($SITU11=3$ and $DESAC1=b,1,2,0$) or ($SITU12=3$ and $DESAC2=b,1,2,0$)) i.e., if is self-employed with employees or self-employed without employees

In the 12 previous months to the Sunday of the reference week did at least 75% of your self-employment income come from one client?

If ($SITU11=1$ or $SITU12=1$) i.e., is a cooperative's member

In the 12 previous months to the Sunday of the reference week did at least 75% of your cooperative income come from one client?

- Yes 1
- No 6
- Cannot say 0

3. Do you personally decide your working hours?

- Yes 1 | Go to M5
- No 6
- Cannot say 0 | Go to M5

If ($SITU11=2, 3$ or $SITU12=2,3$) i.e., if the person is self-employed with employees or self-employed without employees

Otherwise, go to M4b

4a. Who decides?

- Decides client/s 1 | Go to M5
- It comes from circumstances different from clients 6 | Go to M5
- Cannot say 0 | Go to M5

4b. Who decides?

- Decides client/s 1
- Decides cooperative 2
- It comes from circumstances different from clients and cooperative 3
- Cannot say 0

5. Thinking back to when you started working as self-employed in your current job; which of the following reasons describe why you first became self-employed?

(Interviewer: Read out the response options)

- You could not find a job as an employee 1
- Your former employer asked you to become self-employed 2
- It is the usual practice in your field 3
- A suitable opportunity presented itself 4
- You continued the family business 5
- I had no intention or plans to work as self-employed, but started for a different reason than the previous 6
- You wanted to be self-employed because of flexible working hours 7
- You wanted to be self-employed, for other reasons 8
- Cannot say 0

6. What was the main difficulty encountered or the main inconvenient of working as self-employed in the 12 previous months to the Sunday of the reference week?

(Interviewer: Read out the response options)

- Lack of influence on setting the price of your work 1
- Cannot get finance for your business 2
- Customers/clients paying late or not at all 3
- Inappropriate levels of administrative burden 4
- No income when ill 5
- Times with little money to live on 6
- Periods without clients, without having any orders or projects to work with 7
- Other main difficulty than those mentioned 8
- Had no difficulties 9
- Cannot say 0

If (SITU11=3 or SITU12=3) i.e., if the person is self-employed without employees.

Otherwise, go to the box above M8

7. What was the main reason for why you do not have any employees?

(Interviewer: Read out the response options)

- You want to work on your own 1
- There is not enough work 2
- It is difficult to find suitable staff 3
- The legal requirements are too complicated 4
- The social contributions are too high 5
- It is not possible to have employees in the type of job you do 6
- You prefer to work with sub-contractors or associates 7
- Your clients want you personally to do the work 8
- Other main reason than those mentioned 9
- Cannot say 0

If (SITU11=2, 3 or SITU12=2, 3) i.e., if the person is self-employed with employees or self-employed without employees

Otherwise, go to the box above M12

8. Do you work together with a co-owner?

- Yes 1
- No 6
- Cannot say 0

9. Do you work in a network together with other self-employed to share work?

- Yes 1
- No 6
- Cannot say 0

If M7 # 6

Otherwise, go to M11

10. If (SITU11=2, 3 or SITU12=2, 3) i.e., if is self-employed with employees or self-employed without employees

Do you plan to employ someone in the 12 months after Sunday of the reference week?

If (SITU11=1 or SITU12=1) i.e., is a cooperative's member

Does your cooperative plan to employ someone in the 12 months after Sunday of the reference week?

(Interviewer: Read out the response options)

- Yes, permanent employees only 1
- Yes, temporary employees only 2
- Yes, both permanent and temporary employees 3
- No 4
- Cannot say 0

11. If (SITU11=2, 3 or SITU12=2, 3) i.e., if is self-employed with employees or self-employed without employees

Do you plan to sub-contract out work or service in the 12 months after Sunday of the reference week?

If (SITU11=1 or SITU12=1) i.e., is a cooperative's member

Does your cooperative plan to sub-contract out work or service in the 12 months after Sunday of the reference week?

