International Labour Office

INTERNATIONAL CLASSIFICATION ACCORDING TO STATUS

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INTRODUCTION

An analysis of the economic and social structure of the economically active population cannot be undertaken in the absence of detailed statistics relating to the characteristics of persons participating in the economic life of the country. Among these statistics, those which permit of determining the distribution of the active population by industry, by occupation and by status are essential. Furthermore, in order to study differences between distributions relating to each country, the available data should be comparable, and in particular should be presented according to standard classifications.

An International Standard Industrial Classification of all Economic Activities was adopted in 1948 by the Economic and Social Council of the United Nations, and a number of countries now present statistics relating to their economically active population on this basis.

A first International Standard Classification of Occupations was adopted in 1949 by the Seventh International Conference of Labour Statisticians; subgroups were set up by the Eighth Conference in 1954, and a final detailed draft is submitted to the Ninth Conference.

The International Classification according to Status, which is to supplement the two others, is the subject of the present report.

The Seventh International Conference of Labour Statisticians, meeting in Geneva from 26 September to 8 October 1949, adopted a resolution concerning an international standard classification according to industrial status, as follows:

The Seventh International Conference of Labour Statisticians,

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met from 26 September to 8 October 1949,

Having considered the communication of the Secretary-General of the United Nations to the Director-General of the International Labour Office, of 27 July 1949, and the minutes of the Sixth Session of the Committee on Statistical Classification of the Statistical Commission of the United Nations, during which the progress report on classification of occupations was examined,
Considering that the International Standard Classification of Occupations which it has adopted would be usefully supplemented by a standard classification, even very brief, of industrial status, especially with a view to more comparable presentation of the results of the census taken in the various countries, and possibly of data on employment and unemployment,

Noting resolution No. VIII, concerning statistics of employed and unemployed classified according to degrees of skill, adopted on 12 August 1947 by the Sixth International Conference of Labour Statisticians,

Requests the Governing Body of the International Labour Office to instruct the Office to study, in co-operation with the United Nations and the appropriate specialised agencies, the problems involved in the establishment of a standard classification of industrial status, with a view to the possible placing of this subject on the agenda of a future International Conference of Labour Statisticians.

The problems involved in the establishment of a classification according to status have since been examined by the Population Commission and the Statistical Commission of the United Nations, as well as by several other international or regional agencies.

The Population Commission, in particular, adopted in 1950, at its Fifth Session, a recommendation concerning the major groups to be used when classifying the economically active population according to status in censuses to be taken in or around 1960. Adoption of these groups was also recommended by the Statistical Commission and the Committee on the 1950 Census of the Americas.

The Conference of European Statisticians reviewed this question in 1955 and 1956, and adopted provisional recommendations as to the groups which it would be useful to obtain in the population censuses to be taken in Europe in or around 1960.

Finally, the Statistical Office of the United Nations has repeatedly studied the classification according to status and has analysed the recommendations of the different international agencies in various publications.

Taking into account the interest shown in this subject at the international as well as at the national level, and in application of the recommendation of the Seventh International Conference of Labour Statisticians, the Governing Body of the
International Labour Office decided, at its 132nd Session, in June 1956, to place the question of the international classification according to status on the agenda of the Ninth International Conference of Labour Statisticians.

The present report, prepared for this Conference, contains proposals relating to the classification according to status.

Chapter I recalls the usefulness of a classification according to status; Chapter II presents a summary of international recommendations adopted to date, and the major characteristics of national classifications are studied in Chapter III. General considerations on the problems involved in an international classification according to status are given in Chapter IV. Finally, Chapter V is devoted to an analysis of the list of groups and subgroups proposed for the international classification according to status. Appendix I contains the draft resolution submitted to the Conference for approval, and Appendix II the definitions of the four major groups as proposed by the Population Commission.
CHAPTER I

USEFULNESS OF AN INTERNATIONAL CLASSIFICATION ACCORDING TO STATUS

The importance attached by the various countries to classification of the labour force according to status is amply demonstrated by the fact that data on this subject are shown in 51 national censuses out of 52 censuses reviewed by the Secretariat of the United Nations on the occasion of the preparation of recommendations for population censuses to be taken around 1960.¹

Indeed, the status of persons in the labour force is one of the three major characteristics of the economic and social situation of a population, and the data which refer to it supplement the information given by statistics relating to industry and occupation.

Knowledge of the distribution of the labour force according to the various industrial branches of activity is essential in any study of the economic structure of a country or a region. This distribution is one of the criteria used for classifying the various countries according to the relative importance of their agriculture and of their manufacturing industries; it is useful in the determination of preponderant industries in each region, etc.

The distribution of the labour force by occupation shows the number of persons following a given occupation, such as the number of physicians; it yields useful information for the development of several important types of statistics, such as industrial injury rates by occupation, or unemployment rates, for example. When the data are available for each industry, comparisons may be made between industries as to the ratio of "indirect" workers (administrative services, sales, maintenance, etc.); these statistics are essential in the study of the problems of vocational training and guidance.

It is principally to supplement the information necessary for the study of the economic and social structure of the labour force that various countries establish statistics on the distribution of the labour force according to status.

Economic and Social Studies of the Population

Persons working in the same industry and following the same occupation may have very different economic and social characteristics. Some receive regularly a remuneration fixed according to a written or tacit contract. Others are rewarded for their work by profit or by a regular income which depends on their personal activity or on the economic cycle. Others still are remunerated partially or entirely in kind. Some are completely independent in their work, having no obligation towards a boss or towards employees; others must face responsibilities implied in the employment of other persons; the bulk of the labour force depends on a private or public employer for its subsistence. It is clear that any economic or social study of the population will be all the more useful when it is possible to distinguish between these various groups.

The relative importance of the various groups of persons classified according to status is a distinguishing characteristic of the economic organisation of a country. The number of owner-holders in agriculture compared to that of tenant-holders and sharecroppers will yield useful indications on the social conditions of the agricultural economy. Information on own-account workers in a given industry will be particularly valuable to determine the extent to which handicraft activities characterise the industry.

The numerical importance of unpaid family workers is also an indication of the family character of the economic set-up. In addition, as the migration of young agricultural workers towards urban centres often corresponds to a decrease of the number of family aids in agriculture and to an increase in the number of employees in industry and in the number of lower-grade civil servants, it is useful to be able to follow this trend with the help, for instance, of detailed data on the status of the persons involved. The problems raised by the social situation of homeworkers have no doubt lost some of their importance in the more developed countries; they remain quite important in the less developed countries, and numerical information relating to these persons, which can hardly be obtained other than through the classification of the labour force according to status, is indispensable.

In some countries, an important part of the labour force has special characteristics as regards mode of remuneration or position of the workers in relation to other workers: it is the category of persons working in co-operative production units, such as collective farms; it is difficult to classify these persons among the traditional groups such as own-account workers or employees.
A fundamental group, which is to be found in any classification according to status, is that of employees. The importance which attaches for all countries to the knowledge of the number of employees, whether for the whole of the economy or by branch of economic activity or by occupation, is obvious: this is true for less well-developed countries as well as for other countries. Such data are useful for several purposes, of which two may be quoted: the geographical distribution of employees in a given country, particularly when known by industry and by occupation, will be of great help in the establishment or the revision of social legislation, and especially in the development of social security programmes; in the absence of a complete census of establishments, the number of employees compared to the number of employers of the industries studied will yield indications on the average size of establishments.

Study of the Various Labour Problems

In general, the study of the various labour problems, such as labour mobility, absenteeism, security of tenure, under-employment, etc., will be all the more interesting when data are available on the classification of the labour force according to status, showing information for independent workers, family aids, employees with board and lodging, homeworkers, etc. Unemployment may be noted as one of the labour problems the study of which will be facilitated by such data. The classification of unemployed according to the status which they held in their preceding job may prove to be of great usefulness in the analysis of unemployment, especially if it is possible to obtain detailed data regarding the unemployed who were previously employees (and who are, of course, the bulk of the unemployed), showing the distribution of these persons according to the mode of remuneration, for example.

Rational study of family budgets by means of special inquiries also implies the availability of a classification according to status, either in order to limit the inquiries undertaken to a particular group of the population (agricultural workers, handicraftsmen, etc.) or, more often, in order to be able to establish a first distribution of the families surveyed according to the status of the chief of the family, so as to determine categories of families whose budgets may already be considered as relatively homogeneous.

The usefulness of data on the classification of the labour force according to status, in relation to the distribution of national income by source (profits, wages, etc.), especially when
this distribution is known for the major branches of economic activity, is undeniable: a comparison between these two series of data will lead to interesting conclusions as to the average income of the various categories of persons taking part in the national production.

Development of Socio-Professional Groupings

It has been noted repeatedly in the preceding paragraphs that data on the labour force classified according to status are all the more useful when they are subdivided by branch of economic activity and by occupation. The combination of the three classifications, together if necessary with subdivisions according to other criteria such as size of establishments, level of skill, etc., permit of establishing "socio-professional" groupings, particularly useful in studies of the social composition of the population; these groupings will be considered in more detail in Chapter IV. If internationally comparable socio-professional groupings are to be set up, it is essential that distributions of the labour force according to status, as well as according to branches of economic activity and to occupations, be available for each country.

Comparisons over Time

Classifications of the labour force according to status will facilitate study of the evolution of its economic and social structure, since it will then be possible to examine trends in the number of employers, of own-account workers, of family aids, of homeworkers, etc. If detailed data are available, it will also be possible to study, for example, trends in the numerical relations between owner-holders, tenant-holders and sharecroppers in agriculture, or exchanges between the various subgroups of employees that will have been set up.

