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**Revision of the International Classification  
of Status in Employment (ICSE-93)**



## **Abbreviations**

ICLS	International Conference of Labour Statisticians
ICSE	International Classification of Status in Employment
ILO	International Labour Organization
ISCO	International Standard Classification of Occupations
ISIC	International Standard Industrial Classification of All Economic Activities
LFS	Labour Force Survey
SNA	System of National Accounts
UN	United Nations

# Revision of the International Classification of Status in Employment (ICSE-93)

## Discussion paper

ILO Department of Statistics<sup>1</sup>

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# 1 Introduction and background

## Introduction

1. The International Classification of Status in Employment (ICSE-93) was adopted through a resolution of the Fifteenth International Conference of Labour Statisticians (ICLS) in January 1993 and is the current international standard for statistics on the employment relationship. It classifies jobs with respect to the type of explicit or implicit contract of employment between the job holder and the economic unit in which he or she is employed. The following main groups are specified:
  1. Employees
  2. Employers
  3. Own-account workers
  4. Members of producers' cooperatives
  5. Contributing family workers
  6. Workers not classifiable by status
2. Whilst there is not a separate category for the self-employed, the resolution states that groups 2 to 5 can be aggregated to form the self-employed, thus providing the basis for the fundamental distinction between 'paid employment jobs' on the one hand and 'self-employment jobs' on the other.
3. ICSE-93 is intended primarily to serve two roles:
  - a) To provide a model for the development of national classifications for statistics on status in employment; and
  - b) To provide the basis for the production of internationally comparable statistics on the topic.
4. This paper has been prepared in response to the identification by participants at the 18<sup>th</sup> ICLS of a number of priorities for the future methodological work of the ILO in labour statistics. The first of these priorities was the 'changing structure of the labour force, including a revision of the International Classification of Status in Employment (ICSE-93) and a possible revision of the current international standards on statistics of the economically active population, employment, unemployment and underemployment adopted by the 13<sup>th</sup> ICLS (1982).'<sup>2</sup> In response to this and to the 18<sup>th</sup> ICLS resolution concerning the development of measures of labour underutilization, the ILO has prepared the draft resolution concerning work statistics, for review, discussion and possible adoption by the 19<sup>th</sup> ICLS in October 2013.
5. If adopted, these standards will replace the existing standards for labour force statistics adopted by the 13<sup>th</sup> ICLS and establish new statistical standards for the measurement of labour underutilization. One of the changes proposed involves restricting the concept of employment to any activity to produce goods or provide services for pay or profit, and

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<sup>2</sup> ILO 2009, page 20 para 71

introducing two separate forms of work, namely own-use production work and volunteer work, so as to fully capture all work activities. These proposals have significant consequences for ICSE-93 and for proposals to update it, since certain activities currently counted as employment, including production of goods for own final use and some types of volunteer work, would now be captured through the separate categories of own-use production work and volunteer work.

6. In view of the likely impact of the revision of the standards for labour force statistics on the scope and nature of statistics on status in employment, it was not possible to develop a complete proposal for the revision of classification of status in employment for consideration by the 19th ICLS. This would have anticipated the outcome of deliberations on draft resolution concerning work statistics. The need for a revision and possible extension of ICSE-93 remains urgent, however, in order to provide a classificatory framework that could be used to compile statistics that adequately inform public debate and policy formulation on issues such as the changing nature of the employment relationship, precarious employment situations, and employment creation.
7. The five substantive categories defined in ICSE-93 no longer provide sufficient information or detail to adequately monitor the changes in contractual arrangements that are taking place in many countries. There is a need in particular to provide more clarity about the treatment of specific groups, to provide more detailed categories for the purposes of international comparison, and to deal more appropriately with the emergence over that last several decades of a variety of new forms of employment and contract types that are blurring the boundary between paid employment and self-employment.
8. The purpose of this discussion paper, therefore, is to summarize the known problems with ICSE-93, as well as the range of existing national practices with respect to statistics on status in employment and other aspects of the employment relationship. It aims to provide a factual basis for discussion at the 19<sup>th</sup> ICLS of options and possibilities for the revision of ICSE-93 and to identify ways in which either the existing classification could be modified, and/or other standard classifications and variables could be developed as a complement to the classification of status in employment, in order to better reflect contemporary realities and economic and social concerns. Various options for the revision of ICSE-93 are presented, with a view to seeking guidance on the proposed options and on how best to progress work to revise ICSE-93.
9. The remainder of this chapter firstly gives a brief description of the history of international standards for statistics on the employment relationship. It then discusses the uses of and requirements for statistics on status in employment, including the need to monitor changes in the nature of the employment relationship that have led to significant policy debate about growth in various forms of non-standard employment arrangements. Such arrangements typically provide employers with more flexibility to take on new staff but also offer the worker lower levels of social protection and job security than those provide by a standard employment contract.
10. Chapter 2 presents a discussion of the concepts and groups defined in ICSE-93 and of the known problems with these groups. Chapter 3 outlines existing national practices with

respect to statistics on status in employment and related aspects of the employment relationship. Chapter 4 summarises the issues that may need to be considered in revising ICSE-93, and discusses ways in which ICSE-93 could be modified or in which other standard classifications and variables could be developed, as a complement to status in employment, in order to reflect contemporary realities and economic and social concerns.

## Historical background

11. Since the very earliest international recommendations concerning statistics on status in employment, despite changes in terminology and definitional detail, four basic categories have constantly been present: Employees, Employers, Own-account workers, and Contributing family workers. The category 'Members of producers' cooperatives' was introduced in 1958.
12. As early as 1938, the Committee of Statistical Experts of the League of Nations recommended the following classification of the 'personal status' of the gainfully employed population:
  - a) Employers
  - b) Persons working on their own account either alone or with assistance from members of their families,
  - c) Members of families aiding the head of their families in his occupation, and
  - d) Persons in receipt of salaries or wages.<sup>3</sup>
13. In 1947 the Sixth ICLS recommended, in its Resolution Concerning Statistics of Employment, Unemployment and the Labour Force that statistics of the total number of employed persons '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'
14. In 1948 the Population Commission of the United Nations recommended these four categories for use in population censuses and in 1950 adopted standard definitions of each category.
15. The Ninth ICLS, held in 1957, considered a detailed report and draft resolution prepared by the ILO, concerning the 'International Classification According to Status'. This draft proposed new categories for 'Members of Co-operative Production Units', the 'Unemployed', 'Armed Forces', and 'Persons Whose Status is Unknown or Inadequately Described', in addition to the four traditional categories. Subgroups were proposed for four of the eight proposed major groups: Employers, Own-Account Workers, Employees and the Unemployed. The subgroups were based mainly on the nature of the ownership of agricultural holdings for Employers and Own-Account workers and mainly on the nature of

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<sup>3</sup> Source: ILO 1992



remuneration in the case of Employees. Separate categories for apprentices and homeworkers were also proposed as subgroups of employees.

16. It was noted by the Ninth ICLS, however, that agreement was far from complete as to the basis on which a classification according to status should be established and that it was therefore too early to envisage setting up subgroups. It also considered that the groups relating to the unemployed and members of the armed forces were unnecessary. It is of particular interest that the delegates stressed that the unemployed should, in a classification according to status, be classified according to the circumstances of their last job. This implicitly links the concept of status in employment to the job as the principal unit of observation. There was agreement on the usefulness of a major group of members of cooperative production units.
17. The Ninth ICLS did not, however, adopt a resolution on classification by status. It noted that the UN Statistical Commission would consider the question of classification according to status in 1958 and requested that the ILO diffuse the report of the conference among relevant international organizations.
18. At its tenth session, in 1958, the UN Statistical Commission considered and endorsed the 'Principles and recommendations for national population censuses' for use in the 1960 round of population censuses. This document, subsequently published by the Statistical Office of the United Nations included 'Status (as employer, employee, etc.)' among the recommended topics for compilation, with the following categories:
  - a) Employer
  - b) Own-account worker
  - c) Employee
  - d) Family worker
  - e) Members of producer's cooperatives
  - f) Persons not classifiable by status.
19. The Principles and recommendations endorsed in 1958 noted that, in countries where it was not feasible to distinguish between employers and own-account workers, they could be consolidated into a single group of self-employed persons. This implied, without making it explicit, that family workers and members of producers' cooperatives were not to be counted among the self-employed.
20. 'Family worker' was defined as 'A person who does a specified minimum (at least one 1/3 of normal working hours) amount of work with or without pay in an economic enterprise operated by another member of his (or her) household'. The specified minimum working hours for family workers was consistent with the treatment of unpaid family workers in the Resolution Concerning Statistics of the Labour Force, Employment and Unemployment, adopted by the Eighth ICLS in 1954. The inclusion in category (d) of both paid and unpaid family workers would appear to reflect concern about the practical impossibility of distinguishing unpaid family workers from family workers in general, which had been expressed by some delegates at the Ninth ICLS.

21. The Principles and recommendations for the 1970 population censuses specified the same six status categories; with the exception that category (d) reverted to 'Unpaid family workers'. These categories appear again in the principles and recommendations for the 1980 round, with minor definitional clarifications, most notably that the requirement for unpaid family workers to be living in the same household may be eliminated in certain national circumstances. There is also a suggestion for the 1980 round that a category of 'unpaid apprentices' may be needed in some circumstances.
22. Following the Ninth ICLS there was no substantive discussion of status in employment at any ICLS until the 15<sup>th</sup> ICLS in 1993. In 1982, however, the 13<sup>th</sup> ICLS discussed difficulties with the distinction between paid employment and self-employment in the context of its discussion on the labour force, employment, unemployment and underemployment. It was thought that contemporary legal, institutional and other considerations might preclude making this distinction rationally and consistently on the basis of whether or not workers were paid directly for services performed, as had been proposed in the draft resolution. The 13<sup>th</sup> ICLS Resolution concerning statistics of the economically active population, employment, unemployment and underemployment therefore specified that 'paid employment' involved the performance of work for wage or salary, in cash or in kind. 'Self-employment' involved the performance of work for profit or family gain, in cash or in kind. It was clearly specified that employers, own-account workers, unpaid family workers and members of producers' cooperatives should be considered as in self-employment, thus institutionalizing the notion that all employment is either 'paid employment' or 'self-employment'.