- Yes 1 Go to M12
- No 6 Go to M12
- Cannot say 0 Go to M12

To finish, it is only necessary to answer some extra questions about your main employment that allow us to compare the situation of the employees with self-employees

12. To what extent are you satisfied with your current job?

(Interviewer: Read out the response options)

- Satisfied to a large extent 1
- Satisfied to some extent 2
- Satisfied to a small extent 3
- Not satisfied at all 4
- Cannot say 0

13. Do you have influence over the content of your tasks?

- Yes 1
- No 6
- Cannot say 0

14. Do you have influence over the order of your tasks?

- Yes 1
- No 6
- Cannot say 0

If (SITU11=1, 2, 3 or SITU12=1, 2, 3) i.e., if is self-employed with employees, self-employed without employees or cooperative's member

Otherwise, go to the box above M16

15. If (SITU11=2, 3 or SITU12=2, 3) i.e., if is self-employed with employees or self-employed without employees

You said earlier that you worked as self-employed. Would you rather work as an employee?

If (SITU11=1 or SITU12=1) i.e., is a cooperative's member

You said earlier that you worked as cooperative's member. Would you rather work as an employee?

- Yes 1 End of Module
- No 6 End of Module
- Cannot say 0 End of Module

If (SITU11=5,6 or SITU12=5,6) i.e., if the person is an employee.

Otherwise, go to the box above M17

16. You said earlier that you worked as an employee. Would you rather work as self-employed?

- Yes 1 Go to M18
- No 6 End of Module
- Cannot say 0 End of Module

If (SITU11=4 or SITU12=4) i.e., is a family worker.

Otherwise, end of Module

17. You said earlier that you worked as a family worker. Would you rather work as self-employed?

- Yes 1
- No 6 End of Module
- Cannot say 0 End of Module

18. What is the main reason you have for not following your wish of becoming self-employed?

(Interviewer: Read out the response options)

- Financial insecurity 1
- Can not get finance for the business 2
- Too much stress, responsibilities, or risk 3
- Less coverage from social protection 4
- Other reasons than mentioned 5
- Cannot say 0

End of Module

4. Instructions for completing the questionnaire

Module on Self-employment (Economically Active Population Survey 2017)

A INTRODUCTION

Until 2005, in the second quarter of each year, a series of questions on specific issues related to the labour market are included in the Economically Active Population Survey. Since 2006, these questions have been asked throughout the year, but only to one-sixth of the sample, specifically to the dwellings that are on their sixth interview. Said questions are included in what is called the *Ad hoc module*, which is carried out in cooperation with the Labour Force Surveys of other countries of the European Union, in accordance with that which is indicated in (EC) Council Regulation 577/98, of 9 March 1998, regarding the organisation of a sample survey on the economically active population in the Community (Official European Communities Bulletin L 77, of 14 March).

The 2017 module arises in agreement between the national statistics institutes and Eurostat supported by European Parliament and European Council on Statistics (EC) Regulation No. 223/2009 Article 14 (1) allowing to put into practice statistical studies by means of agreements.

According to the mentioned regulation, this type of agreement must be written so as to guarantee a sufficient level of transparency, clarity and certainty in the development, production and dissemination of the European statistics.

The Commission Implementing Regulation (EU) 2016/8 of 5 January 2016 specifies the technical characteristics of the 2017 module, on Self-employment, and it is the valid instrument for its control and full implementation. This specifies in detail the information that must be collected in 2017 within the Labour Force Survey (LFS) .

According to this regulation, the module of the Spanish LFS 2017 was created:

- With the aim of monitoring progress towards achieving the common objectives set out in the Europe 2020 Strategy; therefore, it is considered necessary to have a comprehensive set of data on self-employment to enable comparisons among Member States.
- With the objective of stimulating job creation, in particular by supporting and promoting self-employment. Communication from the Commission of 2012 «Towards a job-rich recovery»¹, is based on the Communication on the «Small Business Act»², which is part of the package on employment.

The 2017 module consists of three sub-modules, which provide more detailed information:

Sub-module 1: *Economically dependent self-employment*, in which the number of clients and the importance of them is analyzed as well as the influence of the workers on deciding their own working hours.

Sub-module 2: *Working conditions for self-employed workers*, in which the objective is to analyze the working conditions of these workers and their main reasons for being self-employed.