International Comparisons

If data on the distribution of the labour force are of great interest for each country, as has been shown above, they are as important for comparative studies of the economic and social structure of those countries. Such information facilitates interpretation of the structural differences between countries, in the same way as statistics relating to the distribution of the labour force by branch of economic activity and occupation, which they complete: thus, important differences in the
proportion of own-account workers, of sharecroppers, of employees with board and lodging, etc. will partly explain differences in the degree of economic or social development of the various countries. Still, in order to undertake these comparisons, comparable data must be available; this is the aim of an international classification according to status: comparable statistics will be obtained if the various countries adopt this classification or if they present their data in such a way that it may be convertible to the international classification.
CHAPTER II

EXISTING INTERNATIONAL RECOMMENDATIONS

As has been mentioned in the introduction, the problem of the classification of the labour force according to status has already been studied by various international agencies. Since these studies have been reviewed in detail by the Statistical Office of the United Nations\(^1\), it will be sufficient to recall here only their main features.

The League of Nations

The League of Nations Committee of Statistical Experts recommended in 1938 that the following categories be distinguished in population censuses:

1. Employers: persons working on their own account with paid assistants in their occupation;

2. Persons working on their own account, either alone or with the assistance of members of their families;

3. Members of family aiding the heads of their families in their occupations;

4. Persons in receipt of wages or salaries.

The Committee proposed an optional subdivision of the last group between directors and managers on the one side and other persons in receipt of salaries or wages on the other side, distinguishing if possible in the latter subgroup between wage earners and persons in receipt of salaries; but the Committee noted that such a subdivision would have more value at the national level than at the international level, especially since such distinctions depend largely on the legislation and the social insurance system of each country.

The Committee observed that at least in the case of countries which do not take a census of establishments simultaneously with a census of population, a distinction between "employers" and "workers on own account" would have to be obtained through a special question on the population census schedule.

\(^1\) See United Nations: Application of International Standards to Census Data on the Economically Active Population, Population Studies, No. 9 (New York, 1955), more particularly Chapter VI and Appendix VI.
The International Conferences of Labour Statisticians

After the Second World War, the Sixth International Conference of Labour Statisticians, meeting in Montreal in 1947, adopted a detailed resolution concerning statistics of employment, unemployment and the labour force. In this resolution it noted in paragraph 10(2) that:

"Statistics of the civilian labour force should include the following industrial status groups ('industrial status' being the status of the individual in respect of his employment):

(a) workers for public or private employers;
(b) employers;
(c) persons who work for their own account without employees;
(d) unpaid family workers."

A substantial difference is to be noted between this recommendation and that of the League of Nations Committee of Statistical Experts: the latter proposed to classify in the same group all the members of the family (paid or not) helping the head of the family in his occupation, while the Sixth International Conference of Labour Statisticians classified those members of the family enterprise who are paid in the group of persons working for public or private employers, separating in a special group the unpaid family workers only.

The resolution of the Sixth Conference also recommended that statistical information be made available on employment, unemployment and the labour force for various groups and, in particular, for the major groups according to status.

The Seventh International Conference of Labour Statisticians, meeting in Geneva in October 1949, adopted a resolution relating to the international standard classification according to industrial status, this resolution, reproduced in the introduction to the present report, is at the origin of the decision of the Governing Body to place this item on the agenda of the Ninth International Conference of Labour Statisticians. In addition, paragraph 8 of the resolution concerning the International Standard Classification of Occupations mentioned the classification of the labour force according to status in the following terms:
8. Each country should make available to the International Labour Office a classification of its civilian labour force data in the following way: each division of the International Standard Industrial Classification of All Economic Activities adopted by the Economic and Social Council of the United Nations should be subdivided by industrial status groups, and each of these subdivisions should be classified according to the International Standard Classification of Occupations. Where this is not possible, the labour force should at least be classified by industrial status and within each industrial status group according to occupation.

The United Nations

Various technical committees of the United Nations have studied the classification of the labour force according to status on several occasions.

At its Third Session in May 1948 the Population Commission recommended that in censuses of population taken in or about 1950 data should be obtained on the classification of the economically active population according to status. The groups suggested were roughly identical to those proposed by the Sixth International Conference of Labour Statisticians. However, the Commission considered that international standard definitions for these groups were needed and requested the Secretary-General of the United Nations to develop such standards in consultation with the relevant specialised agencies.

At its Fourth Session, the Commission gave further consideration to the status classification and suggested that it would be useful to subdivide the group of employees into: wage-earners, salaried employees, directors and managers, professional workers employed for wages or salaries, domestic servants, and, possibly, persons who receive a percentage of sales as remuneration. The Commission also indicated that unemployed persons who have not previously worked should be shown as a separate category in the classification according to status.

At the Commission's request, the Secretariat of the United Nations prepared in 1949 draft definitions for the four major status groups and circulated these draft definitions for comment to the specialised agencies and the various governments. When examining the whole subject anew at its Fifth Session, the Population Commission recommended use of the four major status groups as adopted by the Sixth International Conference of Labour Statisticians in August 1947, and adopted definitions of each of these groups. As these definitions are particularly important, they have been reproduced in Appendix II of the present report.
The Statistical Commission of the United Nations also studied the question of the classification according to status. However, after considering, at its Fourth Session in 1949, the subdivisions of the group of employees proposed by the Population Commission, it concluded at its Fifth Session, and in the light of the comments received from governments and of the documentation prepared by the Secretariat of the United Nations, that the subdivisions proposed should be eliminated. The Commission commented particularly on the difficulties of defining managers and directors, bearing in mind the variation from country to country in the legal basis of corporations. It had also envisaged the possibility of proposing the creation of a subgroup of "civil servants" but decided to make no recommendation on this subject because of the difficulty of obtaining accurate information allowing for distinctions between civil servants and other employees.

On the occasion of the review of various statistics other than population censuses, the Statistical Commission was led to propose certain groupings corresponding to a classification according to status. Thus, at its Sixth and Seventh Sessions, the Statistical Commission adopted international recommendations in the field of basic industrial statistics covering mining, manufacturing, construction, electricity and gas production.

Concerning employment data, the Commission recommended, inter alia, that information should be collected at least decennially, showing the number of workers subdivided into (1) working proprietors (self-employed); (2) employees; (3) unpaid family workers; (4) homeworkers. Employees were to be subdivided to show (a) operatives and (b) administrative, technical and clerical workers.

The major characteristic of these proposals is that homeworkers are classified in a separate group from employees. The Commission also recommended that persons undergoing military training should not be counted among employees even if they were nominally registered on the payroll of an industrial establishment.

The Statistical Commission also approved definitions of the proposed groups and subgroups. Homeworkers were defined as "persons working in their own homes for an employer"; operatives, as "employees engaged essentially on manual work directly

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1 These various recommendations, together with explanatory notes, have been brought together in the United Nations publication entitled International Standards in Basic Industrial Statistics, Statistical Papers, Series M, No. 17 (New York, 1953).
associated with the actual production of goods or services or directly auxiliary to it" (directly auxiliary workers include messengers, stokers and cleaning personnel); working foremen were classified as operatives. The subgroup of administrative, technical and clerical workers was defined as comprising all employees other than operatives, including managers and directors, laboratory and research workers, office personnel, foremen other than working foremen, salesmen and delivery personnel.

Regional Agencies

The Committee of the Inter-American Statistical Institute on the 1950 Census of the Americas, reviewing the problem of the classification of the economically active population according to status, recommended that the definitions adopted by the various American countries should be those finally recommended by the Population Commission; the Committee indicated, however, that as far as the definition of unpaid family workers is concerned, each country should be free to decide, in accordance with its national needs and problems, whether the definition should be based on the work done for a member of the household or on that done for a member of the family.

The Inter-American Statistical Institute Conference, meeting in Brazil in 1955, requested its Committee on the Improvement of National Statistics to examine the draft international recommendations proposed by the Secretariat of the United Nations for the 1960 censuses. Regarding the status classification, the Committee suggested, in particular, that the definitions of the various groups be clarified, taking into account the case of persons who might belong simultaneously to more than one group.

The Fourth Conference of Statisticians for Asia and the Far East, meeting in April 1956, also considered the United Nations draft recommendations and suggested that, at least for the area studied, it would be useful to obtain data on the following categories of persons engaged in agriculture: (1) owner-holders, (2) tenant-holders, (3) labourers, (4) family workers.

Finally, the Conference of European Statisticians has studied this question on the occasion of the preparation of population censuses to be held in or around 1960. A Group of Experts on Classification of Persons by Status, set up by the Conference, met in Geneva from 13 to 17 February 1956. In its conclusions the Group of Experts supported adoption of the four major groups already proposed or recommended by various international bodies; some important divergencies are, however, to be noted:
(a) The Group proposed to enlarge the group of family workers in order to include (as had been suggested by the League of Nations Committee of Statistical Experts in 1938) the paid family workers;

(b) It proposed, for the first time, a group of "members of producers' co-operatives";

(c) It suggested some subgroups in the group of employees and, in particular, a subgroup of apprentices.

The Group also considered the question of socio-professional groupings (see Chapter IV). The conclusions of the Group of Experts were not final, and, when examining them in November 1956, the Working Group on Censuses of Population of the Conference of European Statisticians decided to submit the reports on the classification of the economically active population in censuses to the comments of the various European governments and to review the whole question in 1957, after the meeting of the Ninth International Conference of Labour Statisticians.

Conclusions

In summary, the various international recommendations made since 1938 on the classification of the labour force according to status generally agree on the necessity of subdividing the labour force into four major groups:

(a) employers;

(b) own-account workers;

(c) employees;

(d) unpaid family workers.

However, divergencies of a more or less important character are to be observed as concerns the last group.

In addition, several subdivisions of the major groups have been suggested by one or another of the international or regional agencies, but have not been finally adopted.
CHAPTER III

MAJOR CHARACTERISTICS OF NATIONAL CLASSIFICATIONS

Available Information

A large amount of information has been assembled by international organisations as to the practices followed in the various countries in the classification of the labour force according to status.

In 1949, the Secretariat of the United Nations circulated to the various governments proposals relating to a classification according to status in four major groups: 30 countries (Canada, United States, five Latin American countries, 15 European countries, five Asian countries, Egypt, Australia and New Zealand) sent comments, a summary of which was submitted to the Fifth Session of the Population Commission of the United Nations.¹

The Group of Experts on the Classification of Persons by Status, convened in February 1956 by the Conference of European Statisticians, was in possession of information furnished by the United States and 22 European countries, including five Eastern European countries.