### **Adoption of ICSE-93 at the 15<sup>th</sup> ICLS**

23. At the Fifteenth ICLS the Office presented a report which included a draft resolution concerning the International Classification of Status in Employment. The report had been prepared following discussion of an earlier draft by a Meeting of Experts in Labour Statistics held from 28 January to 6 February 1992. Three main reasons were cited for proposing a revision and expansion: (1) to clarify the conceptual basis of the classification; (2) to clarify the boundaries between the main groups; and (3) to provide sub-divisions of the main categories. A hierarchical classification with two levels was proposed, in which the top level of the hierarchy was made up of the existing categories, except 'Members of producers' cooperatives. The category 'Unpaid family workers' was renamed 'Contributing family workers'.
24. At the second level of the classification hierarchy, it was proposed to break down Employees into subdivisions for 'Regular employees', 'Chief executive employees' and 'Other employees'. For Employers sub-divisions were proposed for 'Employers of regular employees' and 'Other employers'. Own-account workers were further broken down into 'Core-own account workers' and other own-account workers. It was noted that, within several of the subdivisions, countries may want to separately distinguish one or more of several groups of workers. It was proposed to separately identify Members of producers' cooperatives only according to national needs. They were otherwise to be included among 'Other own-account workers'. Definitions of each of the optional groups and also of the sub-divisions and major groups were proposed.

25. In considering the draft proposed by the office, participants in the 15th ICLS were concerned that the proposed classification structure would be difficult to implement because the categories were not mutually exclusive and would require priority rules to resolve multiple group membership. There was also concern that the draft classification tried to satisfy too many needs, and that the criteria on which it was based were subject to national laws and circumstances, making it difficult to establish precise boundaries. It was concluded that it should be left to countries to specify the groups which were significant nationally. Description and comment on these groups were provided in the final resolution, based on the definitions included in the report. As discussed in Chapter 2, the resolution also states that some of these groups may be classified as in paid employment or in self-employment, implying a lack of consensus on how certain groups should be treated.
26. The conference also decided to maintain a separate main group for Members of producers' cooperatives and adopted the definitions of the main groups and the description of the conceptual basis of the classification, with some modifications. This conceptual and descriptive material included clarification of the definition of and distinction between paid employment jobs and self-employment jobs.
27. It seems clear that a number of issues remained unresolved following discussion of ICSE at the 15<sup>th</sup> ICLS and that the need for more detailed categories was recognised. Agreement on which groups should be identified and how they should be organized into a classificatory framework could not be achieved, however.
28. When the 15<sup>th</sup> ICLS adopted the Resolution Concerning the International Classification of Status in Employment (ICSE-93), it requested that 'further thought should be given to the conceptual basis of the ICSE and the relevance of the groups and sub-groups ... should be verified in operational terms .... on the basis of experience gained in applying the present classification'. The results of a review of these experiences (see e.g. Elias, 2000) were discussed by the 16<sup>th</sup> ICLS in 1998. It was accepted that 'there is enough disagreement in national practices to indicate that comparisons between countries of statistics for different status in employment groups should be made with great care and that only substantial differences should be considered to be significant'. It was also accepted that 'this classification suffers from benign neglect in most national statistical offices, ... even though ICSE-93 represents a model from which to work'. The 16<sup>th</sup> ICLS also recognized 'the importance of the classification, not only because of the changes in the contractual arrangements taking place in many countries (particularly industrialized ones), but also because of its relevance for the informal sector ..', and requested both countries and the ILO 'to initiate studies into the nature and growth of different forms of contractual arrangements in the labour market'.

### **Uses of statistics classified by status in employment**

29. Statistics classified by status in employment are used for a wide variety of purposes in both economic and social analysis. They provide important information on the nature of the economic risk and authority that the employed population experiences at work, and on the strength and nature of the attachment of the employed population to the employer, as a potential indicator of precarious employment situations. They show changes over time in the

nature of the relationship between workers and that economic units in which they are employed.

30. In recent years many governments and corporations have promoted a variety of contract types, aimed at providing a more flexible legal environment in which to create employment opportunities, whilst affording more limited social protection than that normally afforded to regular employees. Several labour law systems are now premised on notions of the employment relationship that uphold the existence of intermediate statuses of 'quasi-independent' or 'parasubordinated' workers who enjoy some of the employment protection rights normally associated with paid employment<sup>4</sup>. An increasing number of people are dependent for their livelihood on employment based on these new forms of contract and there is genuine uncertainty in the legal system about what constitutes a contract of employment. Extensive debate on this topic among specialists in labour law and at the International Labour Conference has highlighted the need for better statistical data on the changing nature of the employment relationship
31. Changes in status in employment distributions may also reflect the relationship between economic cycles and employment in higher risk, lower income, less secure, or precarious working situations (for example, the extent to which persons who lose jobs in paid employment engage in various forms of self-employment). Increases in the number of persons employed as contributing family workers may, for example, reflect a deterioration in labour market conditions.
32. Economic and labour market policy analysts use statistics on status in employment to assess the impact of self-employment and entrepreneurialism on employment and economic growth and to evaluate the consequences for government policies related to economic development and job creation.
33. In social statistics status in employment is an important explanatory variable in its own right. It is frequently used as an input variable in the production of statistics on the socio-economic status of persons and households. Classification schemes that rank socio-economic status typically use data on status in employment in combination with data on occupation to determine the socio-economic status of persons. A self-employed person might, for example, be accorded a higher socio-economic status than an employee with the same occupation.
34. Last but not least, data classified by status in employment provide an important input to national accounts. The distinction between employees and the self-employed is of particular significance for national accounting purposes. The income derived from employment of employees is treated in the System of National Accounts as compensation of employees, whereas the income of the self-employed is treated as mixed income.
35. Reflecting these diverse uses, statistics on status in employment are widely collected in household-based collections such as labour force surveys, social surveys and population censuses as well as in employer surveys. .

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<sup>4</sup> Countouris, Nicola, in Casale 2011

## 2 Discussion of ICSE-93 concepts and definitions

### Conceptual basis of ICSE-93

36. According to the 15<sup>th</sup> ICLS resolution, ICSE-93 classifies jobs held by persons at a particular point in time. The resolution of the 14<sup>th</sup> ICLS concerning the International Standard Classification of Occupations (ISCO-88) had already defined the statistical unit *job* as ‘a set of tasks and duties executed, or meant to be executed, by one person’. The current version of ISCO (ISCO-08) clarifies this slightly by defining *job* as ‘a set of tasks and duties performed, or meant to be performed, by one person, *including for an employer or in self-employment*’. The draft 19<sup>th</sup> ICLS resolution concerning work statistics proposes further refinement by defining *job* as ‘the set of tasks and duties performed, or meant to be performed, by one person for a single economic unit’. The key point is that ICSE-93 ‘classifies persons by virtue of their actual or potential relations with jobs.’
37. In ICSE-93 ‘jobs are classified with respect to the type of explicit or implicit contract of employment of the person with other persons or organizations’. The resolution further notes that the basic criteria used to define the groups of the classification are:
- a) The type of economic risk (to which the job holder is exposed), an element of which is the strength of attachment between the person and the job, and
  - b) The type of authority over establishments and other workers which the job incumbents have or will have.

### Paid employment and self-employment

38. Whilst the self-employed are not defined as a substantive group in ICSE-93, the groups are defined with reference to the distinction between ‘paid employment jobs’ and ‘self-employment jobs’.
39. Paid employment jobs are defined as ‘those jobs where the incumbents hold explicit (written or oral) or implicit employment contracts which give them a basic remuneration which is not directly dependent upon the revenue of the unit for which they work’. The resolution further notes that ‘persons in paid employment jobs are typically remunerated by wages and salaries, but may be paid by commission from sales, by piece-rates, bonuses or in-kind payments such as food, housing or training.’ It should be noted, however, that the treatment of training as income in kind is not consistent with the Resolution concerning employment-related income adopted by the 16<sup>th</sup> ICLS (1998). An important aspect of the definition is that some or all of the tools, equipment, premises and so forth may be owned by others and that the incumbents may work under the direction of, or according to strict guidelines set by, the owner or persons in the owner’s employment.
40. Self-employment jobs are defined as ‘those jobs where the remuneration is directly dependent upon the profits (or the potential for profits) derived from the goods and services produced (where own consumption is considered to be part of profits). The incumbents

make the operational decisions affecting the enterprise, or delegate such decisions while retaining responsibility for the welfare of the enterprise.’

## **Group definitions**

41. Section III of the Resolution provides definitions of each of the six ICSE-93 groups.

### ***Employees***

42. *Employees* are defined as ‘all those workers who hold the type of job defined as paid employment jobs.’ Whilst more detailed categories of employees are not provided as a formal part of the classification, the definition of this group provides guidance on the definition of employees on stable contracts and of ‘regular employees’. We discuss this latter group further below, in the section on the possible statistical treatment of particular groups.

### ***Employers***

43. *Employers* are defined as ‘those workers who, working on their own account or with one or a few partners, hold the type of job defined as a self-employment job and, in this capacity, have engaged one or more persons to work for them in their business as employee(s)’.