Sub-module 3: *Self-employed workers and employees*, whose purpose is to be able to analyse the attitudes and perspectives of both groups, such as their level of job satisfaction.

¹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: «Towards a job-rich recovery», adopted on 18 April 2012, COM(2012) 173 final.

² Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions: “‘Think Small First’ A ‘Small Business Act’ for Europe”, adopted on 25 June 2008, COM(2008) 394 final.

B TARGET POPULATION OF THE MODULE

The module is aimed at **all persons aged 16 or more who have an employment.**

C INSTRUCTIONS FOR COMPLETING THE QUESTIONNAIRE

This section provides the instructions for completing the questionnaire.

In case of doubt, please contact the department responsible for the survey.

Code 0 (cannot say) should be used **exclusively** if the person is unable to select any of the remaining response codes. **This should not be read** by the interviewer. **This norm is applicable to all questions that allow "cannot say" as a response.**

The questionnaire shall be completed by employed persons aged 16 years old and over.

In addition to this general filter, you will find next to each question the additional specific filters that affect it.

The questionnaire consists of three sub-modules, the first of which is:

Sub-module 1. "Economically dependent self-employed":

1. *If (SITU11=2, 3 or SITU12=2, 3) i.e., if is self-employed with employees or self-employed without employees*

In the 12 months previous to the Sunday of the reference week, how many clients did you work for?

If (SITU11=1 or SITU12=1) i.e., is a cooperative's member

In the 12 months previous to the Sunday of the reference week, how many clients had your cooperative?

- | | | | |
|------------------|---|--------------------------|----------|
| - None | 1 | <input type="checkbox"/> | Go to M5 |
| - One | 2 | <input type="checkbox"/> | Go to M3 |
| -Two to nine | 3 | <input type="checkbox"/> | |
| - More than nine | 4 | <input type="checkbox"/> | |
| - Cannot say | 0 | <input type="checkbox"/> | Go to M3 |

This question shall be answered by self-employed workers.

The question is formulated in one way to employers with employees and self-employed workers and in another way to members of cooperatives.

We stress that in this question we only want to measure the work that has been done in the main job.

The time reference period is the 12 months preceding the reference week.

If the time elapsed between the time when the respondent started working as a self-employed person in his/her current job and the reference week is less than 12 months, the question should refer to the time elapsed since the time when the self-employed job was started.

Both completed and ongoing work must be included in the work carried out in the last 12 months. Likewise, both those that have been paid and those that are still to be paid must be taken into account.

A *client* is the person or organization to whom the respondent provided the goods and/or services to.

Although the question refers to the 'number of clients' for whom the interviewee worked, if the interviewee is an employer with employees, the question should be understood as the number of clients for whom both the interviewee and his/her employees worked.

The answer option 'none' applies in the case of newly created companies that even though they have already started operations, do not yet have clients.

**2. If (SITU11=2 or SITU12=2 or (SITU11=3 and DESAC1=b,1,2,0) or (SITU12=3 and DESAC2=b,1,2,0)) i.e., if is self-employed with employees or self-employed without employees
In the 12 previous months to the Sunday of the reference week did at least 75% of your self-employment income come from one client?**

If (SITU11=1 or SITU12=1) i.e., is a cooperative's member

In the 12 previous months to the Sunday of the reference week did at least 75% of your cooperative income come from one client?

- | | | |
|--------------|---|--------------------------|
| - Yes | 1 | <input type="checkbox"/> |
| - No | 6 | <input type="checkbox"/> |
| - Cannot say | 0 | <input type="checkbox"/> |

This question shall be answered by self-employed persons who have worked for more than one client (i.e. persons who have answered 3 or 4 in question 1).

As in question 1, it is also formulated in one way for employers with employees and self-employed workers and in another for members of cooperatives.

The time reference period is the 12 months preceding the reference week.

If the time elapsed between the time when the respondent started working as a self-employed person in his or her current job and the reference week is less than 12 months, the question should refer to the time elapsed since the time when the self-employed job was started.

This question refers to the gross income coming from each client and not to the amount of work done for each client.