In order to prepare recommendations for a population census to be taken in or around 1960, the Secretariat of the United Nations has conducted a study of national practices followed in 52 countries.²

In addition to information available in national publications relating to censuses, a large quantity of data concerning national practices is therefore also at hand.


Application of the Four Major Groups Recommended at the International Level

In general, the four major groups recommended by the various international agencies for the classification of the labour force according to status are rather widely used by the various countries: thus, out of 52 countries studied by the United Nations, 44 separate employers from own-account workers, and 42 have a category of family workers.

Employers and own-account workers. A majority of countries, as noted above, present data for employers separately from data on own-account workers. However, certain countries do not make such a separation, either because they consider it to be useless or believe it is too difficult to obtain in censuses.

Thus Switzerland, in its census of establishments, classifies the latter according to the number of persons employed, and therefore considers that it is useless to separate employers from own-account workers in the population census.

In the United States, data for the two groups, which had been collected separately as in previous censuses, were combined in the publication of the results of the 1940 census because it was considered that the information obtained for each individual group was not sufficiently accurate to justify segregation. The change in methodology adopted in this country in 1950 for obtaining information in the population census made it more difficult and more expensive to secure separate data for employers and own-account workers, and this separation was therefore abandoned.

Similarly, Canada did not present separate results for employers and own-account workers in its 1941 census. Information is available, however, for each of the two groups in the monthly population sample survey.

The latest censuses of Australia, Belgium, Denmark, Eastern Germany, Luxembourg and the Netherlands do not show separate data for the groups reviewed.

In certain countries such as Italy, India and Pakistan the separation between employers and own-account workers is made for non-agricultural activities only; these countries prefer, as regards agriculture, to distinguish between owner-holders, tenant-holders and sharecroppers.
Unpaid family workers. Of the 52 recent censuses studied by the United Nations, 42 show separate data for unpaid family workers, although these data are presented under different titles and vary considerably in scope. In the majority of cases, differences in scope stem from differences in the definitions and criteria used to decide whether family aids should be included in the labour force or excluded altogether. Persons who have worked without pay in a family enterprise are thus counted in the labour force, depending on the country, when they have declared that this work represents a "principal", "substantial", "regular" or "habitual" activity, or is the activity which they follow "permanently" or most of the time.

Several countries, such as Denmark, Ireland, Sweden and Switzerland encounter difficulties in separating unpaid family workers from employees because, at least in these countries, most of the family workers receive some remuneration, the amount of which it is not possible to determine on the occasion of a census.

In Norway data are available for family workers in agriculture only. Unpaid family workers in other activities are apparently counted in the group of "other workers", which includes wage earners.

In most countries, only those members of the household related to the chief of the enterprise by blood or marriage are classified as unpaid family workers; however, Portugal includes in this group certain workers who are not strictly members of the family. In the Netherlands, only wives and children assisting in family enterprises are classified as unpaid family workers; other persons reported as family aids are assimilated with partners (self-employed) or with employees.

Other Major Groups Used in the Various Countries

Although most countries use as major groups the division into employers, own-account workers, employees and unpaid family workers, some of them also use other major groups such as "armed forces", "unemployed" and "members of co-operative production units".

In most countries armed forces are included in the group of employees. However, in the 1947 census of the Netherlands, persons belonging to armed forces were classified separately from the economically active population, together with certain other categories, under the item "temporarily inactive". In the 1941 census of Canada, armed forces were excluded from the
classification according to status. Some other countries have followed the same procedure; most studies undertaken in the United States refer to the civilian labour force only; in some tables, such as those relating to the "employment status", armed forces is a separate item.

In many population censuses undertaken between 1945 and 1954 the unemployed have been indicated separately. Out of 52 censuses investigated by the United Nations, unemployment details were sought in 47 cases. In most countries the unemployed are merely presented in a separate group rather than classified according to the status which they held in their previous or usual job; information necessary for such a classification was collected in only 21 of the 52 countries reviewed. In some countries, however, including in particular Australia, Ireland and the United Kingdom, all persons classified in the "out-of-work" category are assimilated to employees as far as their status is concerned, but usually in such cases the unemployed are shown as a separate subgroup. Some other countries classify the unemployed according to their status in their last or usual job, but then present a separate table relating to unemployed.

Finally, countries with a socialist economy, as in the Eastern European countries, consider that a significant part of the economically active population may not be classified in any of the four groups recommended at the international level, namely, workers in co-operative production units and more particularly workers on collective farms. When classified according to status, such persons are usually presented in a separate group in these countries.

Subdivisions Used in the Various Countries

Subdivisions of employers and own-account workers. Few countries subdivide these two groups in their various statistics. However, as has been mentioned above, in its census of establishments Switzerland distributes employers according to the number of their employees. The subdivision of the group of employers according to the number of persons employed (excluding, in general, unpaid family workers) is used in the Federal Republic of Germany, Hungary and Ireland.

In Portugal, each of the groups is divided into "persons engaged in agriculture" and "other persons", and the former are then distributed between owner-holders and tenant-holders.
In Italy, the whole of employers and own-account workers is divided as follows:

- sharecroppers for a given period;
- sharecroppers, permanent;
- other self-employed in agriculture;
- employers in non-agricultural activities;
- own-account workers in professions;
- other own-account workers in non-agricultural activities.

Subdivisions of employees. Most of the countries presenting data according to status show subdivisions for the group of employees.

The major subgroups to be found in the various national classifications according to status are those of directors and managers, salaried employees, wage-earners (sometimes subdivided according to the level of skill), apprentices and civil servants.

About half of the European countries have a subgroup of "managers and directors" or "directors". The United States consider that it is possible to obtain the same information with the help of a cross-classification of the group of employees by groups of occupations, and therefore do not make this separation in their classification according to status. In the United Kingdom, the group of "directors and managers" used in the 1951 census was subdivided into three subgroups corresponding approximately to:

1. directors, managing directors or general managers;
2. branch managers or managers of manufacturing establishments; and
3. departmental or under-managers.

The most common subdivision of the group of employees in national classifications according to status is that which distinguishes between salaried employees and wage-earners. It is to be found in the majority of European censuses and
in many Latin American countries. On the contrary, Australia, Canada, India, New Zealand and the United States consider that this separation is not possible because of the difficulty of finding an adequate criterion. The criteria used for the separation between salaried employees and wage earners do vary considerably from one country to another. Some countries separate wage earners and salaried employees on the basis of the method of payment. In most cases, however, the separation is based on the nature of the work, considered as predominantly manual or predominantly intellectual; this second category generally covers administrative work, office work and sales. In fact, distinctions using this criterion as a basis are rather founded on occupational concepts. In some countries such as Australia, Belgium and the Federal Republic of Germany, employees are classified as salaried employees or wage earners according to the social security fund to which they belong. It is obvious that such a distinction does not permit of international comparisons, since the classification of persons depends essentially on the social security legislation. The same is true when distinctions are made, as in Denmark, Luxembourg or Peru, on a purely legal basis.

In several countries (Czechoslovakia, France, Hungary, Italy, Rumania, Switzerland) the subgroups of salaried employees and wage earners are further subdivided according to level of skill: thus in the Swiss census, salaried employees are distributed between directors, senior technicians, other senior salaried employees, subordinate technicians, and other subordinate salaried employees, while wage earners are distributed among skilled workers, semi-skilled workers, unskilled workers, home workers and apprentices. France, Italy and Rumania also distribute wage earners according to level of skill; however, these subdivisions are generally based on occupational criteria.

It is to be noted that divisions according to level of skill are much more easily made in industrial censuses or in inquiries from establishments than in population censuses. This is due to the fact that the information available to establishments is generally such as to make it possible to obtain much more refined distinctions than those which may be expected on the basis of information collected in a census: in the Federal Republic of Germany, the separation between skilled, semi-skilled and unskilled workers was not obtained in the population census, but was shown in the 1950 census of non-agricultural establishments; in France, the classification of wage earners according to level of skill is greatly facilitated by the legislation on wages, which separates wage earners into ordinary labourers, specialised labourers, semi-skilled workers, skilled workers and highly skilled workers; data for each of these groups may therefore be obtained in inquiries from establishments.
Various other subdivisions are used:

Australia, Austria, Czechoslovakia, Egypt, France, Ireland, Japan, Switzerland, the United Kingdom and Yugoslavia have in one or another of their population censuses, a separate group for apprentices in the classification of the economically active population according to status.

Few countries classify professional workers separately in the distribution of the economically active population according to status; actually this group is more often shown as a subgroup of the classification by industry or by occupation.

Some countries have a separate group of "domestic servants" in their classification according to status, but in most cases this group is only a residual category.

The Federal Republic of Germany, France, and the United States show separate data for civil servants; in Eastern European countries a distinction is made between the "public sector" and the "private sector".

Many other subgroups are also to be found, such as persons earning commissions, part-time workers, farmers, homeworkers, clergy, etc.
CHAPTER IV

GENERAL CONSIDERATIONS ON CLASSIFICATION ACCORDING TO STATUS

The Concept of Status

Before a classification in groups and subgroups of persons in the labour force according to their status may be proposed, it is necessary to analyse the content of the concept of status. This concept was specified at the international level by the Sixth International Conference of Labour Statisticians and by the Population and Statistical Commissions of the United Nations.

The Sixth Conference, in its resolution concerning statistics of employment, unemployment and the labour force, indicated that the expression "industrial status" means "the status of the individual in respect of his employment" (para. 10(2)), and enumerated the four major groups of persons to be classified according to their industrial status. The Statistical Commission and the Population Commission specified the meaning of the expression "status" by indicating in a table giving the standard terminology to be used for statistics relating to the economically active population¹, that it refers to "the condition of an individual in his occupation, i.e. whether employer, worker on own account, employee or unpaid family worker".