### ***Own-account workers***

44. Mirroring the definition of employers, *own-account workers* are defined as those workers who, working on their own account or with one or more partners, hold the type of job defined as a ‘self-employment job’, and have not engaged on a continuous basis any employees to work for them during the reference period. It is noted that own-account workers may have engaged employees during the reference period but not on a continuous basis.
45. The distinction between employers and own-account workers is thus heavily based on the concept of engaging employees on a continuous basis. This is covered under the definition of employees, with reference to those on stable contracts, where it is noted that ‘on a continuous basis implies a period of employment which is longer than a specified minimum determined according to national circumstances’. Own-account workers may thus be individuals working entirely independently, or a group of related or unrelated persons working together in partnership. If working in a market-oriented enterprise, they may work with or without the assistance of contributing family workers.

### ***Members of producers’ cooperatives***

46. *Members of producers’ cooperatives* are defined as ‘workers who hold a *self-employment job* in a cooperative producing goods and services, in which each member takes part on an equal footing with other members in determining the organization of production, sales and/or other work of the establishment, the investments and the distribution of the proceeds of the establishment amongst their members’. No further guidance is provided on the distinction between this group and own-account workers who work with one or more partners. The review of national practices presented in Chapter 3 shows that very few

countries collect statistics on members of producers' cooperatives and that this group's share of total employment is very small and in decline in almost all countries. This calls into question the need for this group to continue to be identified as a main category in ICSE.

### ***Contributing family workers***

47. *Contributing family workers* are defined as 'those workers who hold a *self-employment* job in a market-oriented establishment operated by a related person living in the same household'. They are distinguished from partners because their degree of commitment to the operation of the establishment, in terms of working time or other factors to be determined by national circumstances, is not at a level comparable to that of the head of the establishment. Where it is customary for young persons to work without pay in an enterprise operated by a related person who does not live in the same household, the requirement of 'living in the same household' may be eliminated.
48. A number of aspects of the definition of contributing family workers are worth commenting on. Firstly the restriction to employment in market-oriented establishments means that own-use producers of goods, including subsistence workers, cannot be classified as contributing family workers. If not separately identified as subsistence workers, they are classified by default as own-account workers, even if they are, for example, children helping their parents on the family plot of land. Secondly, ICSE-93 does not restrict this group to unpaid work. Whilst the reasoning for this was not made explicit, either in the resolution or in the report to the 15<sup>th</sup> ICLS on the proposals for the revision of ICSE, it would seem to reflect the reality that any income derived from the employment of contributing family workers is accrued at household level, and may or may not be redistributed (in cash or in kind) within the household.
49. There is also concern that the boundary between contributing family workers and own-account workers is interpreted in different ways. For example, in some family operated businesses, a single person (typically the head of the household) might be identified as an own-account worker or employer, while others equally committed to operation of the business, such as a spouse or adult children, are identified as contributing family workers. A much greater proportion of women than men are classified as contributing family workers in almost all countries where this group is significant.
50. There may also be a need in a revised ICSE, to provide guidance or a separate category, for a related type of family worker, sometimes termed 'assisting family workers'. These are persons who assist members of their family in their paid employment jobs. The importance of this group and possible ways of defining and classifying them need to be further investigated.

### ***Workers not classifiable by status***

51. The final group, *Workers not classifiable by status*, includes 'those for whom insufficient relevant information is available and/or who cannot be included in any of the preceding categories'. This means that the group may include two distinct types of case.

52. The first type of case applies in situations where the information provided in response to a survey questionnaire, or in some other data source, is insufficient to determine the workers' status. Many classifications do not provide a substantive category for this purpose. A more usual practice is to provide guidance on the use of supplementary codes for inadequately described data.
53. The second type refers to any workers for whom sufficient information is available but who cannot be included in any of the other categories. This implies that *Workers not classifiable by status* may also be used as a residual category for forms of self-employment not included in groups 2 to 5. Paid employment jobs would not be included, as the group 'employees' is exhaustive of all types of paid employment jobs.

### **Statistical treatment of particular groups**

54. Section IV of the 15th ICLS resolution provides advice on 'the possible statistical treatment of particular groups'. It notes that some of the groups represent subcategories or disaggregations of one of the specific ICSE-93 categories and that others may cut across two or more of these categories. It suggests that according to national requirements, countries may need and be able to distinguish one or more of the groups and may also create other groups. The advice provided covers the following groups:

- (a) Owner-managers of incorporated enterprises
- (b) Regular employees with fixed-term contracts
- (c) Regular employees with contracts without limits of time
- (d) Workers in precarious employment
- (e) Casual workers
- (f) Workers in short-term employment
- (g) Workers in seasonal employment
- (h) Outworkers
- (i) Contractors
- (j) Workers who hold explicit or implicit contracts of 'paid employment' from one organization, but who work at the site of and/or under instructions from a second organization which pays the first organization a fee for their services,
- (k) Work gang (crew) members
- (l) Employment promotion employees
- (m) Apprentices or trainees
- (n) Employers of regular employees
- (o) Core own-account workers
- (p) Franchisees
- (q) Sharecroppers



(r) Communal resource exploiters

(s) Subsistence workers

55. We refer to these groups collectively as the ‘particular groups’ in the discussion that follows. These groups are not organized into a coherent classificatory framework and the advice provided is not definitive about the treatment of certain groups, some of which may be classified as employees or among the self-employed according to national circumstances. As a result, international comparison and analysis of trends related to the mix between paid employment and various categories self-employment are compromised, since national practices are not consistent. The definitions, utility and limitations of the various optional groups are discussed in the sub-sections below.

### **Groups that may be classified either as in paid employment or as in self-employment**

#### ***Owner-managers of incorporated enterprises***

56. The first of three groups that may be classified either as employees or as self-employed is *Owner-managers of incorporated enterprises*, defined in ICSE-93 as workers who hold a job in an incorporated enterprise, in which they:
- (a) hold controlling ownership of the enterprise alone, or together with other members of their families or one or a few partners; and
  - (b) have the authority to act on its behalf as regards contracts with other organizations and the hiring and dismissal of persons in ‘paid employment’ with the same organization, subject only to national legislation regulating such matters and the rules established by the elected or appointed board of the organization.
57. The resolution notes that different users of labour market economic and social statistics may have different views on whether these workers are best classified as in paid employment or as in self-employment. These workers receive part of their remuneration in a way similar to persons in ‘paid employment’, while their authority in and responsibility for the enterprise corresponds more to persons in self-employment. Classifying this group as employees would be consistent with their treatment in the System of National Accounts (SNA). The SNA 2008 specifies that employees include ‘owners of corporations and quasi-corporations if they work in these enterprises.’ It defines the self-employed as ‘persons who are the sole or joint owners of the unincorporated enterprises in which they work, excluding those unincorporated enterprises that are classified as quasi-corporations’.<sup>5</sup>
58. In order to better understand the contemporary meaning of the term ‘owner-managers of incorporated enterprises’ it is useful to consider the definitions of relevant institutional units provided in the SNA 2008. According to the SNA, incorporated enterprises are legally constituted corporations. All entities that are (a) capable of generating a profit or other financial gain for their owners, (b) recognized at law as separate legal entities from their owners who enjoy limited liability, and (c) set up for purposes of engaging in market

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<sup>5</sup> SNA 2008 . 407.

production’ are treated in the SNA as corporations. The term ‘corporation’ covers legally constituted corporations and also cooperatives, limited liability partnerships, notional resident units and quasi-corporations. A legally constituted corporation is defined in the SNA as ‘a legal entity, created for the purpose of producing goods or services for the market, that may be a source of profit or other financial gain to its owner(s); it is collectively owned by shareholders who have the authority to appoint directors responsible for its general management’.

59. Unincorporated enterprises differ from incorporated enterprises in that they are not separate legal entities from their owners. The financial assets and liabilities of the enterprise are not separate from those of the owner, or of the members of a partnership of owners. All assets of the owners’ households are at risk if, for example, the enterprise goes bankrupt. SNA 2008 notes, however, that unincorporated enterprises should be treated as quasi-corporations if there is sufficient information to compile complete sets of accounts.
60. It follows from the above discussion that strictly following the SNA would mean that owner-managers of small enterprises should be classified as employees if (1) they have taken a decision to incorporate the enterprise they own and operate, or (2) they are able to compile a complete set of accounts for the enterprise that is independent of their personal accounts, *even if the enterprise is not formally incorporated*. This approach may make sense if the aim is to obtain as complete a set of information as possible for the calculation of labour inputs for national accounting purposes. For labour market analysis purposes, however, it would be a relatively arbitrary method of determining whether a particular job should be classified as in self-employment or in paid employment. Such an approach would tend to limit the usefulness of statistics classified by status in employment to assess the impact of, for example, policies to support small to medium sized enterprises in order to create employment.
61. Owner-managers of incorporated enterprises own and control the enterprises they operate, and make operational decisions on the hiring of employees, in exactly the same way as employers and own-account workers. By incorporating their enterprise they limit their financial and legal liability, and are therefore exposed to less economic risk. Owner-managers of unincorporated enterprises who are able to compile complete accounts for the enterprise are exposed to similar economic risks as those who cannot compile complete accounts.
62. The ICSE-93 resolution states that classifying owner-managers of incorporated enterprises as employees will be consistent with their classification in the SNA, but that they may be best classified as ‘employers’ or ‘own-account workers’ for labour market analysis. It is interesting to note that, however, that the SNA 2008 states that managers of corporations (or quasi-corporations) are treated in the SNA as employees but the ILO classification regards them as self-employed.<sup>6</sup> It would be more accurate to state, however, that owner-managers of quasi-corporations are regarded in ICSE as self-employed, but that owner-managers of incorporated enterprises may be classified either as employees or as self-employed according to national circumstances.

