

# Annual Survey of Hours and Earnings linked to PAYE and Self-Assessment data – England, Scotland & Wales Research Priorities

## **ADR UK Research Fellowships 2024**

#### Background

While the UK labour market has grown over the past decade, it has also faced challenges, particularly with the recent pandemic. Although there has been growth in employment, this has not been reflected in growth in productivity. The shift towards a service-dominated economy and the impacts of external events like Covid-19 have shaped the labour market's trajectory, influencing employment rates, sectoral employment shares and economic activity levels.

One issue of particular interest to policymakers is the growth in the gig economy – for example, analysists are interested in understanding the effect zero-hours type contracts can have on income volatility, and their effect on productivity growth. Another recurring issue is the adequacy of the National Minimum Wage and the National Living Wage in providing a decent standard of living. Debates focus on the rates, their impact on employment, and the cost of living – especially in high-cost areas.

### About the dataset

This dataset links the Annual Survey of Hours and Earnings (ASHE) to Pay As You Earn (PAYE) and Self-Assessment data provided by His Majesty's Revenue & Customs (HMRC). The linkage of ASHE with the PAYE data helps to address information gaps concerning changes in the labour market within the 12-month intervals between ASHE surveys. This has the potential to enhance our understanding of earnings and labour market transitions in Britain. Linking ASHE to PAYE and self-employment data allows us to understand better a person's whole interaction with the labour market.



#### **Research themes**

We welcome applications looking at the following research topics for this round of our research fellowships:

- 1. How much do self-employment and employment income substitute for each other?
- 2. How large is the gender wage gap in all earned income?
- 3. How volatile is low pay and low paid employment over time?
- 4. How much wage variation is there within occupations? For example, what is the spread of wages for those working in finance, or how has the minimum wage compressed wages of retail workers?
- 5. What are the differences in income and employment volatility between those paid weekly and monthly?
- 6. Is the volatility of changes in employment and/or income related to location or region?
- 7. Does having a student loan increase the likelihood of working in the gig economy?