The two summary explanations thus given specify that status refers to a position in relation to a job (or an occupation), and enumerate the major categories which proceed therefrom. The distinctions between the four major groups recommended by the various international agencies, and actually used in most countries, appear to be based on two main criteria: the position of each individual relative to that of other persons and the mode of remuneration of the work.

Employers and own-account workers are distinguished from the other two groups in that they are "independent". On the contrary, employees and unpaid family workers depend on an

employer. The independence of the employer who is responsible for employees, however, is different from that of the own-account worker, who is entirely free vis-à-vis others; and the relation of the unpaid family worker to the chief of the family enterprise is not of the same order as that of the employee to his employer.

Similarly, the mode of remuneration of the persons concerned differs from one group to another: unpaid family workers do not receive remuneration in cash; employees receive a remuneration paid by others; employers and own-account workers will be remunerated by a profit, and a distinction may be made between these two latter groups on the basis that employers are responsible for the remuneration of other persons, while own-account workers do not have such a responsibility.

It appears therefore that the two main criteria contained in concept of status are, first the relative position of a person as compared to that of other persons, and second the mode of remuneration. Any classification of individuals according to status will have to be based mainly on these two criteria.

Relations between Industry, Occupation and Status

The status of a person is clearly distinct from his occupation and from the industry to which he is attached. It may however be useful to recall briefly the differences between these three economic characteristics.

In a classification of the population by industry, each individual is classified according to the economic activity of the establishment in which he works and not according to his personal activity. Thus miners, carpenters, chauffeurs, electricians, lawyers, office workers in a mining enterprise and the employer managing this mine will all be classified in the industry "mines". Similarly, in a small handicraft shop such as a cabinet maker's shop, the boss, his two or three employees, his wife working part-time on office work for the enterprise, may all be classified in the furniture industry; it is obvious, however, that the relative position and the mode of remuneration of these people or, in other words, their status, are very different.

The occupation of a person is the trade, profession or type of work performed by the individual, irrespective of the branch of economic activity to which he is attached, or of
his status. Thus, the same occupation will often be performed by persons holding a different status in that occupation. When a carpenter who was working in a building enterprise as a wage-earner starts a business of his own, he changes his personal status but not his occupation. If he afterwards hires one or several helpers, he becomes an employer, but his occupation remains that of a carpenter. In addition, an employee may change his occupation and his industry without changing his status: this is the case, for example, of the automobile repairman who becomes a truck driver in an industrial establishment.

Relations between the Classification According to Status and Socio-Professional Groupings

During the past few years a concept which is related to that of status has appeared in the statistics of some countries and, in particular, of several European countries: it is the concept of "socio-professional" groupings. The aim sought by the various countries which have established such groupings is to present a subdivision of the economically active population or of the total population of the country into "homogeneous" social groupings. More precisely, the intention is to develop groups in such a way that the social behaviour of the various individuals of the same group could be expected to be relatively similar, while it might be clearly different from that of the individuals belonging to another group.

This question was examined at the international level in August 1955 by the Working Group on Population Censuses of the Conference of European Statisticians, and a group of three Reporters prepared a detailed report on this subject in 1956.

The report proposed a socio-professional classification with one, two and three digits, and specified in its introduction that the aim was to stratify the population according to the behaviour of individuals, more particularly on the demographic, economic and social planes. It is to be submitted to the various governments for comment and will be reviewed again by the Working Group on Population Censuses of the Conference of European Statisticians.

The usefulness of socio-professional groupings has been widely recognised. The analysis of social behaviour, the study of fertility rates, morbidity rates, etc., may be greatly facilitated by ability to segregate the population into relatively homogeneous groups. The effectiveness of social laws and
regulations may be enhanced by public provisions based on such groupings. In consequence research workers and administrators alike have expressed an interest in this field and a variety of socio-professional groupings have been introduced in national censuses.

It is important to note, however, that these groupings do not represent a primary classification, that is a classification according to a single criterion or a set of well-defined criteria. As was specified in February 1956 in the report of the Group of Experts on Classifications of Persons by Status of the Conference of European Statisticians, a classification according to socio-professional categories "does not follow a single concept, but might make use of notions and distinctions of essentially different kinds (e.g. status, industry, occupation) and also notions not related to any of the existing classifications", such as size of establishments, structure of the economy, system of tenure in agriculture, etc. Such groupings therefore do not form a real classification, independent from other classifications in use, but represent a combination of these various classifications, together with other groupings.

On the contrary, the classification according to status, which is the subject of the present report, is independent from other classifications, and it is therefore important that it be based on criteria independent from those which serve as a basis for the classification by industry or by occupation: it is precisely under these conditions that it will be of maximum use, together with other classifications, in determining homogeneous socio-professional groups.

Scope of the Classification According to Status

The concept of status as specified by the Sixth International Conference of Labour Statisticians (the status of the individual in respect of his employment) obviously applies to the labour force only. Persons outside of the labour force, since they have no job, cannot have a position in an occupation which they do not follow. The classification according to status can therefore cover the labour force only; in addition, there are obvious advantages for this classification, which permits of the analysis of one of the three major characteristics of the economic and social situation of a country, to cover the same scope as the industrial and occupational classifications.
It should also be noted that the usefulness of a classification according to status may not be limited to population censuses or industrial censuses. On the contrary, it is to be believed that the utilisation of such a classification will be at its best in labour statistics collected from establishments or in labour force sample surveys. It will generally be possible in such inquiries to secure much more accurate information on the status of the enumerated than on the occasion of general censuses. The subdivisions that may be envisaged in the classification according to status should therefore not be too limited by the difficulties which can be foreseen in the collection of census data. This point of view was taken into consideration when establishing special groups for the International Standard Classification of Occupations, whose practical application extends clearly beyond the scope of censuses.
CHAPTER V

ANALYSIS OF THE PROPOSED CLASSIFICATION

This chapter is devoted to the analysis of the list of groups and subgroups of the proposed international classification according to status. The first part of the chapter explains why the various groups have been set up, and includes definitions of the groups. The second part contains a review of the various criteria that may be envisaged for the establishment of subgroups and a description of the proposed subgroups.

I. The Groups

Addition of Three New Groups to the Groups Already Recommended

The study of the various existing international recommendations, presented in Chapter II, has shown that they concur on the whole on four major groups of status, namely:

- employers;
- own-account workers;
- employees;
- unpaid family workers.

In addition, the study of the various national classifications in Chapter III shows that these four groups are actually used in the statistics of a number of countries.

It is not surprising, therefore, that these groups should form the basis of the proposed classification. Three additional groups appear to be necessary, however. These groups cover categories of persons who should be identified separately in a classification according to status: the members of cooperative production units, the unemployed and the armed forces.

The proposed classification is thus composed of eight groups:

1. Employers;
2. Own-account workers;
3. Members of co-operative production units;
4. Employees;
5. Unpaid family workers;
6. Unemployed;
7. Armed forces;
8. Persons whose status is unknown or not adequately described.

In the following analysis the three newly proposed groups will first be examined and the repercussion of the creation of these groups on the definitions of the other groups will then be reviewed.

Analysis and Definition of the New Groups

Members of co-operative production units. In some countries, many producers are grouped in economic units of production which are their collective property, under the form of co-operatives: such is the case for the 38 million persons working in kolkhozes or co-operative farms in the U.S.S.R., and for the persons grouped in the Israeli kibboutzim.

The main characteristic of these workers is that they own in common the whole of the enterprise and particularly that in agriculture they are collective owners of the land. They should not be confused with the members of certain ordinary production co-operatives common in agriculture. In co-operatives of this latter type, the producers remain, in fact, independent. The vine-grower who delivers his grapes to the wine-producing co-operative owns his vineyard; the grazier who delivers his milk to the co-operative cheese factory may own his cattle and pastures; the wheat-producer keeps control over his holding even if he rents a combine-harvester from an agricultural machine co-operative for a price set according to the time of utilisation of the machine or the number of tons of wheat produced. If a phase of the production is thus sometimes collective, the initial production is still the job of each co-operative member in his individual enterprise, which he may exploit freely, alone, with the help of his family or with the help of employees.

On the contrary, in the co-operative production units, the whole of the enterprise is the collective property of all the members of the production unit, and these members do not individually employ wage earners. The organisation of the
production and of the work is a common matter and not an individual one, since each member participates in this organisation through his vote in the controlling bodies of the enterprise, or in the periodical designation of these bodies. Finally, the fruits of the enterprise are distributed among all the producer co-operators according to standards set up in common agreement.

The communal character of labour in the co-operative production units is also often accompanied by a more or less communal social and family life, as in the Israeli kibbutzim for example. In addition, the association of the individual with the collectivity is generally such that it is difficult for him to leave it; if he does, he often encounters difficulties in associating with other workers in an ordinary establishment.

Finally, it is important to distinguish clearly between these workers and those of the collective enterprise units depending on the State, such as sovkhozes in the U.S.S.R.; in the latter, the workers take part only indirectly in the organisation of production or in the sharing of the fruits of the enterprise. These workers are employees of the public sector.

The special characteristics of the members of co-operative production units are such that they may not be classified in the group of own account-workers, from which they are differentiated in particular by much less independence towards their job, nor in the group of employees, from which they are differentiated by virtually all their characteristics: they own their enterprise and they participate in the organisation of the production and in the product of the enterprise. It would be well, therefore, to set up a separate group for these workers. The following definition proposed for this group stems from the above description:

Persons working in establishments constituting economic units of production which they own collectively, who take part on an equal footing with other members in the organisation of the production and the work of the establishment as well as in the development of standards of distribution of the product of the establishment.

Obviously, in those countries where there are no members of co-operative production units, there will be no reason to overburden the census questionnaires or other forms with questions relating to these persons.
Unemployed. Since status is the position of the individual in respect of his employment (see Chapter IV) it is clear that the unemployed, i.e. persons without employment, have no status in the strict sense of the word: thus, out of 52 censuses reviewed by the Secretariat of the United Nations, 47 show the unemployed in a separate group in the classification of individuals according to status.