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<sup>6</sup> SNA 2008, para 19.24, see also para 19.28

63. According to the 15<sup>th</sup> ICLS resolution, countries should, according to the needs of users of their statistics and their data collection possibilities, endeavour to identify owner-managers of incorporated enterprises separately. This would allow the data to be aggregated in alternative ways so as to be useful for the purposes of both national accounts and labour market analysis. It would also facilitate international comparisons. The ILO review of national practices revealed that very few countries separately identify this group in their labour force surveys. In most cases it would appear that it is left to the respondent to determine whether or not they are employees, employers or own-account workers.
64. Statistics from those countries that do separately identify owner-managers of incorporated enterprises show that they are a significant group. In Canada, where they are counted among the self-employed, they comprised 6.4% of the employed population in 2011, the numbers having risen more or less steadily from 2.5% in 1976<sup>7</sup>. In Australia this group is also identified but included in paid employment in aggregate statistics on status in employment. They comprised 6.9% of total employment in 2011<sup>8</sup> and a gradually rising trend is also evident. In Switzerland such a rising trend is less obvious but an increase from 3.3% of total employment in 1999 to 4.2% in 2011 may nevertheless be observed.<sup>9</sup>

### **Contractors**

65. The second group which, according to ICSE-93, may be classified as in self-employment or in paid employment job, according to national circumstances is *contractors*. This group is defined as 'workers who:
- a) have registered with the tax authorities (and/or other relevant bodies) as a separate business unit responsible for the relevant forms of taxes, and/or who have made arrangements so that their employing organization is not responsible for relevant social security payments, and/or the contractual relationship is not subject to national labour legislation applicable to e.g. 'regular employees' paragraph but who
  - b) hold explicit or implicit contracts which correspond to those of 'paid employment'.
66. This means that workers who have no control or authority over the activities of the establishment in which they are employed may be classified as self-employed due to contractual arrangements that may make their employment more precarious than that of regular employees. Alternatively they may be classified as employees, even though they have registered as business units, depending on national practices. Neither of these approaches seems to be entirely satisfactory. In reality, however, we find that many countries do not separately identify this group, at least in their regular labour force surveys.

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<sup>7</sup> Calculated from Labour Force Survey data provided by Statistics Canada for working owners of an incorporated business, farm or professional practice with and without paid workers..

<sup>8</sup> Calculated from data provided by Australian Bureau of Statistics taken from the 'Employment type' spreadsheets, published in Australian Labour Market Statistics (cat. No. 6105). using data collected in the monthly LFS, along with data collected in the annual Forms of Employment supplementary survey for 2008 onwards.

<sup>9</sup> Calculated from Swiss Labour Force Survey data provided by the Swiss Federal Statistical Office.

67. The critical issue in identifying ‘contractors’ in statistical collections is to determine whether or not the contract of an individual worker corresponds to that of paid employment. The SNA states that the relationship of employer to employee exists when there is a written or oral agreement whereby the person works for the enterprise in return for remuneration in cash or in kind, adding that remuneration is based on either time spent at work or some other objective indicator of the amount of work done. In the modern context, however, making this type of distinction in practice is far from straightforward.

### **Outworkers**

68. The final group that may be classified either as in paid employment or as in self-employment is ‘outworkers’. In this case, however, it is the nature of the contract under which the work is undertaken that determines whether or not they should be treated as in paid employment or self-employment. Outworkers are defined in ICSE-93 as workers who:
- a) hold explicit or implicit contracts of employment under which they agree to work for a particular enterprise, or to supply a certain quantity of goods or services to a particular enterprise, by prior arrangement or contract with that enterprise; but
  - b) whose place of work is not within any of the establishments which make up that enterprise.
69. The resolution notes that these workers may be classified as being in paid employment or in self-employment according to the specific terms of their contract. They are classified as ‘employers’ if they engage other workers on a continuous basis.
70. The SNA has quite a lot to say about outworkers. According to the SNA 2008, an outworker ‘is a person who agrees to work for a particular enterprise or to supply a certain quantity of goods or services to a particular enterprise, by prior arrangement or contract with that enterprise, but whose place of work is not within any of the establishments that make up that enterprise’.<sup>10</sup> It also notes that outworkers have some of the characteristics of employees and some of the characteristics of self-employed workers.
71. The way in which outworkers are to be classified is determined, in the SNA, primarily by the basis on which they are remunerated. If the person is remunerated directly, or indirectly, on the basis of the amount of work done, that is, according to the amount of labour that is contributed as an input to the process of production, irrespective of the value of the output produced or the profitability of the production process, then the SNA would treat the worker as an employee. If on the other hand the income received by the person is a function of the value of the outputs from the process of production for which that person is responsible, however much or little work was put in, the worker is counted as self-employed.
72. The SNA explanation is broadly consistent with ICSE-93 and provides some helpful clarification. The criteria used may also be applied in other cases where there is a lack of clarity about the boundary between paid employment and self-employment. The SNA notes, however, that in practice it may not always be easy to distinguish between employees and

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<sup>10</sup> SNA 2008, para 7.34

self-employed on the basis of these criteria. As with the case of contractors discussed above, the critical issue is to determine whether the contract between the enterprise and the worker is a contract to supply one's own labour (an employment contract), which implies an employment relationship, or whether it is a contract to supply a good or provide a service.

73. Since outworkers may validly be classified as employees, employers or own-account workers, it is difficult to incorporate them in a coherent way in a classification of status in employment. If there is a need for separate information about outworkers, it may be preferable to include them as part of a separate classificatory variable, whilst providing guidance within a revised ICSE about the circumstances in which they should be classified to the various ICSE groups.

### **Subcategories of employees**

74. Guidance and definitions are provided in ICSE-93 for a number of subcategories of the group 'Employees'. These include 'regular employees' and various categories of employee that might be considered to reflect precarious employment situations. It is also stated that the three categories of worker in precarious employment specified (casual workers, short term workers and seasonal workers) may be classified as being 'employees' or 'own-account workers' according to the specific characteristics of the employment contract. As discussed above, however, it is the existence of an employment contract, rather than a contract to supply a good or provide a service, that distinguishes employees from the self-employed. Whilst there may of course be a need, within the framework of a revised ICSE, to allow for the identification of self-employed workers in precarious employment situations, this would need to be done in a different way from the approach used for employees. For this reason, the discussion below treats casual, short-term and seasonal workers as sub-categories of the group 'Employees'.

### **Regular employees**

75. ICSE-93 defines 'regular employees' as 'those employees with stable contracts for whom the employing organization is responsible for payment of relevant taxes and social security contributions and/or where the contractual relationship is subject to national labour legislation'. Employees with stable contracts are defined as those 'who have had, and continue to have, an explicit or implicit contract of employment.... with the same employer on a continuous basis.' Regular employees may be further broken down into those with fixed term contracts and those with contracts without limits of time, for whom contracts can only be terminated for specific reasons such as incompetence, misconduct or economic circumstances, according to national legislation or custom.
76. If we assume all regular employees belong to one of these two sub-groups, then we may conclude that regular employees are employees with stable contracts that are either fixed term, or that can only be terminated for specific reasons. This is a little confusing, however, as the notion of termination of contract only for specific reasons seems not to apply to those on fixed term contracts. The definition of a stable contract is also problematical, as it potentially excludes employees who have recently started employment on a contract without limit of time.

77. If we want to define regular employees so that there is no overlap with the various categories of workers in precarious employment, it might be better to include the qualification about termination of contract for specific reasons as part of the definition of regular employees. In today's labour law environment, it may also be preferable to further qualify the reference to the contractual relationship being subject to national labour legislation, since many of the contract types associated with precarious employment may also be subject to national labour legislation.
78. It would seem useful in a revised ICSE to separately identify regular employees from other types of employee, in order to provide information on precarious employment situations. The situation of regular employees is less precarious than other employees, primarily because there are limitations on the circumstances in which their employment can be terminated. A revised definition of regular employees, could be along the following lines, and is presented as a starting point for further discussion:

*Regular employees are employees for whom: (a) the employing organization is responsible for payment of relevant taxes and social security contributions; and (b) the contractual relationship is subject to provisions in national labour legislation which specify that the contract of employment can be terminated in only in specific circumstances or for specific reasons such as incompetence, misconduct or economic circumstances.*

### **Workers in precarious employment**

79. ICSE-93 notes that workers in precarious employment can be either: (a) workers whose contract of employment leads to them being classified as 'casual workers', 'short-term workers', or 'seasonal workers'; or (b) be workers whose contract of employment will allow the employing enterprise or person to terminate the contract at short notice and/or at will, the specific circumstances to be determined by national legislation and custom.
80. *Casual workers* are defined as those who have an explicit or implicit contract of employment which is not expected to continue for more than a short period, whose duration is to be determined by national circumstances. *Workers in short-term employment* are workers who hold explicit or implicit contracts of employment which are expected to last longer than the period used to define 'casual workers', but shorter than the one used to define 'regular employees.' *Workers in seasonal employment* are workers who hold explicit or implicit contracts of employment where the timing and duration of the contract is significantly influenced by seasonal factors such as the climatic cycle, public holidays and/or agricultural harvests.
81. The principal difficulty with this approach is that, in order to determine the boundary between regular employees and the various forms of precarious employment, as well as the boundary between casual workers and workers in short-term employment, a great deal is subject to variations in national circumstances. There also seems to be considerable overlap between workers in seasonal employment and those in casual or short term employment. An additional problem is that, in some countries, the term 'casual employment' may refer to

contracts that may be terminated at short notice, rather than to a very short term contract (that is to those referred to as type (b) in paragraph 79 above)

82. A possible approach, in a revised ICSE, would be to define a single sub-group of ‘casual, short-term and seasonal employees’. Categories in national classifications of status in employment, based on nationally relevant contract types, could then be mapped to this relatively broad group. This might allow the compilation of internationally comparable statistics that could usefully serve as an indicator of workers in precarious employment situations.