For example, a lawyer who has been self-employed for 5 months has carried out 10 jobs during this period, receiving 4000 euros for them. This works have only been done for 3 clients, so he has carried out:

8 jobs for client number 1 for which he has received 1000 euros, which represent 25% of the total income and 80% of the work done

1 job for client number 2 for which he has received 2000 euros, which represent 50 % of the total income and 10% of the work done

1 job for client number 3 for which he has received 1000 euros, which represent 25% of the total income and 10% of the work done

What should he answer in this question?:

Since he started his/her current job 5 months ago, the question is about these months, instead of the last 12 months. Although 80% of the work was done for the same client, none of the clients contributed at least 75% of the income. Therefore, he should answer 'No'.

3. Do you personally decide your working hours?

- | | | | |
|--------------|---|--------------------------|----------|
| - Yes | 1 | <input type="checkbox"/> | Go to M5 |
| - No | 6 | <input type="checkbox"/> | |
| - Cannot say | 0 | <input type="checkbox"/> | Go to M5 |

This question shall be answered by self-employed persons who have worked for at least one client in the last 12 months (i.e. persons who have answered 0, 2, 3 or 4 in question 1).

The main objective of this question is to assess the economic dependence of self-employed workers, because controlling their own working time is a fundamental element in this group. This will allow a more detailed analysis of the business structure of self-employed workers.

“Working hours” should be understood in the same sense as the actual hours worked in the Spanish LFS, that is, the hours spent on work activities (production activities, ancillary activities, education and training necessary to carry out the work).

As the main purpose is to achieve a clear distinction on who decides the working time, whether it is the self-employed person or the client, the response options do not admit an intermediate category, such as ‘jointly decided’. If the respondent is in this intermediate situation, he/she must analyse whether the client’s influence is so strong that he/she cannot say no to the client’s request to change his/her working time. In other words, it must be considered whether the respondent could really reject the client’s request to change his/her working hours and maintain the contract with him/her.

4a. Who decides?

- Decides client/s 1 | Go to M5
- It comes from circumstances different from clients 6 | Go to M5
- Cannot say 0 | Go to M5

This question shall be answered by self-employed persons with employees or self-employed workers without employees who have worked for at least one client (i.e. persons who have answered 0, 2, 3 or 4 in question 1) and who do not personally decide their working hours (2 in question 3).

In the option 'It comes from circumstances that are not related to the clients' the elements beyond human control that do not influence the organisational dependence are considered, such as for example 'weather'.

4b. Who decides?

- Decides client/s 1
- Decides cooperative 2
- It comes from circumstances different from clients and cooperative 3
- Cannot say 0

This question shall be answered by self-employed persons who are members of a cooperative and who have worked for at least one client (i.e. persons who have answered 0, 2, 3 or 4 in question 1) and who do not personally decide their working hours (2 in question 3).

In the option 'It comes from circumstances that are not related to clients and the cooperative' the elements beyond human control that do not influence the organisational dependence are considered, such as for example 'weather'.

These first four questions (with alternative 4a or 4b, depending on the type of self-employed person) will allow to analyse the organisation of work of self-employed persons who worked for at least one client in the last 12 months, thus having a more detailed idea of the structure of their business.

Sub-module 2. "Working conditions for self-employed":

5. Thinking back to when you started working as self-employed in your current job; which of the following reasons describe why you first became self-employed?

(Interviewer: Read out the response options)

- | | | |
|--|---|--------------------------|
| - You could not find a job as an employee | 1 | <input type="checkbox"/> |
| - Your former employer asked you to become self-employed | 2 | <input type="checkbox"/> |
| - It is the usual practice in your field | 3 | <input type="checkbox"/> |
| - A suitable opportunity presented itself | 4 | <input type="checkbox"/> |
| - You continued the family business | 5 | <input type="checkbox"/> |
| - I had no intention or plans to work as self-employed, but started for a different reason than the previous | 6 | <input type="checkbox"/> |
| - You wanted to be self-employed because of flexible working hours | 7 | <input type="checkbox"/> |
| - You wanted to be self-employed, for other reasons | 8 | <input type="checkbox"/> |
| - Cannot say | 0 | <input type="checkbox"/> |

This question shall be answered by self-employed workers.

The question explores the reasons why the respondent started to work as a self-employed person in the current main job. If several, the interviewee should select the one he or she considers to be the main one.

The answers can be classified into three groups: due to involuntary, voluntary and coincidental reasons.