In the absence of a special group for the unemployed in the classification which it proposed, however, the Population Commission recommended that in population censuses the unemployed be classified according to their "usual" status or to their status in their most recent or last regular job, depending on the definitions used in the censuses.

These various definitions obviously lack comparability; in addition, they are more particularly tied to census methods; above all, their drawback is that they would lead in many cases to the classification of unemployed on a different basis than the classification of employed persons. In point of fact, except in special cases, employed persons are classified according to their status at the time of the census. The status of an unemployed person at the time of the census is that of unemployed, and it appears contrary to all logic to classify as a wage earner, for instance, a person whose major characteristic is precisely to receive no wage at the time of the inquiry, even though "usually" this person may actually be a wage earner.

Finally, if it were decided to classify the unemployed according to the status which they held previously, it would nevertheless be necessary to separate the group of unemployed in two, because there remain a certain number of persons who are looking for their first job and who therefore could not be classified according to their status in a previous job. The practical difficulty of classification is therefore only shifted and at the same time a homogeneous group will have been split. It is thus preferable to classify all the unemployed according to their status at the time of the inquiry, that is as unemployed, in a special group.

Nothing prevents, moreover, the separate presentation of a classification of the unemployed according to the status which they held previously (or usually held); on the contrary, such a table would certainly throw light on the position of the unemployed and would be of great value. It might be that such tables would be of little interest in the case of censuses, the results of which are generally published with important time lags, but one should not overlook the fact that a classification according to status may be used in many other statistics which may be made available shortly after the period to which they refer.
Another advantage of the proposed set up is to confine the first five groups of the classification to "persons in civilian employment"; the sixth group will then cover the "unemployed" as defined in the resolution concerning statistics of the labour force, employment and unemployment adopted in 1954 by the Eighth International Conference of Labour Statisticians.

**Armed forces.** The Eighth International Conference of Labour Statisticians, in its resolution concerning statistics of the labour force, employment and unemployment, taking up, in fact, a paragraph of the resolution of the Sixth Conference on the same subject, made a clear distinction between the civilian labour force and the armed forces.

This distinction was considered necessary mainly because of the fact that many countries present detailed statistical information for the civilian labour force only, and show no more than a total figure for the armed forces.

It therefore appears useful, as in the case of the International Standard Classification of Occupations, to provide a separate group for the armed forces, the remainder of the classification applying to the civilian labour force only. The difficulties of distinguishing between civilians and members of the armed forces have been reviewed in detail in a publication of the United Nations already mentioned, and the definition of this group will be that proposed and described in Report II on the International Standard Classification of Occupations, submitted to the present Conference, namely:

Persons serving in the armed forces, including the women's auxiliary services, whether on a voluntary or involuntary basis, and who are not free to accept civilian employment. The armed forces include regular members of the army, navy, air force and other military services, as well as temporary members enrolled for full-time training or other service for a period of three months or more. The armed forces exclude persons in civilian employment, such as administrative staff of government establishments concerned with defence questions; police (other than military police); customs inspectors and members of other armed civilian services; members of military reserves not currently on full-time active service; and persons who have been temporarily withdrawn from civilian life for a short period of military training.

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Countries which would wish to include members of the armed forces in the group of employees, as was provided for up to now in the classification recommended by the Population Commission and the Statistical Commission, should identify members of the armed forces in order to allow for their separate classification; this identification would be necessary in any case in order to present data conforming with the International Standard Classification of Occupations.

Adjustment of the Definitions of the Other Groups

As was mentioned at the beginning of the present chapter, the three groups studied in the above paragraph supplement the four groups of employers, own account-workers, employees, and unpaid family workers, which have already been recommended internationally.

Detailed definitions of these four groups were adopted by the Population Commission at its Fifth Session and are reproduced in Appendix II of the present report. It appears desirable, however, to modify these definitions slightly in order to take account of the three new groups as well as of the recommendation of the Eighth International Conference of Labour Statisticians concerning the definition of unpaid family workers.

The complete text of the revised definitions is reproduced in paragraph 3 of the draft resolution submitted for approval to the Conference (see Appendix I).

Unpaid family workers. In some European countries it appears to be difficult in practice to separate paid family workers from unpaid family workers, and the Group of Experts on the Classification of Persons by Status of the Conference of European Statisticians envisaged the possibility of replacing this group by a group of "family workers".

Bringing together in a single group all the family workers, whether paid or not, would be tantamount to stressing the fact that these persons are relatives of the chief of the establishment. This does not seem to have been the aim of the countries and of the various international agencies which have used or proposed a group of unpaid family workers. It is only because the relatives of the chief of the establishment often work without remuneration, and that it is often difficult to determine whether or not they belong to the labour force, that they have been isolated in a special group. In fact, the family worker really has a status different from that of other workers only inasmuch as he is not paid. Those family workers who receive a remuneration should be
classified in one of the three groups of employers, own-account workers, or employees, as the case may be: if the remuneration is a wage (even reduced), they are employees; if the remuneration is a part of the profit paid to the account of the family worker, he will be an own-account worker, unless the enterprise employs wage earners, in which case he will be an employer.

It is, of course, possible that in some cases the remuneration may be fictitious, that is, when the beneficiary has not really worked, although a remuneration on his behalf is noted in the accounts in order, for instance, to reduce the weight of taxes on the enterprise; in this case, and in so far as it will be possible to detect the fictitious character of the remuneration, the individual concerned is to be counted neither as an employee nor as an unpaid family worker: since he has not worked he does not belong to the labour force.

It should not be forgotten, moreover, that in practice there is a great advantage in the separation of unpaid family workers from other workers. The limits between this group and that of the persons who do not belong to the labour force are often vague, even when an effort is made to determine these limits by objective and relatively accurate criteria such as the time spent at work during a specified period; it is therefore preferable to include in this group as few as possible of the persons whose attachment to the labour force is clearly determinable.

As regards the definition of this group, it appears necessary to modify somewhat the proposals of the Population Commission (see Appendix II) in order to take into account the recommendation of the Eighth International Conference of Labour Statisticians, which specified that the minimum amount of work done by an individual to be counted as an unpaid family worker should be at least one-third of the normal working time. In addition, it also appears necessary to modify slightly the definition proposed by the Population Commission, in order to specify clearly that all persons receiving a wage or a salary should be classified as employees.

The proposed new definition is therefore the following:

Persons working without pay, for a period equal to at least one-third of the normal working time during a specified period, in an economic enterprise operated by any member of the household. Although unpaid family workers usually receive room and board, these benefits should not be considered as pay in their case, since they are not dependent on the work performed.
All such persons should be included in the category of unpaid family workers. On the other hand, family workers who receive an actual wage or salary for their work should be classified in the group of employees.

The other groups. The definition proposed by the Population Commission for the group of employers (see Appendix II) does not appear to need modification.

For the group of employees, certain modifications seem desirable. In the enumeration of the persons covered by this group, it is first necessary to exclude the members of the armed forces, to take into account the creation of a special group for these armed forces. In addition, it appears desirable to replace the expression "persons who work solely for tips, without wages or salary" by a more general expression such as "persons who work mainly or exclusively for tips".

As regards the definition of own-account workers, it would be useful to add the following sentence: "Members of co-operative production units do not belong to this group."

Finally, the last group (persons whose status is unknown or inadequately described) should be provided for the classification of persons for whom, either in a census or in any other type of statistics, it has not been possible to collect the necessary information.

The proposed classification as concerns the status groups and their definitions is reproduced in the resolution shown in Appendix I.

II. The Subgroups

As was mentioned in Chapter II, the international agencies which have studied the classification of the labour force according to status have envisaged several subdivisions of the major groups, but finally adopted no recommendations on this subject because of the difficulties encountered in setting up comparable groups at the international level.

As was explained in Chapter III, however, most countries presenting data on the labour force according to status use in their classification some subdivisions of the major groups, and more particularly of the group of employees. This group, for example, covers in most countries half, and sometimes more, of the total labour force. It is also very heterogeneous, because it is composed of persons whose position in relation to others, on the one hand, and whose mode of remuneration, on the other, may be extremely varied.
The presentation of statistical data according to status for such a large and heterogeneous group, without any subdivisions, would be of little interest, and it appears desirable to distribute the employees into several subgroups of smaller scope and with greater internal homogeneity.

There is therefore little doubt that it would be useful to set up subdivisions of the proposed groups, and the various international agencies which have studied the question have attempted to do so. The difficulties encountered are mainly due to the fact that the national subdivisions are very different, and the following discussion will show that in many cases a subdivision of great interest at the national level cannot be retained at the international level because of differences in the scope of the terms and of the national concepts used.

It appears possible, nevertheless, to set up some subgroups presenting interest from an international point of view. In the following paragraphs, the main subdivisions which may be envisaged for each group are analysed and their applicability at the international level is reviewed. As no subdivision is suggested, however, for the members of cooperative production units, for unpaid family workers and for persons whose occupation is unknown or inadequately described, these groups are not mentioned in the following discussion.

Subdivisions of the Group of Employers

The subdivisions of this group in use in the various countries are not very numerous. Some countries present a distribution of employers according to the number of their employees, and to be sure the social status of a person employing one or two wage earners is quite different from that of the chief of a large enterprise employing several hundreds of wage earners. The limits of the subgroups that can be determined this way, however, would be difficult to establish in such a manner that they would be applicable to all economic activities and to all countries: for example, identical limits of less than five employees, from five to 99 employees, etc., would not have the same meaning in agriculture, industry or commerce, nor from one country to another. Anyway, this distinction concerns the development of socio-professional groupings rather than the classification according to status which is the same for small or big employers.