### ***Workers engaged by labour hire agencies***

83. ICSE-93 states that ‘workers who hold explicit or implicit contracts of paid employment from one organization, but who work at the site of and/or under instructions from a second organization which pays the first organization a fee for their services, may be classified separately from other employees, and according to whether the primary organization is a temporary work agency or another type of enterprise.’ We refer to this group as ‘Workers engaged by labour hire agencies’ in subsequent discussions in this paper.
84. Statistics on this group are collected by a significant minority of countries, and the contracting out of labour supply and administration seems to be an increasing trend about which there is a demand for statistical information. Consideration may therefore need to be given to of identification this group as part of an international standard for statistics on the employment relationship. Since these workers may be engaged on regular, casual, short-term or seasonal contracts, however, it would difficult to incorporate this group in a classification that also included separate categories for employees on these types of contract.

### ***Work gang (crew) members***

85. Work gang (crew) members are workers who are members of a group of workers who have been engaged as a group on terms corresponding to those of paid employment and where the employing organization has entered into a contract only with the crew leader or with an organizing agent for the crew, and not with the individual worker. Statistics about this group do not appear to be widely collected, and it is not currently thought necessary to provide a separate category for it in the successor to ICSE-93. There may, however, be a need to provide guidance about where these workers should be placed within the framework of a revised ICSE.

### ***Employment promotion or job training schemes***

86. According to ICSE-93 countries may need and be able to classify separately workers participating in public or private employment promotion or job training schemes on terms of employment which correspond to paid employment jobs. It notes that this group of workers may be designated ‘employment promotion employees’. It is worth noting that the draft 19<sup>th</sup> ICLS resolution concerning work statistics, recommends that participants in employment promotion programmes be classified as employed if, in the context of the programme, the participant contributes to the production of goods and services of an economic unit for which he or she receives payment in cash or in kind, including a government social benefit.

87. Since there is considerable policy interest in this group, their separate identification as a particular category of employee in a revised ICSE may be useful, in order to provide statistics that would allow policy analysts to monitor the effectiveness of government employment creation programmes of this type.

***Apprentices, trainees and interns***

88. ICSE-93 notes that, according to national circumstances, countries may decide to classify as apprentices or trainees those workers who hold explicit or implicit contracts of paid employment which specify that all or part of their remuneration should be in the form of training for a trade or profession. The notion that the receipt of training is a type of remuneration is problematical, however. It implies, for example, that the value of such training should be estimated in calculating employment related income.
89. There was considerable discussion during the development of the draft 19<sup>th</sup> ICLS resolution concerning work statistics, about whether or not apprentices, trainees and interns who work for pay on the one hand, and who work unpaid in exchange for training or workplace experience on the other hand, should be included in employment or in some other form of work. The draft resolution includes in employment those apprentices, interns or trainees who work for pay in cash or in kind, and notes that 'where appropriate, those who work in exchange for training or workplace experience in a trade or profession, without remuneration in cash or in kind, should also be included and separately identified'
90. Comprehensive information on this group of workers is needed to support the formulation, monitoring and evaluation of policies and programmes for vocational education and training, skills development and reskilling of workers. For this purpose the draft 19<sup>th</sup> ICLS resolution includes guidelines for classifying apprentices, interns and trainees by type of labour transaction, distinguishing between monetary (paid fully or partly in cash), non-monetary (paid exclusively in kind), and non-remunerated (receiving training only) transactions. One possibility would be to identify this group of workers within a revised ICSE, including guidelines on the distinction between monetary, non-monetary and non-remunerated employment.
91. In some countries there is significant demand for separate statistics on different types of training related job, for example to separately identify apprentices, trainees and interns. It may be difficult to make such distinctions in an international classification, however, as there are significant differences in national practices concerning the organization and delivery of national apprenticeship, traineeship and internship programmes. A suitable approach in a future ICSE might be to provide a single category of 'employees in training' defined as 'apprentices interns or trainees who work, usually for a reduced rate of pay in cash or in kind, or in some cases without remuneration, while undertaking training and/or gaining workplace experience in an occupation'
92. The ICSE-93 resolution states that, when identifying apprentice and trainee employees separately, countries may also distinguish between those who hold a formal training contract and follow a formal programme combining work experience with practical and theoretical instruction, and those who do not. Since including such a distinction in a classification that



also makes a distinction between paid and unpaid trainees, would be cumbersome, it is not currently proposed to make this type of distinction in the revised ICSE-93. As this type of information is likely to be collected mainly in surveys with a specific focus on education and training or on transition from education to work, it may be more appropriate to treat this distinction as a separate variable.

## **Groups classified among the self-employed**

### ***Employers of regular employees***

93. Employers of regular employees are defined in ICSE-93 'as those employers who during the reference period have engaged at least one person to work for them in their business on explicit or implicit terms such that this person will be classified as having a job as a regular employee'. It may be interesting to differentiate those who employ regular employees from those who only employ casual, short term or seasonal workers, as this latter group may reflect an intermediate status between being an own-account worker and a long-term employer. We are not aware that any country uses a category of this type in its statistics classified by status in employment.

### ***Groups based on ownership of the means of production***

94. Four groups of self-employed workers are defined in ICSE-93 based primarily on whether or not they own certain means of production or operational licences, and the nature of the contractual relationship with the owners of means of production, of operational licences or with suppliers of credit.
95. *Core own-account workers*, are those who work predominantly for the market independently of specific conditions imposed by the suppliers of credit, raw materials, etc., or of one main customer, and who rent or own their own equipment and other means of production.
96. *Franchisees* are defined in ICSE-93 as workers who have explicit or implicit contracts with the owners of certain means of production (land, buildings, machinery, trademarks, etc.), holders of operational licences or suppliers of credit, which to a significant extent determine how the business is operated and require the payment of a specific part of total sales.
97. *Sharecroppers* are defined as workers who hold a 'self-employment' job and in this capacity have explicit or implicit contracts with the owners of certain means of production (land, buildings, machinery, etc.) or suppliers of credit or raw materials, which to a significant extent determine how the business is operated and require the payment of a part of total production.
98. *Communal resource exploiters* are workers who hold a 'self-employment' job and in this capacity use a natural resource (e.g. land, fishing grounds, hunting and gathering areas) to which there are no individual property rights, but for which their community or the State may have certain management responsibilities.
99. Since none of these categories is commonly used in national adaptations in ICSE-93 and the last three may be either employers or own-account workers, it does not seem useful to

include them as part of the main classification hierarchy of the successor to ICSE-93. It would be helpful, however, to state explicitly that they should be classified among the self-employed, rather than as employees. If there is interest in providing statistics on these or on related categories of self-employment, they could be presented in a future resolution on status in employment as a supplementary classification of the self-employed.

### ***Subsistence workers***

100. ICSE-93 defines subsistence workers as workers who hold a self-employment job and in this capacity produce goods or services which are predominantly consumed by their own household and constitute an important basis for its livelihood. The draft resolution concerning work statistics, however, proposes the identification of production of goods for own consumption as a part of a separate form of work, 'own-use production work.' It further recommends identifying subsistence food producers separately as a subgroup of persons in own-use production work and that statistics on this group be collected and disseminated on a sub-annual basis. According to the draft resolution, subsistence food producers are all those persons in own-use production work who performed activities to produce, or process for storage, foodstuff from agriculture, fishing, hunting or gathering, excluding those who engage in such production as recreational or leisure activities.

### 3 Review of national practices

101. In late 2012 the ILO conducted a review of national practices with respect to the compilation, from labour force and related surveys, of statistics on status in employment. The main aim of the exercise was to determine, for countries that have measured status in employment in a recent household survey, the different types of worker identified, and the classification, definitions and methods used to distinguish them.
102. In order to examine national practices in the measurement of status in employment, especially regarding the separate identification of categories of worker not defined as main categories of ICSE-93, an inventory was compiled to indicate whether or not countries separately identify the following categories:
- Owner-managers of incorporated enterprises;
  - Employees with fixed-term contracts;
  - Workers in casual, short term and seasonal employment;
  - Outworkers;
  - Contractors,
  - Workers engaged by labour hire companies;
  - Work gang members;
  - Franchisees;
  - Sharecroppers;
  - Communal resource exploiters;
  - Subsistence workers.
103. The main source of information was Labour Force Survey (LFS) questionnaires. Other household-based survey questionnaires were used if a recent LFS questionnaire was not available. In general, the main recent source of labour force statistics was used. For all countries that included one or more questions on status in employment in the survey, research was conducted to determine the methodological treatment of this variable or any other related variables relevant for this study by looking at electronic and paper documents. In some cases, the report of survey or the survey microdata where available, were also found to contain useful information on the classification of types of workers. For some countries methodological information was not found.
104. The review showed, that among those countries that have recently conducted a labour force survey, almost all compiled statistics on status in employment. In most cases the classification of status in employment used is based on or related to ICSE-93. In national adaptations of ICSE-93, several countries have created additional detailed categories. Countries have also created additional variables and classifications to measure particular aspects of the employment relationship.
105. Most countries produce statistics on workers in casual, short term and seasonal employment, but this is most frequently done as part of a separate variable. In addition, a significant number of countries compile statistics on apprentice and trainee workers and/or on domestic workers, as part of the status in employment variable. Workers engaged by labour hire

companies and subsistence workers are each separately identified in a significant minority of countries.