Codes 1, 2 and 6 belong to the category of involuntary causes, codes 7 and 8 are clearly voluntary causes.

Code 4 covers cases where the person has become a self-employed person by chance.

Answer option 2 includes cases where employees are dismissed and forced to register as independent workers in order to continue working for their former employer under a private commercial contract as self-employed workers.

Code 5 does not include the situation of 'starting a family business'.

6. What was the main difficulty encountered or the main inconvenient of working as self-employed in the 12 previous months to the Sunday of the reference week?

(Interviewer: Read out the response options)

- | | | |
|--|---|--------------------------|
| - Lack of influence on setting the price of your work | 1 | <input type="checkbox"/> |
| - Cannot get finance for your business | 2 | <input type="checkbox"/> |
| - Customers/clients paying late or not at all | 3 | <input type="checkbox"/> |
| - Inappropriate levels of administrative burden | 4 | <input type="checkbox"/> |
| - No income when ill | 5 | <input type="checkbox"/> |
| - Times with little money to live on | 6 | <input type="checkbox"/> |
| -Periods without clients, without having any orders or projects to work with | 7 | <input type="checkbox"/> |
| -Other main difficulty than those mentioned | 8 | <input type="checkbox"/> |
| - Had no difficulties | 9 | <input type="checkbox"/> |
| - Cannot say | 0 | <input type="checkbox"/> |

This question shall be answered by self-employed workers.

The time reference period is the 12 months preceding the reference week.

If the time elapsed between the time when the respondent started working as a self-employed person in his/her current job and the reference week is less than 12 months, the question should refer to the time elapsed since the time when the self-employed job was started.

If the interviewee had perceived more than one inconvenient, he or she should refer to the one that seemed most important.

7. What was the main reason for why you do not have any employees?

(Interviewer: Read out the response options)

- | | | |
|---|---|--------------------------|
| - You want to work on your own | 1 | <input type="checkbox"/> |
| - There is not enough work | 2 | <input type="checkbox"/> |
| - It is difficult to find suitable staff | 3 | <input type="checkbox"/> |
| -The legal requirements are too complicated | 4 | <input type="checkbox"/> |
| - The social contributions are too high | 5 | <input type="checkbox"/> |
| -It is not possible to have employees in the type of job you do | 6 | <input type="checkbox"/> |
| - You prefer to work with sub-contractors or associates | 7 | <input type="checkbox"/> |
| - Your clients want you personally to do the work | 8 | <input type="checkbox"/> |
| - Other main reason than those mentioned | 9 | <input type="checkbox"/> |
| - Cannot say | 0 | <input type="checkbox"/> |

This question shall be answered by self-employed without employees.

If there is more than one reason why the interviewee does not have employees, he or she should refer to the one that seems to be the main one.

If the interviewee has freely chosen not to have employees, he or she should select one of the codes 1 or 7.

Code 1 includes both those who like to work alone and those who do not want to expand their businesses. We do not look into the detailed reasoning of the respondent but rather at the fact that it is clearly a voluntary choice, as opposed to the limitations that come from market conditions or regulations.

Code 7 takes them into account when working with both co-owner partners as well as subcontractors and staff of other companies.

If the reason has been market conditions or the business cycle, code 2 or 3 must be entered.

If the reason for not having employees is due to regulations or laws, he or she will select one of the codes 4, 5 or 6.

Code 4 includes situations of excessive paperwork and bureaucracy, for which the interviewee may not want to be bothered with employing anyone.

If the interviewee thinks that having employees is too expensive due to having to pay social security contributions, vacations, sick leaves, maternity/paternity leave, etc., code 5 should be selected.

8. Do you work together with a co-owner?

- Yes 1
- No 6
- Cannot say 0

This question shall be answered by self-employed with or without employees.

The aim of the question is to study self-employment in more detail when working with partners, with whom there is no subordinate relationship.

This question refers to formal co-owners, i.e. other persons who have a financial participation in the business, and who have a voice and a vote in the decisions. In other words: other people with whom the risks and benefits of the company are shared.

9. Do you work in a network together with other self-employed to share work?

- Yes 1
- No 6
- Cannot say 0

Like question 8, this question shall be answered by self-employed with or without employees.