Other countries subdivide this group according to the situation of the employer with respect to the ownership of the enterprise; in general such a distinction is made for agricultural activities only. It appears useful to use this principle in the international classification.
There are, in fact, great differences between the owner exploiting his land, the tenant-holder and the sharecropper. The first one is entirely independent and determines freely what crops he will grow and how he will organise his holding; on the contrary, the sharecropper is more or less dependent on the owner, who is directly interested in the development of the holding and who will consequently intervene in the management of the farm. In countries where legislation on farming and sharecropping is well advanced, differences between tenant-holders and owner-holders may appear scanty, but in other countries and more particularly in less well-developed countries, the tenant-holder is greatly dependent on the owner of the land. As to the sharecroppers, their constraint is obvious and notorious, in cases, for example, where the sharecropping contract provides for the rendering of a considerable part of the crop to the owner of the land, and where the sharecropper is often compelled to run into debt in order to live.

The separation between persons owning their enterprise and those running an enterprise which they do not own can be envisaged in economic activities other than agriculture. In industry and commerce, for instance, there are managers who do not receive a salary and who have all the characteristics of an employer, with the sole difference that they do not own the enterprise which they manage. However, the dependency of these persons on the owner in title of the enterprise is much less marked than in agriculture. In addition, the separation would be much more difficult to make in practice in statistical inquiries and especially in censuses. Finally, from a numerical point of view, the importance of this subdivision is much greater in agriculture than in other economic activities, especially for the less well-developed countries; in addition, employers in agriculture represent from 30 to 80 per cent. of the total number of employers, depending on the country envisaged.

It therefore appears preferable to limit the envisaged subdivision to the agricultural sector only, and the following subgroups of the group of employers are proposed:

11 Owner-holders in agriculture.
12 Tenant-holders.
13 Sharecroppers.
14 Other employers.
Subdivisions of the Group of Own-Account Workers

The above analysis regarding the subdivision of employers into owner-holders in agriculture, tenant-holders and sharecroppers obviously applies to own-account workers, all the more so that in many countries the proportion of own-account workers in agriculture reaches 70 per cent, or more of the total number of all own-account workers.

It appears useful, however, to envisage here an additional subgroup, namely that of itinerant handicraftsmen and salesmen.

In less well-developed countries, the number of persons who follow an occupation for their own account without a fixed place of work is often considerable: knick-knack sellers; pedlars selling miscellaneous foodstuffs, cigarettes, lottery tickets; shoe menders, joiners, etc. The situation of these workers is quite different from that of persons with a fixed place of work such as a shop which they have rented or which belongs to them, or of persons working at home; it differs also from the situation of persons whose activities lead them to operate from a centre of operations which may be assimilated to a shop. The itinerant handicraftsman or salesman may easily leave his job to take up paid employment, and frequently agrees to undertake a few hours of salaried work. In many cases the work of these itinerant salesmen is of the "odd job" variety and very unproductive. Although less important, this subgroup is also to be found in the more industrialised countries.

The subgroups proposed for the group of own-account workers are therefore the following:

21 Owner-holders in agriculture.
22 Tenant-holders.
23 Sharecroppers.
24 Itinerant handicraftsmen and salesmen.
25 Other own-account workers.

Subdivisions of the Group of Employees: Distinctions Not Retained

The subdivision of the group of employees has been the subject of several suggestions at the international level, and national practice is particularly varied. The main subdivisions in use (see Chapter III) are those which distinguish
managers and directors, salaried employees, wage earners and
government workers, and those based on the level of skill.
The reasons for which these various subdivisions have not been
retained are analysed below. It will be seen that in many
cases these subdivisions are of great interest from a national
point of view, but may not be used at the international level
because of differences in the scope of the national terms and
concepts.

Directors and managers. The League of Nations Committee
of Statistical Experts, the Statistical Commission and the
Population Commission of the United Nations have, at one time
or another, suggested that it would be desirable to set up a
subgroup of "directors and managers" in the group of employees.
Some countries actually make this distinction, the main use­
fulness of which is to isolate a category of persons whose
functions are often closer to those of an employer than to
those of an employee.

It must be noted, however, that the difference is more
of an occupational nature than of a status nature. In fact,
if this group is envisaged from the point of view of hierarchy,
that is, as a group of persons whose relations to others are
those of superiors to inferiors, it should then include other
persons not following the occupation of director or manager,
but whose position is at least as high, from the point of view
of hierarchy, as many "directors" of small enterprises or
managers of commercial undertakings: engineers, architects,
senior doctors in hospitals, members of a university with
important functions, navigating officers commanding a merchant
vessel, etc. If, as is in fact the case, the envisaged group
is more restricted and relates only to persons enumerated as
"directors and managers", this group is then much better
identified in the Standard International Classification of
Occupations (Major Group I), than in a classification accord­
ing to status.

Salaried employees and wage earners. The summary review
of national classifications presented in Chapter III shows that,
despite its great value, the distinction between salaried em­
ployees and wage earners raised serious difficulties so far
as the international comparability of these subgroups is con­
cerned; in some countries, such as the United States for
example, this separation is considered to be impracticable.
The study of the Standard International Classification of
Occupations would suggest, however, that it should be rela­
tively easy to distinguish salaried employees from wage earners
on the basis of the occupation: whatever the concepts which
underline the "usual" or "common" notions of salaried employee
and wage earner, some occupations are clearly to be classified
among salaried employees (accountants, for instance), while
others are typically wage-earner occupations (underground
miners, for instance). This distinction based on occupation
loses all value, however, when it is intended to classify
workers in transport or services: thus it is not possible on
this basis to classify without hesitation a merchant seaman, a truck driver, a charwoman, a barman, etc. in one or the other category.

If the distinction between salaried employees and wage earners is to be based, as for instance in Austria or the Federal Republic of Germany, on their attachment to a social security fund for salaried employees or for wage earners, it becomes immediately obvious that this definition varies according to the social security legislation, and cannot, therefore, be used for international comparisons.

If it is intended to use the concept of frequency of payment of the remuneration (monthly or not, for instance), then difficulties are encountered because of the varying practice of the countries, which difficulties make such a method completely inapplicable at the international level. An illustrative case is that of the United States, where, in several states, the law imposes payment of remuneration to every employee, including directors, at least every 14 days.

The distinction based on the concept of manual versus intellectual work presents still greater difficulties. A qualified wage earner who is to produce a complicated piece may be classified with as much reason, if not more, among the "intellectuals" than the office worker in charge only of copying various documents. Will the copy typist be classified among wage earners on the basis that her work is predominantly manual? This would be in contradiction to the usual notion of classification of office personnel. The example of the locomotive engineer may be still more characteristic. His external appearance may be that of a wage earner, at least on steam engines, and on this basis he cannot be considered as a "white-collar worker"; he may be paid on a monthly or an incentive basis; as to whether his work is mainly manual or mainly intellectual, one is faced with a dilemma: his work is manual when it is considered that he is responsible for maintenance and small repairs to the engine, but it is obviously intellectual when taking into consideration his responsibilities as driver of an express train.

It does not appear possible, therefore, taking into account the considerable differences encountered among the classifications of countries using such distinctions, to recommend the separation between salaried employees and wage earners in an international classification.

**Level of skill.** The problems raised by the separation of workers in groups characterised by a similar level of skill, shown in some countries (see Chapter III) either in the occupational classification or in the status classification or independently from other classifications, have already been reviewed in detail in the report on the International Standard Classification of Occupations submitted to the Seventh
International Conference of Labour Statisticians.\textsuperscript{1} The conclusions of this analysis showed the difficulties encountered in determining the level of skill of an individual, especially in censuses, and indicated that limits between skilled workers, semi-skilled workers and unskilled workers varied greatly from one country to another.

It would appear that the concept of level of skill should find its full utilisation in the classification of occupations, since the level of skill may be one of the important elements characteristic of an occupation. This criterion, however, although used in some cases, has not been employed systematically in the establishment of the International Standard Classification of Occupations because of the difficulties encountered in determining this level and of the divergencies in the interpretation of information regarding the "qualified wage earner" from one country to another. Several questions could, of course, be put to the person enumerated in order to determine his level of skill (how many years of training have you had in your occupation? Do you have a diploma or a certificate of proficiency?). Apart from the fact that such questions would not always be sufficient and that it is difficult in any case to introduce them in forms which are generally already overburdened, they could not cover the variety of situations which are to be encountered when passing from one country to another. Because of differences in customs and economic structure between countries, the information which could be collected would in any case not be comparable and would not actually correspond to the same level of skill.

Finally, if in a given country the application of this information is relatively clear when referring to wage earners, it becomes more difficult to use when referring to salaried employees and applies poorly or not at all in the case of certain occupations such as writers, journalists, artists, salesmen, etc. It would therefore be necessary, if this criterion were to be used for the subdivision of employees in an international classification according to status, first to separate wage earners from other employees; but it has been shown above that such a separation would be impracticable.

The hope of basing subdivisions of the group of employees on level of skill in an international classification must therefore be abandoned.

Civil servants. The idea of distinguishing among employees a subgroup of civil servants is attractive.

It seems at first sight that the civil servant occupies most of the time a position different from that of the person who follows the same occupation in private industry, because of

the fact that he works for the State (or for an administrative authority), that the security of his job is not of the same order as in private industry, and that he enjoys a pension.

However, further analysis shows that civil servants do not form a group of employees as clearly distinguished from and with characteristics so different from those of other employees as one might be led to suppose. First of all, the concept itself of civil servant is vague, even in a given country, and it is often difficult to identify it statistically. The sole fact of working "for the State" would certainly be insufficient to characterise a civil servant, in particular in countries where nationalisation, in various forms, of large branches of economic activity has taken place, and especially in countries with a socialist economy, where the state sector covers a considerable part of the economic activity. The aim in the separation of civil servants from other employees in a classification according to status is obviously not to put together persons simply because they have legally the position of civil servants, whatever the security of tenure or other characteristics of their job. On the contrary, it is to assemble persons whose position is similar, for example, because of a security of tenure of the same order.