106. Relatively few countries provide separate statistics for owner managers of incorporated enterprises and for 'contractors'. In those cases where they are not separately identified, it is not always clear whether these two groups are treated as self-employed or in paid employment. There is significant variation in practice among countries. As a result, there are serious implications for the international comparability of statistics classified by status in employment, especially with respect to aggregate statistics on the dichotomy between self-employment and paid employment.

### **Inventory of national practices**

107. The inventory developed as part of this review contains observations for 195 territories representing the 185 ILO member states and other territories whose questionnaires had been provided to the ILO. Sources of information were found for 107 countries or territories. The remaining countries either had not provided information about their questionnaire or did not have a recent survey. Countries in Western Europe and in Eastern Europe and Central Asia, where the majority have a labour force survey, are well represented in the study. However, there is an under-representation of countries located in Africa, in the Americas, in the Arab States and in Asia and the Pacific. Among the 107 countries with a source of information, only five countries did not include a question on status in employment on the questionnaire.
108. Of the 102 countries measuring status in employment, there is a clear relationship to ICSE-93 for 60 countries, 23 countries used categories not based on ICSE-93, and 19 countries did not specify a clear relationship to the ICSE-93, either on the questionnaire or in published output, even though the classification used is sometimes similar. This information is summarized by region in Table 1 below.

**Table 1: Number of countries classified by region, sources, and whether status in employment and ICSE-93 were used.**

	Number of countries					Eastern Europe & Central Asia	Western Europe
	ALL REGIONS	Africa	Americas	Arab states	Asia and the Pacific		
<b>Sources</b>							
LFS /other data source	107	20	21	3	21	21	21
No sources	88	27	18	9	23	7	4
<i>Total</i>	<i>195</i>	<i>47</i>	<i>39</i>	<i>12</i>	<i>44</i>	<i>28</i>	<i>25</i>
<b>Status in employment</b>							
Included	102	18	21	3	19	20	21
Not included	5	2	0	0	2	1	0
<i>Total</i>	<i>107</i>	<i>20</i>	<i>21</i>	<i>3</i>	<i>21</i>	<i>21</i>	<i>21</i>
<b>ICSE-93</b>							
Related	60	8	12	3	9	17	11
Not related	23	2	7	0	8	0	6
Not specified	19	8	2	0	2	3	4
<i>Total</i>	<i>102</i>	<i>18</i>	<i>21</i>	<i>3</i>	<i>19</i>	<i>20</i>	<i>21</i>

109. Various categories of worker were measured in national surveys, including some of the particular groups specified in the 15<sup>th</sup> ICLS resolution as possibly requiring separate identification according to national circumstances, as well as some other categories not listed in ICSE-93. Some categories of worker defined in ICSE-93, such as outworkers, work gang members, franchisees and communal resource exploiters were not included in any of the surveys examined. Other categories are measured by very few countries. For example, only Chile, El Salvador and Pakistan separately identify sharecroppers, and only Brazil separately identifies homeworkers. Table 2 shows selected particular groups of workers and the number of countries, by region, in which these groups are identified.
110. Owner-managers of incorporated enterprises are separately identified in only seven countries: three in the Americas, one in Asia and the Pacific, and three in Western Europe. ‘Contractors’ are mostly measured in Western Europe, where 5 countries produce statistics on this group. In the other regions there are two countries in the Americas, one in Asia and the Pacific, one in Eastern Europe and Central Asia, which identify contractors in their regular labour force questionnaire.
111. Four countries include workers in casual, short term or seasonal employment in the status in employment variable: two in the Americas and two in Asia and the Pacific. The majority of countries do measure these groups and classify them as sub-categories of employee but do so as part of another variable, such as contract type or form of employment. Almost all countries in Africa for which data are available measure this group using a different variable (15 out of 18). In Eastern Europe and Central Asia and in Western Europe the situation is

similar (14 out of 20 and 16 out of 21 respectively). In the Americas and in Asia and the Pacific, about half of the countries separately identify these workers.

**Table 2: Number of countries classified by region according the treatment of particular groups of workers**

	Number of countries					Eastern Europe & Central Asia	Western Europe
	ALL REGIONS	Africa	Americas	Arab states	Asia and the Pacific		
<b>Owner managers of incorporated enterprises</b>							
Identified in survey	7	0	3	0	1	0	3
Not identified	95	18	18	3	18	20	18
<i>Total</i>	<i>102</i>	<i>18</i>	<i>21</i>	<i>3</i>	<i>19</i>	<i>20</i>	<i>21</i>
<b>Contractors</b>							
Included in survey	9	0	2	0	1	1	5
Not identified	93	18	19	3	18	19	16
<i>Total</i>	<i>102</i>	<i>18</i>	<i>21</i>	<i>3</i>	<i>19</i>	<i>20</i>	<i>21</i>
<b>Workers in casual, short term or seasonal employment</b>							
Identified in status in emp.	4	0	2	0	2	0	0
Identified in other variable	64	15	8	2	9	14	16
Not identified	34	3	11	1	8	6	5
<i>Total</i>	<i>102</i>	<i>18</i>	<i>21</i>	<i>3</i>	<i>19</i>	<i>20</i>	<i>21</i>
<b>Workers engaged by labour hire agencies</b>							
Identified in survey	19	0	3	0	0	7	9
Not identified	83	18	18	3	19	13	12
<i>Total</i>	<i>102</i>	<i>18</i>	<i>21</i>	<i>3</i>	<i>19</i>	<i>20</i>	<i>21</i>
<b>Own-use production/subsistence workers</b>							
Included in employment	50	12	12	1	8	13	4
Not included	52	6	9	2	11	4	17
<i>Total</i>	<i>102</i>	<i>18</i>	<i>21</i>	<i>3</i>	<i>19</i>	<i>17</i>	<i>21</i>

112. As many as 19 countries, mostly located in Eastern Europe and Western Europe, separately identify workers engaged by labour hire agencies.
113. A number of other categories of worker that were not included in the original inventory were identified in several questionnaires including domestic workers, apprentices, subsidized employment workers and homeworkers. This latter category could be equated to outworkers, however, whilst the 'subsidized employment workers' may be equated to workers in employment promotion schemes.
114. In the measurement of apprentices, Uganda made a distinction between paid apprentices and those who are not, however Bolivia separately identifies only unpaid apprentices and Romania classifies these workers as a sub-category of employees.

115. Regarding the category of domestic workers, there seems to be interest in measuring this group of workers in different regions of the world. Finally, some countries in Europe have separately measured on-call workers.
116. These categories are presented in Table 3 along with the list of countries that use them in their questionnaires. The list of countries for each category is not exhaustive because not all questionnaires were reviewed at this level of detail. In reality, countries that measure these additional categories may be more numerous.

**Table 3: Other categories of workers identified and countries measuring each category**

Apprentices	Domestic workers	Homeworkers	Subsidized employment	On-call workers	Student contracts	Contract cultivator	Workers on oral agreement
Uganda	Liberia	France	Brazil	Uruguay	Denmark	Belgium	Belgium
Bolivia	Mauritius	Italy	Belgium	Italy	France	Philippines	Portugal
El Salvador	Brazil		France	Austria	Peru		Estonia
Romania	Chile						
Belgium	Dominican Rep.						
Denmark	Ecuador						
France	El Salvador						
Peru	Panamà						
Greece	Paraguay						
Austria	Peru						
Poland	Philippines						

### Distributions of the main ICSE-93 categories

117. It is difficult to produce global and regional estimates for status in employment, as data are not available for all countries, some countries do not compile statistics for all of five of the main ICSE-93 categories, and some countries do not separately identify employers from own-account workers. The numbers discussed below are based on analysis of status in employment statistics provided by countries to the ILO from 1999 to 2008. For each country that reported statistics, the share of each ICSE-93 category was calculated as a percentage of total employment, male employment and female employment.
118. Globally the largest status in employment category is employees, which typically comprise 60 – 90% of the employed population. Own account workers are the second largest group, whilst employers rarely comprise more than 5% of total employment. Contributing family workers are also a significant group in many countries but in most highly industrialized or wealthy countries they represent a very small percentage of total employment.
119. There are marked regional differences in status in employment, as well as differences between countries within the same region. The share of employees is higher in regions comprising mainly developed countries, where typically more than 80% of workers are employees. In poorer, less developed countries, or in those where agriculture is the predominant activity, own-account workers and sometimes contributing family workers may be more numerous than employees.

120. In some of the least developed countries in Africa and Asia employees comprise less than 15% of total employment (5% in Burundi, 7% in Tanzania, 14% in Mali, 13 % in Cambodia), whilst in nearby countries with more diverse economies employees comprise a much larger proportion of total employment (84% in South Africa, 60% in Botswana, 44% in Thailand).
121. The number of workers not classifiable by status is negligible in all regions except Europe, where it is still relatively low. The reasons for this should be further investigated before any conclusions could be drawn.
122. There are also significant gender differences in status in employment. In all regions men are more likely than women to be employers or own account workers and in some countries the difference is very large. In the category of contributing family workers the share of female employment is much higher than male employment.