This question takes into account non-hierarchical groups of persons who have regular professional contact, in order to share work, and who mutually benefit from cooperation. An example could be a plumber who takes renovation contracts for private homes, and has a long standing agreement with an electrician and a carpenter who s/he can contact in case the renovation needs this type of work as well.

10. *If (SITU11=2, 3 or SITU12=2, 3 i.e., if is self-employed with employees or self-employed without employees*

Do you plan to employ someone in the 12 months after Sunday of the reference week?

If (SITU11=1 or SITU12=1) i.e., is a cooperative's member

Does your cooperative plan to employ someone in the 12 months after Sunday of the reference week?

(Interviewer: Read out the response options)

- Yes, permanent employees only 1
- Yes, temporary employees only 2
- Yes, both permanent and temporary employees 3
- No 4
- Cannot say 0

This question will be answered by all self-employed workers who have not answered that the main reason why they do not have employees is that it is not possible in their profession (that is, self-employed workers with M7 # 6). As in question 1 and 2, it is also formulated in one way for self-employed with or without employees and in another way for members of cooperatives.

The time reference period is the next twelve months counting from the reference week.

11. *If (SITU11=2, 3 or SITU12=2, 3) i.e., if is self-employed with employees or self-employed without employees*

Do you plan to sub-contract out work or service in the 12 months after Sunday of the reference week?

If (SITU11=1 or SITU12=1) i.e., is a cooperative's member

Does your cooperative plan to sub-contract out work or service in the 12 months after Sunday of the reference week?

- Yes 1 | Go to M12
- No 6 | Go to M12
- Cannot say 0 | Go to M12

All self-employed workers will answer this question. As in some previous questions, this question is formulated in one way for self-employed with or without employees and in other for members of cooperatives.

The time reference period is the 12 months following the reference week.

Sub-module 3. "Comparing employees and self-employed":

This sub-module is aimed at all persons aged 16 and over who are in employment.

The objective is to provide information on various aspects of the current job of employees, self-employed and family workers so that they can be compared with each other.

12. To what extent are you satisfied with your current job?

(Interviewer: Read out the response options)

- | | | |
|-------------------------------|---|--------------------------|
| - Satisfied to a large extent | 1 | <input type="checkbox"/> |
| - Satisfied to some extent | 2 | <input type="checkbox"/> |
| - Satisfied to a small extent | 3 | <input type="checkbox"/> |
| - Not satisfied at all | 4 | <input type="checkbox"/> |
| - Cannot say | 0 | <input type="checkbox"/> |

This question is addressed to people aged 16 and over who are in employment.

The question refers to the level of general satisfaction with the current main job, without analysing separately the working conditions, income, etc.

13. Do you have influence over the content of your tasks?

- | | | |
|--------------|---|--------------------------|
| - Yes | 1 | <input type="checkbox"/> |
| - No | 6 | <input type="checkbox"/> |
| - Cannot say | 0 | <input type="checkbox"/> |

As in the previous question, this question is addressed to people aged 16 and over who are in employment.

The objective is to measure the respondents' influence over own daily work, on the level of content and order of tasks.

14. Do you have influence over the order of your tasks?

- Yes 1
- No 6
- Cannot say 0

As in the previous questions, this question is addressed to people aged 16 and over who are in employment.

The aim is to measure the influence of respondents on their own work, in this case on the prioritisation of the tasks they have to perform.

15. *If (SITU11=2, 3 or SITU12=2, 3) i.e., if is self-employed with employees or self-employed without employees*

You said earlier that you worked as self-employed. Would you rather work as an employee?

If (SITU11=1 or SITU12=1) i.e., is a cooperative's member

You said earlier that you worked as cooperative's member. Would you rather work as an employee?

- Yes 1 | End of Module
- No 6 | End of Module
- Cannot say 0 | End of Module

This question is addressed to self-employed workers and, like some of the previous questions, it is also formulated in one way to self-employed with or without employees and in another way to members of cooperatives.

The aim of this question is to assess the willingness of self-employed persons to change their professional status to that of employee.

In the analysis of the interviewees' preferences, they should take into account, from their particular point of view, the elements they most value about each of the two professional situations (autonomy, security, income, free time, etc.), but they should not focus on just one, but should weigh all of them together, adapting them to their own situation.