However, the security of tenure of civil servants, supposing such a group were defined, varies in fact from one country to another. In some countries civil servants, or at least those working in the state administrative services, have full security of tenure and hold their appointments practically for life. In other countries, on the contrary, the security of the civil servant in his job is not better than that which he would have in private employment. In certain higher positions it may even be clearly less good when, for instance, changes in the political direction of the State give rise to the replacement not only of the cabinet but also of the higher non-cabinet officials by other persons of a different political affiliation.

Finally, in the private sector of the economic activity, security of tenure can sometimes be at least equivalent to that of the public sector, as is often the case in banks. There is furthermore a distinct tendency towards increasing security of tenure in the private sector, as is indicated by the setting up in some industries of certain countries of a guaranteed annual wage.

Even the fact that the civil servant enjoys a pension, which, 50 or 100 years ago, was in many countries one of the main characteristics of public employment, does not nowadays serve to distinguish between civil servants and other employees when account is taken of the considerable extension in certain countries of the social security system which, in some cases, covers the whole labour force.

The analysis of the problem shows, therefore, that it is not possible to obtain useful results at the international level by the creation of a subgroup of civil servants in the group of employees.
Subdivisions of the Group of Employees: Proposed Subgroups

The various possibilities of subdividing the group of employees examined above seem to lead up to a dead end, which presumably explains why, after having attempted to set up subdivisions of this group, the Population Commission and the Statistical Commission decided, at least provisionally, to make no recommendation on this subject.

It appears possible, however, when examining more closely the concept of status and more particularly the fact that it is based mainly on the mode of remuneration of the individuals, to suggest subgroups which could yield particularly useful information for the analysis of the social and economic structure of the economically active population. It is on this basis that the following subgroups have been established:

41 Employees receiving lodging, or full board, or both.

42 Employees paid on an hourly or daily basis, or by shift, or by incentives (excluding employees receiving lodging and board, homeworkers and apprentices).

43 Employees paid on a time basis other than the hour, day, or shift (excluding employees receiving lodging and board and apprentices).

44 Employees paid by percentages on sales, by commissions, etc. (excluding homeworkers).

45 Employees paid mainly or entirely by tips.

46 Homeworkers.

47 Apprentices.

It should be noted first that, except perhaps for the subgroups of homeworkers and apprentices, the criteria allowing for separation of these subgroups are objective and universal. They are the time period or quantity of production on which remuneration is based, or the fact that the worker is receiving lodging or full board, or that he is paid by tips.

In addition, it is clear that there is a definite correlation between the various modes of remuneration on the one hand and the degree of dependence of the worker on his conditions of employment on the other; this is so pronounced that the order of presentation of the proposed subgroups is practically imperative. The dependence on his employer of the employee receiving board and lodging extends well beyond his working schedule.
The worker paid by the hour, by the day or by incentives, although he is entirely free outside his work schedule, is governed by such schedule much more strictly than the monthly paid employee, who may begin his working day late or even be absent an hour or two occasionally, without any influence on his pay. Persons paid by percentages on sales or by commissions will in many cases have a relatively flexible working schedule, particularly when they must travel to seek possible buyers; finally, homeworkers are free to set up their own work schedule as well as the amount of work that they wish to do.

The proposed subgroups differ considerably from those used in the classification by industries or occupations. This is an important advantage, since such a subdivision by status, combined with the classification of the labour force by industry and by occupation, should make it possible to divide the labour force into much more meaningful segments than would be possible if the classification according to status was more or less parallel to the two others. Since socio-professional groupings are to be obtained largely by a combination of the three classifications, it is obvious, as has been mentioned in Chapter IV, that these groupings will be all the more homogeneous and well-delimited if the classifications are independent.

Information somewhat similar to that which could be obtained by using the proposed classification was collected in France on the occasion of a labour force sample survey conducted in April 1950.¹ Table I reproduces part of the results of this inquiry. This table is given for illustrative purposes only; the categories of mode of remuneration used do not correspond exactly to the subgroups proposed in the present report; in particular the classification used does not contain groups of homeworkers or apprentices, and it is probable that the group of persons "paid in kind" covers only those who were paid solely in kind.

The usefulness of the proposed subgroups is not limited to information on the number of persons belonging to each of the subgroups. It is possible to envisage, for example, in special inquiries based on establishments, the assembly of information on the total amount of wages paid to persons belonging to each subgroup, which would certainly yield information of interest for the analysis of the structure of remuneration of employees.

TABLE I

Mode of Remuneration of Employees according to the Branch of Economic Activity (France, 1950)
(Percentages)

<table>
<thead>
<tr>
<th>Branch of Economic Activity</th>
<th>By the hour</th>
<th>By the month</th>
<th>By tips</th>
<th>Principal Mode of Remuneration</th>
<th>Fixed salary plus percentage on sales</th>
<th>By the piece</th>
<th>In kind</th>
<th>Miscellaneous</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry, fishing</td>
<td>31.3</td>
<td>38.3</td>
<td>-</td>
<td>-</td>
<td>4.9</td>
<td>5.3</td>
<td>4.2</td>
<td>16.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Industry</td>
<td>67.6</td>
<td>24.6</td>
<td>-</td>
<td>0.6</td>
<td>1.1</td>
<td>5.3</td>
<td>0.6</td>
<td>2.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Transport</td>
<td>17.2</td>
<td>80.8</td>
<td>-</td>
<td>0.2</td>
<td>0.6</td>
<td>1.0</td>
<td>-</td>
<td>0.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Commerce</td>
<td>17.7</td>
<td>54.7</td>
<td>3.3</td>
<td>12.3</td>
<td>10.1</td>
<td>1.1</td>
<td>0.4</td>
<td>0.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Government services and professions</td>
<td>7.2</td>
<td>87.9</td>
<td>0.3</td>
<td>1.0</td>
<td>0.8</td>
<td>1.1</td>
<td>0.1</td>
<td>1.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Domestic services and hygiene</td>
<td>44.5</td>
<td>49.6</td>
<td>0.5</td>
<td>-</td>
<td>0.5</td>
<td>2.1</td>
<td>2.8</td>
<td>-</td>
<td>100.0</td>
</tr>
<tr>
<td>Caretaking</td>
<td>16.9</td>
<td>71.8</td>
<td>0.8</td>
<td>0.8</td>
<td>-</td>
<td>-</td>
<td>8.9</td>
<td>0.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>42.5</td>
<td>45.7</td>
<td>0.4</td>
<td>1.7</td>
<td>2.4</td>
<td>3.6</td>
<td>1.2</td>
<td>2.5</td>
<td>100.0</td>
</tr>
</tbody>
</table>
In order to obtain data according to the various subgroups, it will be necessary, of course, to add certain questions to the questionnaires used in statistical inquiries (including censuses) or perhaps to add one question to which the answer would be given in the form of a choice among the various enumerated subgroups. This drawback cannot be overlooked; but it is clear that, unless the classification is based on questions already asked, and therefore limited to regroupings of industrial or occupational groups already envisaged in the two other economic classifications, it will not be possible to gather information on the labour force according to status subgroups without resorting to at least one supplementary question.

Persons covered by the first proposed subgroup (subgroup 41, employees receiving lodging, or full board, or both) are characterised by a considerable dependence on their employer, since typically they take all their meals or lodge at his home or in a place designated by him. These persons follow very different occupations: personnel of hospitals, of institutions, persons with school internships, agricultural wage earners, dam builders in mountains, merchant seamen, domestic servants, etc. The fact that they receive lodging, or full board, or both, implies for these workers a type of life and a relative absence of freedom which clearly differentiates them from other employees. In particular, they are to be contrasted, as will be emphasised further, with homeworkers who, as far as the organisation of their private life is concerned, have complete independence with respect to their employer.

The bulk of employees will be classified in one of the two subgroups 42 (employees paid on an hourly or daily basis, or by shift, or by incentive) or 43 (employees paid on a time basis other than the hour, day or shift). In particular, a large part of the wage earners of industry will be found in the first subgroup (42) while most of the office workers, civil servants and clerks in commerce, other than salesmen paid by percentages on sales or by commission, will be found in the second subgroup (43). In fact this division is close, although not identical, to the distinction between wage earners and salaried employees. Of course, agricultural wage earners receiving lodging and board will be in subgroup 41; some qualified wage earners with high seniority in the enterprise and a very high skill (and therefore paid monthly), as well as most of the foremen, will be found, on the contrary, in subgroup 42; but this classification appears to correspond better than many others (based, for example, on the occupation only) to the concept which it is attempted to arrive at when separating salaried employees and wage earners.
Regarding subgroup 42, it would appear preferable not to count together employees paid by the hour or the day and employees paid by incentives. The latter, because of their mode of remuneration, are more directly attached to their work than the former; their earnings are often higher than those of workers paid by the hour or the day; in general, the status of these two categories is therefore somewhat different. It does not seem possible, however, for practical reasons, to recommend this separation. The term here used of "incentive" pay is intentionally general, in order to cover all types of payment, by the number of pieces produced, by individual or group production premiums, etc.; these systems of remuneration are often very complex and may combine payments on a time basis with incentives. In addition, some workers, while remaining in the same enterprise, are at times given time-rated work and at times an incentive-paid job. It would therefore probably be very difficult to collect useful data on each of these categories of workers separately.

Employees paid by percentages on sales, by commissions, etc. (subgroup 44) are not as numerous as the group discussed above, but are distinctive from the point of view of remuneration, which is not fixed and depends in much larger proportion than for workers paid by incentives on their personal activity and the general economic situation or that of the branch in which they work. This group often covers persons depending on several employers (canvassers, travelling salesmen), directors and managers in the commercial field, the bulk of salesmen, etc.

Subgroup 45 (employees paid mainly or entirely by tips) covers persons whose remuneration, although of a different type, has also a somewhat uncertain or hazardous nature. The number of persons in this subgroup will presumably be rather small in most countries and it could be combined with the preceding subgroup, but the persons it covers have nevertheless characteristics quite different from those who draw their income from percentages on sales, and it appears preferable to count them separately. Of course, the great majority of persons covered by this group follow occupations in the service field: barmen, ushers, etc.