### ***Statistics on members of producers' cooperatives***

123. Very few countries collected statistics on members of producers' cooperatives in their latest survey on employment. In most of those countries that do publish figures, members of producers' cooperatives represent an insubstantial share of the population in employment, usually less than 1%. For those countries where the percentage was greater than 1% in 2007, the share of members of producers' cooperatives as a percentage of total employment disaggregated by sex is shown in Table 4. In 2007, relatively large numbers of workers were members of producers' cooperatives in Venezuela, Armenia and Cuba. These percentages were lower in Morocco and Israel. Comparing the percentages by gender, the figures show that men were more likely to have this status in employment than women, in Cuba, Venezuela and Morocco. The opposite was true, however, in Armenia where 8.5% of employed women and 3.2% of men were members of producers' cooperatives
124. In Armenia, there was a pronounced decrease in the number of members of producers' cooperatives. In 2007 they were a significant part of the employed population yet by 2009 almost none were reported. A similar situation applies in Venezuela, where these workers accounted for 6.7% of employment in 2008 and only 1.7% in 2009. It is not clear whether these changes reflect major structural changes in the labour market, significant changes in contractual and legal arrangements for cooperative economic units, or methodological changes in data collection and compilation. In the case of Armenia, however, it should be noted that the data source for 2007 was the LFS whereas for 2009 and 2010 it was the Household Income and Expenditure Survey. For Cuba and Morocco it seems that the percentage of workers who are members of cooperatives has been stable or increasing slightly in recent years.



**Table 4: Members of producers' cooperatives as a percentage of total employment, selected countries and sex, 2007 - 2010**

Year		2007	2008	2009	2010
<b>Armenia</b>	<b>Total</b>	<b>5.6</b>	<b>-</b>	<b>0</b>	<b>0</b>
	<i>Males</i>	3.2	-	0	0
	<i>Females</i>	8.5	-	0	0
<b>Cuba</b>	<b>Total</b>	<b>4.9</b>	<b>4.7</b>	<b>5.1</b>	<b>5.1</b>
	<i>Males</i>	6.5	6.3	7.0	2.0
	<i>Females</i>	2.2	2.2	1.9	7.1
<b>Israel</b>	<b>Total</b>	<b>1.1</b>	<b>1.0</b>	<b>0.8</b>	<b>0.6</b>
	<i>Males</i>	1.1	0.9	0.8	0.7
	<i>Females</i>	1.1	1.0	0.7	0.6
<b>Morocco</b>	<b>Total</b>	<b>1.6</b>	<b>1.6</b>	<b>1.5</b>	<b>1.9</b>
	<i>Males</i>	2.0	2.0	1.9	2.4
	<i>Females</i>	0.6	0.5	0.5	0.6
<b>Venezuela</b>	<b>Total</b>	<b>6.7</b>	<b>-</b>	<b>1.7</b>	<b>1.6</b>
	<i>Males</i>	8.0	-	2.4	2.4
	<i>Females</i>	4.6	-	0.6	0.5

## Domestic workers

125. Several countries include domestic workers as a separate category of status in employment. In many countries there are policy concerns about the precarious wages and working conditions experienced by these workers, many of whom may be migrant workers whose right to remain in the country may be linked to their ongoing employment. The definitions used by countries to describe this group of workers are many and varied, however.
126. In El Salvador a domestic worker is defined simply as a person who works for a private household to perform domestic activities. In Brazil, domestic workers are persons who worked to perform domestic activities paid in money or benefits, in one or more housing units. These definitions raise interesting questions about whether domestic workers who work for more than one household should be treated as employees with multiple jobs (a separate job for each household) or whether they should be treated as own-account workers providing services to multiple households.
127. Some countries have specific guidelines to deal with cases where domestic workers work in more than one household. In Panama for example, a domestic worker is defined as a person who works or has worked for a household other than their own, performing activities for the household and receiving a salary in cash and/or in kind. Examples of the relevant occupational groups are provided, including housekeeper, gardener, driver, cook and butler. Guidance is provided concerning the multiple job versus multiple client problem by

specifying that persons who are engaged to work in private households will be further classified according to the following criteria:

- If the person is engaged to work constantly for the same household, then she will be regarded as an employee
- If the person is engaged to perform work at different households, on a daily basis, this person should be considered as self-employed

128. In Switzerland domestic workers are defined as workers who perform unskilled work in private households. A distinction is made between individuals who perform domestic work in households from those who perform domestic work as employees of companies that provide domestic services.
129. Whilst the numbers employed as domestic workers varies significantly between countries and regions, in many of the countries that collect statistics on them they represent a significant component of the employed population. They are frequently more numerous than some of the main ICSE-93 groups, such as Employers, Contributing family workers and Members of producers' cooperatives. For example, in 2011 they comprised 7.1% of total employment in Brazil, 4.8 % in Panama and 1.7%<sup>11</sup> in Switzerland. Domestic workers are also predominantly female. In the same year women comprised 92.6% of domestic workers in Brazil, 85.8% in Panama and 84.3% in Switzerland. It is perhaps more striking to note that domestic workers represented 15.6% of women's employment in Brazil, 10.9% in Panama and 3.2% in Switzerland.
130. The definitions used both at national and international tend not to be definitive about the range of occupational tasks that may be performed by domestic workers, or whether the defining characteristic is that the work is performed as an employee of a household. International studies on domestic work frequently attempt to produce estimates of domestic workers based on classification by occupation or economic activity (industry). There are problems with using occupational data, however, since many of the occupational groups commonly found in domestic work, may also be employed in non-domestic settings. The use of employment data classified by economic activity may therefore be more fruitful.
131. A ready-made category is provided by ISIC Rev 4 Division 97, Activities of households as employers of domestic personnel, which includes 'activities of households as employers of domestic personnel such as maids, cooks, waiters, valets, butlers, laundresses, gardeners, gatekeepers, stable-lads, chauffeurs, caretakers, governesses, babysitters, tutors, secretaries etc.' The ISIC Rev 4 explanatory notes state that this category allows the domestic personnel employed by households to state the activity of their employer in censuses or studies, even though the employer is an individual. The provision of services such as cooking, gardening etc. by independent service providers is excluded, thus restricting the definition of this category to the direct employees of households. An approach based on activity classification

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<sup>11</sup> Percentages calculated from the main national source of labour force data either published or provided to the ILO by the National Statistical Offices of each country.

may also exclude employees who provide domestic services to households when the households are indistinguishable from unincorporated enterprises, such as household farms.

132. It can be seen from the above discussion that a wide variety of approaches and definitions is used for the measurement of domestic workers, imposing severe limitations on comparability of data on this topic from different sources and different countries.

## **4 Strategy and options for revising ICSE-93**

133. Although proposals for the establishment of a more detailed classification of status in employment have twice been put to the ICLS and rejected, there remains a clear demand for more detailed internationally comparable statistical information on this topic. Such statistics are needed in order to better inform debate on social, labour market and economic policy concerns about the various contractual arrangements that have emerged in order to promote more flexibility in the labour market. There is also a need to ensure that there is a more consistently drawn boundary between paid employment and self-employment and to identify various forms of precarious or at risk employment situations.
134. The challenge lies in the need to gain consensus on a detailed set of categories that are relevant for a wide cross section of countries and which might be arranged into a two or three level hierarchy, based on coherent classification criteria that do not lead to excessive overlap. To achieve this it would seem necessary to avoid making proposals for the classification of status in employment excessively complex by incorporating too many concepts and issues.

### **Summary of issues that may need to be addressed**

135. On the basis of the information currently available, it is proposed that work to review ICSE-93 should focus on the boundary between self-employment and other forms of employment, the scope and conceptual underpinnings of the classification and on the treatment and need for separate identification of the following groups of workers:
- a) Casual, short term and seasonal employees
  - b) Paid and unpaid apprentices, trainees and interns
  - c) Owner-managers of incorporated enterprises
  - d) ‘Contractors’
  - e) Members of producers’ cooperatives
  - f) Domestic workers
  - g) Workers engaged by labour hire agencies
136. Consideration may also need to be given to the boundary between own-account workers and contributing family workers, and the possible need for a distinction between workers in a family business and those working independently of other family members. This could potentially address concerns that individuals who work together in a family business may be assigned to one category or the other relatively arbitrarily on the basis of legal ownership of the business or cultural attitudes concerning gender roles.
137. If it emerges that there are important requirements for internationally comparable statistics on any other groups, then it will be necessary to consider how best to deal with them, either

within the framework of the successor to ICSE-93, or as part of another classificatory variable.

138. Subsistence workers and other producers of goods for own consumption, are also an important group about which there is a significant demand for statistical information. The draft resolution concerning work statistics identifies the production of goods for own consumption as a separate form of work no longer to be counted as employment. This raises questions about the most appropriate scope of the successor to ICSE-93. Is there a need, for example, for a single international classification of 'status of worker' or 'forms of work' that includes categories for some or all forms of work such as 'volunteer work' and 'own-use production work' as well as detailed categories related to status in employment? Is it preferable, on the other hand, to retain a classification that is restricted to employment?

### ***Casual, short term and seasonal employment***

139. The identification of employees with casual, short-term and seasonal contractual arrangements separately from those on regular contracts may provide a useful indicator of precarious employment situations. It may also reflect the reluctance of employers to take on regular employees during times of economic downturn. It may be more appropriate to identify this group as a single category, rather than trying to distinguish between these various forms of non-regular employment on a consistent basis. The need to draw a consistent boundary between these employees and those with 'regular' contracts will need to be given considerable attention, however, especially with respect to informal employment where contracts are not usually written or explicit.

### ***Apprentices, trainees and interns***

140. The need for information about apprentices, trainees and interns was identified during consultations about the revision of the 13<sup>th</sup> ICLS Resolution on Employment, Unemployment and Underemployment. One possibility suggested was to provide one or more categories in the updated classification of status in employment. The feasibility and usefulness of this approach will need to be further investigated.

