

Sir Andrew Dilnot CBE  
Chair, UK Statistics Authority  
1 Drummond Gate  
London SW1V 2QQ

4<sup>th</sup> March 2015

Dear Sir Andrew,

### **Zero Hours Contracts**

I am writing to you following comments made by the Shadow Chancellor, Ed Balls MP, the Shadow Secretary of State for Work and Pensions, Rachel Reeves MP and twitter remarks made by the Labour Party, all in relation to zero hours contracts.

On LBC Radio on 25 February 2015, Mr Balls said '*you have all these people, 400,000 more on zero hours contracts*'.<sup>1</sup>

On the same day, the Labour Party released a tweet which had an infographic stating that '*There are now 1.8 million people on zero-hours contracts*'.<sup>2</sup>

On 26 February 2015, Ms. Reeves commented on Mumsnet.com that '*1.8 million are on zero hour contracts*'.<sup>3</sup>

Mr. Balls' claim that there are 400,000 more people on zero hours contracts is based on the ONS' latest estimate there were 1.8 million zero hours contracts in the fortnight beginning 11 August 2014, compared with a previously published estimate of 1.4 million.<sup>4</sup> However, the ONS release specifically states that: '*This figure should not be directly compared with the previously published estimate (1.4 million for the fortnight beginning 20 January 2014) to imply an increase in the number. It covers a different time of year and so differences in the number of such contracts reported may reflect seasonal factors*'.<sup>5</sup>

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<sup>1</sup> Ed Balls, *LBC Radio*, 25 February 2015.

<sup>2</sup> *Labour Party twitter account*, 25 February 2015.

<sup>3</sup> Mumsnet.com, 26 February 2015.

<sup>4</sup> ONS, *Analysis of Employee Contracts that do not Guarantee a Minimum Number of Hours*, 25 February 2015.

<sup>5</sup> *Ibid.*

Further, the 1.8 million estimate does not, as Mr. Balls implied and Ms Reeves and the Labour Party tweet asserted, represent the number of people on zero hours contracts, but rather the number of zero contracts in existence. The ONS release also cited the latest Labour Force Survey which estimates that 697,000 people were on zero hours contracts in the three months to December 2014. The ONS stated that *'The difference between the business survey and LFS will partly be accounted for by people who have more than one "zero-hours contract" with different employers'*. I note that on 26 February 2015, the ONS responded to the Labour Party tweet, stating: *'It's 1.8m contracts, rather than people. 697,000 people have a zero hours contract as main job.'*<sup>6</sup>

Given the above statements by the ONS, will you make it publically clear that it is misleading in the extreme for the Shadow Chancellor to claim that there are '400,000 more' on zero hours contracts, and for Ms. Reeves and the Labour Party to claim that 'there are now 1.8 million people on zero-hours contracts'?

I am sure you agree that, particularly in the run up to the General Election in May, politicians make statistical claims with great care.

Yours sincerely,

A handwritten signature in blue ink that reads "Matthew Hancock". The signature is written in a cursive style with a long, sweeping tail on the final letter.

The Rt. Hon. Matthew Hancock MP

Minister of State for Business and Enterprise

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<sup>6</sup> ONS twitter account, 26 February 2015.