Homeworkers (subgroup 46) are those employees who typically perform piece-work for one or several employers in a place which they choose themselves and which is generally their own home. They work on materials which may be furnished to them by the employer, as is usually the case in the West, or which they provide themselves, as is frequent in the East.
These workers may be distinguished from other employees mainly by the fact that they choose not only their place of work but also their work schedule. They are free to work while assuming other tasks, such as keeping watch over infants, for instance. In addition, the remuneration and conditions of work of these employees are generally quite different from those of other employees: they work in less favourable conditions and receive a lower remuneration than the bulk of employees; this form of decentralised production generally involves very little regulations of conditions of work; in fact, in countries where legislation on home work has been greatly developed and is strictly applied, this class of employees tends to disappear. This group covers mainly women working in clothing, textiles, footwear, jewellery (articles de Paris) and some types of office work (bookkeeping, addressing envelopes, etc.).

Finally, it is suggested that apprentices be classified in a separate subgroup (subgroup 47) since their position in their job is rather special: they are employees whose remuneration is reduced because they receive training from the establishment in which they are employed. Although legal definitions of apprenticeship are not the same in the various countries, the identification of apprentices either in censuses (through a direct declaration from the individual) or in inquiries from establishments (through a declaration of the employer) does not appear to raise special difficulties, and the information collected should have at least the same order of accuracy as information on occupation, for instance. It is obvious that this subgroup covers persons belonging to the labour force only (that is with a job) and excludes juveniles learning a job in a vocational training centre or a technical school without having a job in an enterprise.

Subdivision of the Group of Unemployed

It appears useful to envisage the subdivision of this group into two subgroups:

61 Unemployed who have previously worked.

62 Persons looking for their first job.

This subdivision appears necessary because it is not possible to classify persons in the second subgroup according to their previous or usual status, since they have never worked. It is therefore necessary to distinguish between these persons and unemployed who have previously worked, for whom, as has been indicated above in the discussion on this group, it would be useful to show information according to the status which they had in their previous or usual occupation.
Subdivision of the Group of Armed Forces

In the discussion of this group it has been recalled that many countries do not present statistical data covering members of the armed forces.

Some countries may be prepared, however, to present certain information on this subject, and in this case might envisage showing separate data for permanent armed forces on one side and the other members of the armed forces on the other. The latter, who correspond approximately to persons undergoing military training, exert pressure on the labour market when their training terminates; the enterprise in which they were previously working is often ready to re-employ them at the end of this training period, which implies temporary recruitments or arrangements in the organisation of the work of the enterprise. Because of this fact, it is often interesting to know the numerical importance of this group, which is only provisionally withdrawn from the civilian labour force.
APPENDIX I

DRAFT RESOLUTION CONCERNING THE INTERNATIONAL CLASSIFICATION ACCORDING TO STATUS

The Ninth International Conference of Labour Statisticians,

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met from 27 April to 1957,

Recalling the resolution concerning an international standard classification according to industrial status adopted by the Seventh International Conference of Labour Statisticians,

Considering the recommendations adopted by the Population Commission at its Fifth Session concerning the classification according to status in four major groups, and in particular the definitions of these groups,

Believing that it is important to have available as soon as possible an international classification according to status in groups and subgroups, in particular for its utilisation in population censuses to be taken in or around 1960,

Adopts this day of 1957 the following resolution:

1. Each country should provide a classification of its labour force statistics according to status.

2. The basis of any classification according to status should be the position of each individual in relation to his employment, and his mode of remuneration.

3. The groups defined hereafter are recommended as the groups which should constitute the International Classification According to Status for the classification of the labour force:

(1) Employers

Persons who operate their own economic enterprises, or who engage independently in a profession or trade for profit or fees, and who employ in connection with their businesses one or more workers other than unpaid apprentices. Persons operating economic enterprises in partnership should be classified as employers if their enterprises engage employees. An individual who employs no persons other than domestic servants in the home does not meet the requirements for inclusion in the employer group, unless such servants are employed in connection with an economic enterprise, e.g., a boarding house or an agricultural holding.
(2) **Own-Account Workers**

Persons who operate their own economic enterprises, alone or in partnership with other owners, or who engage independently in a profession or trade for profit or fees, or who operate a farm which they own or rent for cash or share of the crop or proceeds, and who have no employees in their enterprises other than unpaid family workers or unpaid apprentices. Persons who work for profit or fees in their own home should be included. Members of co-operative production units do not belong in this group.

(3) **Members of Co-operative Production Units**

Persons working in establishments constituting economic units of production which they own collectively, who take part on an equal footing with other members in the organisation of the production and of the work of the establishment as well as in the development of standards of distribution of the product of the establishment.

(4) **Employees**

Persons working for public or private employers and receiving remuneration for their work in money wages, salary, commission, tips, piece-rates, or pay in kind. Among the groups to be classified as employees are the following:

1. All persons working for private employers (or private organisations) for wages or salary;

2. All persons working for any branch of the government, including paid elected officials;

3. Managers, directors and other salaried officials of economic enterprises who do not own the businesses in which they work, even though they may perform the same functions as employers;

4. Persons who work for companies or employers and who receive a percentage of their sales as remuneration (except persons who by virtue of their share of proceeds of an enterprise are classified as own-account workers);

5. Persons who work mainly or exclusively for tips;

6. Persons doing piece-work at home or in a shop for one or more employers rather than for their own clientele;
(7) All domestic servants (not including persons who take in laundry, sewing, etc., in their own homes);

(8) Professional persons who work for salaries or wages.

(5) **Unpaid Family Workers**

Persons working without pay, for a period at least equal to one-third of the normal working time during a specified period, in an economic enterprise operated by any member of the household. Although unpaid family workers usually receive room and board, these should not be considered as pay in their case, since they are not dependent on the work performed. All such persons should be included in the category of unpaid family workers. On the other hand, family workers who receive an actual wage or salary for their work should be classified in the group of employees.

(6) **Unemployed**

As defined in the resolution concerning statistics of the labour force, employment and unemployment adopted by the Eighth International Conference of Labour Statisticians.

(7) **Armed Forces**

As defined in the International Standard Classification of Occupations.

(8) **Persons whose Status is Unknown or Inadequately Described**

4. The following groups and subgroups are recommended as the groups which should constitute the International Classification According to Status:

(1) **Employers**

11 Owner-holders in agriculture.

12 Tenant-holders.

13 Sharecroppers.

14 Other employers.
(2) Own-Account Workers

21 Owner-holders in agriculture.
22 Tenant-holders.
23 Sharecroppers
24 Itinerant handicraftsmen and salesmen.
25 Other workers on own account.

(3) Members of Co-operative Production Units

(4) Employees

41 Employees receiving lodging, or full board, or both.
42 Employees paid on an hourly or daily basis, or by shift, or by incentives (excluding employees receiving lodging and board, homeworkers and apprentices).
43 Employees paid on a time basis other than the hour, day, or shift (excluding employees receiving lodging and board and apprentices).
44 Employees paid by percentages on sales, by commissions, etc. (excluding homeworkers).
45 Employees paid mainly or entirely by tips.
46 Homeworkers.
47 Apprentices.

(5) Unpaid Family Workers

(6) Unemployed

61 Unemployed who have previously worked.
62 Persons looking for their first job.

(7) Armed Forces

(8) Persons whose Status is Unknown or Inadequately Described

5. For purposes of international comparisons, each country should provide for the necessary subdivisions of its status classification to make possible the classifying or re-classifying of the data in conformity with the list of groups and subgroups of the international classification according to status.
APPENDIX II

DEFINITIONS RECOMMENDED BY THE POPULATION COMMISSION

Employees

This group should be defined as including all persons working for public or private employers and receiving remuneration for their work in money wages, salary, commission, tips, piece-rates, or pay in kind. Among the groups to be classified as employees are the following:

(1) All persons working for private employers (or private organizations) for wages or salary;

(2) All persons working for any branch of the government, including paid elected officials and members of the armed forces;

(3) Managers, directors and other salaried officials of economic enterprises who do not own the businesses in which they work, even though they may perform the same functions as employers;

(4) Persons who work for companies or employers and who receive a percentage of their sales as remuneration (except persons who by virtue of their share of proceeds of an enterprise are classified as own-account workers);

(5) Persons who work solely for tips, without wages or salary;

(6) Persons doing piece-work at home or in a shop for one or more employers rather than for their own clientele;

(7) All domestic servants (not including persons who take in laundry, sewing, etc., in their own homes);

(8) Professional persons who work for salaries or wages.

Employers

This group should be defined as including all persons who operate their own economic enterprises, or who engage independently in a profession or trade for profit or fees, and who employ in connexion with their businesses one or more workers other than unpaid apprentices. Persons operating economic enterprises in partnership should be classified as employers if their enterprises engage employees. An individual who employs no persons other than domestic servants in the home does not meet the requirements for inclusion in the employer group, unless such servants are employed in connexion with an economic enterprise, e.g., a boarding house.
Workers on Own Account

This group should be defined as including all persons who operate their own economic enterprises, alone or in partnership with other owners, or who engage independently in a profession or trade for profit or fees, or who operate a farm which they own or rent for cash or share of the crop or proceeds, and who have no employees in their enterprises other than unpaid family workers or unpaid apprentices. Persons who work for profit or fees in their own home should be included.

Unpaid Family Workers

This group should be defined as including persons working without pay, for a specified minimum amount of time or a minimum proportion of a full-time day, week, month, or year (depending on the time reference of the census questions on economic activities) in an economic enterprise operated by any member of the household. Wherever expedient, the minimum adopted should be equal to approximately one-third of what is considered in each country concerned to be a normal amount of working time during the period to which the questions refer. Although unpaid family workers usually receive room and board, and often receive cash allowances, these should not be considered as pay in their case, since they are not dependent on the work performed. All such persons should be included in the category of unpaid family workers, and only those who receive an actual wage or salary for their work should be classified as employees.