### ***Members of producers' cooperatives***

141. The current ICSE category for members of producers' cooperatives is not used by most countries, and the number of persons employed in this category is very small in almost all countries. Moreover, the category as currently defined may give a misleading impression of the impact of cooperatives on employment, as employment by cooperatives of persons who are not members of the cooperative is not covered. The ongoing need for a separate category for this group should be investigated, as well as the need for a more comprehensive set of statistics on employment by cooperatives.

### ***Owner-managers of incorporated enterprises***

142. As discussed in Chapter 2, owner-managers of incorporated enterprises are workers who have arrangements whereby the worker and the establishment that they own and operate are separate legal entities. This arrangement normally exists only in the formal sector.

143. Technically and for national accounts purposes these workers are considered as employees of the establishment they own and may receive regular payment in cash or kind. In all other respects they resemble the self-employed. They singly or jointly control the enterprise in which they work. The business they operate may or may not have paid employees on a continuous basis and they may have assistance from contributing family workers. According to ICSE-93 they may be classified as employees or as self-employed according to national circumstances. Since very few countries separately identify this group in their labour force surveys, variations in national practices may be having a significant impact on international comparability of the statistics, especially for employers and own-account workers.
144. There is a need to determine where, conceptually and practically they ought to be classified in a revised ICSE, and guidelines are needed on the measurement of this group in statistical collections.

### **Contractors**

145. As there is a strong demand for statistics related to the use of contracts that are at the boundary between paid employment and self-employment, there is a need in the context of work to revise of ICSE-93 to undertake the following work:
- a) Further investigate the extent to which various types of contractor are separately identified in national statistics, whether or not they are counted in paid employment or self-employment, and the methods and criteria used in countries to identify this group in surveys.
  - b) Clarify the scope and definition of this group, in order to ensure that it reflects contemporary practice in labour law, and can inform policy debate on this topic; and
  - c) Determine where in the hierarchy of a revised ICSE jobs of this type should be placed, and in particular whether they should be classified as in self-employment, in paid employment, or as some other form of employment.
  - d) Determine whether or not contractors should be separately identified as part of the status in employment variable, or be identified as part of some other variable such as contract type.

### **Domestic workers**

146. As discussed in Chapter 2, a number of countries provide statistics on domestic workers as part of the status in employment variable. Considering the wide variety of different approaches used to measure this group, there is a need to investigate exactly what concept of domestic workers might best inform debate at international level on social and economic policy related to domestic work. For example, should the concept of domestic workers be restricted to persons employed directly by households, or should it also include the self-employed or those employed by companies that provide domestic services to households?

Should all occupational groups be considered or should the concept be restricted to certain occupations?

147. If there is a need to provide statistics only on those employed directly by households, then it may be feasible to provide a category for domestic employees as a sub-category of employees. If on the other hand, the primary need is for comprehensive statistics on all workers who are paid to provide domestic services to households, then it may be more appropriate to develop guidelines for the compilation of statistics on domestic workers, based on a separate classificatory variable.

### **Possible options for a revised ICSE**

148. Taking the above concerns into consideration, a number of possible scenarios could be envisaged in an updated ICSE. For example it would be possible to include contractors and/or owner managers of incorporated enterprises *either* as self-employed *or* as in paid employment, while providing sufficient detail to allow input of data for SNA purposes. Alternatively, it may be more appropriate to abandon the dichotomy between self-employment and paid employment, as this distinction may not be considered relevant to groups such as contractors, and owner-managers of incorporated enterprises.
149. Under any of the above scenarios, it would be possible at the second or third level of a classification hierarchy, to create additional categories for regular employees, short-term, casual and seasonal employees, for employees in training, or for domestic employees and workers engaged by labour hire companies. Domestic employees and those engaged by labour hire agencies, however, do not fit cleanly within a structure that includes various categories of temporary employee, as the criteria used to delineate them are in conflict. Domestic employees may, for example, be employed on regular, short-term or casual contractual bases.
150. The outlines of possible classification structures according to various approaches are presented below. In each case this could be a standalone classification or it could be embedded within a broader classification of forms of work. Potential problems of overlap are obvious and would need to be addressed either through a set of priority rules or through the creation of one or more complementary classifications. For example, it would be possible to move all of the categories based on specific contractual arrangements to a separate classification of contract type.
151. The first two options are presented as if both contractors and owner-managers of incorporated enterprises would be treated in the same way. Adjustments could easily be made if it was decided that one of these groups should be treated as self-employed and the other as employees.

***Structure 1: Include contractors and/or owner managers of incorporated enterprises as self-employed***

**Self-employed**

- Employer
  - In own incorporated enterprise
  - In own unincorporated enterprise
- Own account worker
  - In own incorporated enterprise
  - In unincorporated enterprise
- Contributing family worker
- Contractor
- Member of producers' cooperative

**Employees**

- Regular employee
- Casual, short-term or seasonal employee
- Employee engaged by labour hire company
- Employee in training
  - Paid in cash
  - Paid in kind only
  - Unpaid
- Domestic employee



***Structure 2: Include contractors and owner managers of incorporated enterprises as employees***

**Self-employed**

- Employer
- Own account worker
- Contributing family worker
- Member of producers' cooperative

**Employees**

- Employee in own incorporated enterprise
  - With employees
  - Without employees
- Regular employee
- Casual, short-term or seasonal employee
- Employee engaged by labour hire company
- Employee in training
  - Paid in cash
  - Paid in kind only
  - Unpaid
- Domestic employee
- Contractor

***Structure 3: Abandon dichotomy between paid employment and self-employment***

**Employers**

- In own incorporated enterprise
- In own unincorporated enterprise

**Own account workers**

- In own incorporated enterprise
- In own unincorporated enterprise

**Contractors**

**Contributing family workers**

**Employees**

- Regular employee
- Casual, short-term or seasonal employee
- Employee engaged by labour hire company
- Employee in training
  - Paid in cash
  - Paid in kind only
  - Unpaid
- Domestic employee

***Structure 4: Retain concepts of self-employment and paid employment acknowledging that some forms of employment do not fit into these categories***

**Employees**

- Regular employees
- Temporary employees
  - Short-term employee
  - Seasonal employee
  - Casual employee
  - On-call employee
- Employees engaged by labour hire company
- Employees in training
  - Paid in cash
  - Paid in kind only
  - Unpaid
- Domestic employees

**Self-employed**

- Employers
  - in incorporated enterprise
  - in unincorporated enterprise
- Own-account workers
  - in incorporated enterprise
  - in unincorporated enterprise
- Contractors

**Others forms of employment**

- Contributing family workers
- Member of producers' cooperatives
- Other forms of employment not elsewhere classified

## Process for revision

152. If mandated by the 19<sup>th</sup> ICLS to proceed with a review of ICSE-93, the ILO will further develop one or more options in light of guidance provided by the ICLS and with support from relevant national and international experts. It is likely that there will need to be one or more rounds of consultation with national statistical agencies in all member states, as well as some testing of the proposals in national contexts. ILO would then prepare a draft resolution that would supersede the resolution concerning the International Classification of Status in Employment, adopted by the 15<sup>th</sup> ICLS.
153. The usual process would be that the draft resolution would be considered by a tripartite Meeting of Experts in Labour Statistics, and that the ILO would then refine the draft for consideration at the 20<sup>th</sup> ICLS. This may mean, however, that an updated ICSE would not be in place until 2018. Another possibility, if it is felt that there is a need for the replacement for ICSE-93 to be available before the 20<sup>th</sup> ICLS, would be for the 19<sup>th</sup> ICLS to mandate the ILO to seek adoption of a resolution concerning revision of the International Classification of Status in Employment by a tripartite Meeting of Experts. The only precedent for this was the mandate provided by the 17<sup>th</sup> ICLS for adoption of ISCO-08 by a Meeting of Experts which took place in December 2007, one year in advance of the 18<sup>th</sup> ICLS..
154. It would also be important for the ILO to seek guidance on and support for its work on updating ICSE-93 from a relatively small reference group of individuals with relevant technical expertise. One proposal is to use the Working Group for the Advancement of Employment and Unemployment Statistics for this purpose. This group was originally established to assist the ILO in the development of proposals for the draft resolution concerning work statistics. Its involvement would reflect the fundamental importance of status in employment as a core element of labour force statistics and as a complement to statistics on employment and unemployment. In view of the importance status in employment in economic statistics, especially with respect to the boundary between self-employment and paid employment, it would be important to ensure that specialists in economic statistics as well as in labour statistics were also included in the group, however.
155. Considering the relatively small number of categories likely to be included in the successor to ICSE, direct involvement of national specialists in statistical classification may not be necessary. A summary of the issues and proposed way forward was presented to the UN Expert Group on Statistical Classifications at its meeting in June 2013, and the ILO would continue to inform the expert group on progress and seek guidance as required.
156. Advice on the revision of ICSE-93 will be sought from the 19th ICLS during a session that will take place after detailed discussion of the draft resolution concerning work statistics. Advice will be sought in particular on the issues outlined below:
  - 1) The need for separate identification in the successor to ICSE-93 of any of the groups workers identified in paragraph 135 above;
  - 2) Whether there any other groups that need to be separately identified;

- 3) Whether the scope of the classification should be restricted to employment as defined in the final ICLS resolution concerning work statistics, or extended to include some or all other forms of work;
- 4) The most appropriate framework for the classification structure, taking into consideration the issues, options and scenarios presented above;
- 5) The appropriate timeframe for completion of work to revise ICSE-93 and what mechanisms should be used facilitate formal adoption of the successor to ICSE-93. For example, should the ILO be mandated to seek adoption of the successor to ICSE-93 by a tripartite meeting of experts on labour statistics, as was the case with ISCO-08, rather than waiting until the 20<sup>th</sup> ICLS?

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