16. You said earlier that you worked as an employee. Would you rather work as self-employed?

- Yes 1 | Go to M18
- No 6 | End of Module
- Cannot say 0 | End of Module

This question is addressed to employees.

The aim of this question is to assess the willingness of employees to change their professional status to that of self-employed.

As in question 15, the analysis of the interviewee's preferences should be made taking into account both situations as a whole without assessing specific aspects of each one separately, since, for example, one of them may be preferred because of income but, if other parameters are taken into account, he or she may no longer

prefer the same situation. For these reasons, both professional situations must be analysed in a comprehensive manner.

17. You said earlier that you worked as a family worker. Would you rather work as self-employed?

- | | | |
|--------------|---|--|
| - Yes | 1 | <input type="checkbox"/> |
| - No | 6 | <input type="checkbox"/> End of Module |
| - Cannot say | 0 | <input type="checkbox"/> End of Module |

This question is addressed to family workers.

As in question 15 and 16, the analysis of the interviewee's preferences should be made taking into account both situations as a whole without assessing specific aspects of each one separately, since, for example, one of them may be preferred because of income but, if other parameters are taken into account, he or she may no longer prefer the same situation. For these reasons, both professional situations must be analysed in a comprehensive manner.

18. What is the main reason you have for not following your wish of becoming self-employed?

(Interviewer: Read out the response options)

- | | | |
|--|---|--------------------------|
| - Financial insecurity | 1 | <input type="checkbox"/> |
| - Can not get finance for the business | 2 | <input type="checkbox"/> |
| - Too much stress, responsibilities, or risk | 3 | <input type="checkbox"/> |
| - Less coverage from social protection | 4 | <input type="checkbox"/> |
| - Other reasons than mentioned | 5 | <input type="checkbox"/> |
| - Cannot say | 0 | <input type="checkbox"/> |

This question is addressed to persons who are employees or family workers and who have stated in questions 16 or 17 that they would prefer to be self-employed workers.

Response option 1 includes cases in which the interviewee faces the problem of not having a fixed salary, but rather having to depend on the economic cycle and your ability to promote a business.

If the main reason for not being self-employed is one of the following: not having paid holidays, not having a guaranteed income in case of illness, not having a payment of social security contributions from an employer (since he/she is the employer him/herself), not having paid maternity or paternity leave, etc., the response option would be 4.

If there is more than one reason why the respondent is not a self-employed person, but would prefer to do so, he or she should refer to the one he or she considers to be the main one.

5. Information processing

Once the Central Services received the questionnaires that include the survey's information (both the main questionnaire and the ad hoc module), these were processed in order to obtain the final file and the estimates.

The processing of the module's information follows a similar process as the processing of the basic questionnaire and complies with the following basic principles (more detailed information is on the publication *EPA. Tratamiento de la información - Spanish Labour Force Survey. Information Processing*):

- Non-interference with the basic questionnaire's processing.
- To be simultaneous to or after the processing of the basic questionnaire.

According to these principles, the module's processing stages are:

1.- Monthly processing

Each month, the identification variables of the Spanish Labour Force Survey basic questionnaire are edited by automatic detection and manual correction; this editing has been modified in the four quarters of each year so that it can also be used for the ad hoc module.

Therefore, the editing of the module's identification variables (quarter, province, sections, dwelling and number of people) is carried out together with the basic questionnaire's editing.

2.- Quarterly processing

Once the data corresponding to each one of 2017 quarters are received, the basic questionnaire's variables are edited following the same process as for the monthly processing, that is by means of automatic detection and manual correction.

Later, the module variables are also edited by means of automatic detection.

The software developed by the General Sub-directorate of Statistic Data Processing called DIA - Detección e Imputación Automática (Automatic Detection and Imputation) is used for automatic editing, both for the core variables and for the module variables.

3.- Annual processing

The final file is the result of merging the 6th interview registers corresponding to the four quarters of the year.

Such final file contains all the identification variables, the annual weighting factors and all the variables of the module, for the registers of the sixth interviews.

The format of the module variables follows the technical characteristics described in the Commission Implementing Regulation (EU) 20165/8 of 5 January 2016, previously mentioned.

