20th ICLS

From ICSE-93 to Statistics on Work Relationships

Report II

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11 October 2018

Content

Overview of ICSE-93

Why a revision was initialized and the process of the revision

Outline of the Resolution concerning statistics on the work relationship

The International Classification of Status in Employment (ICSE-93)

- Adopted at the Fifteenth International Conference of Labour Statisticians (ICLS) in 1993
- The current international standard for statistics on the employment relationship
- 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
- Main purposes:
  - To provide a model for the development of national classifications for statistics on status in employment: and
  - To provide the basis for the production of internationally comparable statistics on the topic
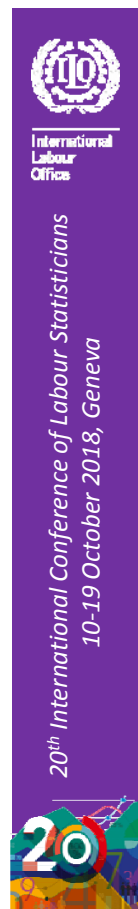
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ICSE-93 Substantive Groups

Paid employment jobs	Self-employment jobs	
1. Employees	2. Employers 3. Own-account workers 4. Members of producers´ cooperatives 5. Contributing family workers	6. Workers not classifiable by status

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Statistical treatment of particular groups

- Owner-managers of incorporated enterprises
- Regular employees with fixed-term contracts
- Regular employees with contracts without limits of time
- Workers in precarious employment
- Casual workers
- Workers in short-term employment
- Workers in seasonal employment
- Outworkers
- Contractors

- Workers engaged by labour hire agencies
- Work gang (crew) members
- Employment promotion employees
- Apprentices or trainees
- Employers of regular employees
- Core own-account workers
- Franchisees
- Sharecroppers
- Communal resource exploiters
- Subsistence workers

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

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Reason for revision

- Categories do not provide sufficient information to adequately monitor changes in employment arrangements taking place in many countries
  - increasing uncertainty about the boundary between self-employment and paid employment
  - Non-standard employment arrangements: 'dependent' contractors, short-term and zero hours contracts etc.
  - Need for statistical information to monitor the impact of these arrangements
- Need for guidance on data collection
- 19th ICLS Resolution I concerning statistics of work, employment and labour underutilization
  - New forms of work
  - Changed definition of employment
- Strong consensus at the 19th ICLS on the need to revise ICSE-93

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Process of revision

- Expert working group
  - National and international experts as well as representatives of workers and employers
  - Met four times from may 2015 –September 2017

- Regional meetings
  - Receive inputs, comments from all regions

- Special meeting between 2016-2017 and regional coordinating on labour statistics and classifications (ECLAC Working groups, LAMAS, Eurostat Standards Working Group)

- Consultations with UN Expert Group on International Statistical Classifications

- Integration of testing with development of the proposals

- Draft resolution was presented and discussed at the Tripartite Meeting of Experts (February 2018)
  - Employers, Workers and Government representatives

- Final consideration at the 20th ICLS
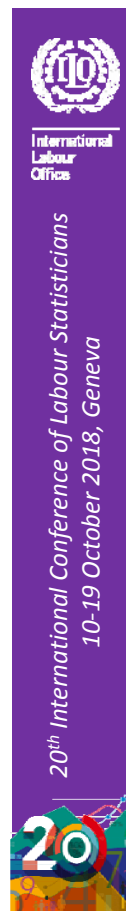
Outline of the Resolution concerning statistics on the work relationship (Report II)

- **Reference concepts**
  - Defines the reference concepts such as statistical units, type of authority and type of economic risk
- **Revised International Classification of Status in Employment (ICSE-18)**
  - Comprises ten categories applicable to employment and that can be organised in two different hierarchies
- **International Classification of Status at Work (ICSaW)**
  - Extension of the classification of Status in Employment to cover all forms of work paid and unpaid.
- **A set of cross-cutting variables**
  - That supports the derivation and analysis of the status at work categories
- **Guidelines on data measurement**
- **Indicators**
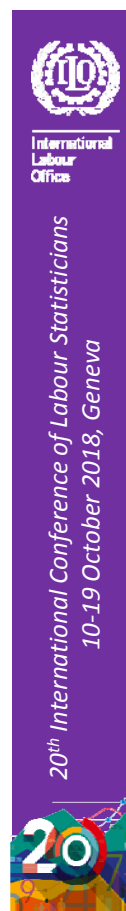
Classification criteria

- The classification uses two aspects of the work relationship as criteria to differentiate categories of jobs and work activities according to status.
    - *type of authority* that the worker is able to exercise in relation to the work performed: and
    - *the type of economic risk* to which the worker is exposed
- A detailed set of mutually exclusive categories is defined on the basis of these criteria, to form the Classification of Status at Work (ICSaW) and ICSE-18
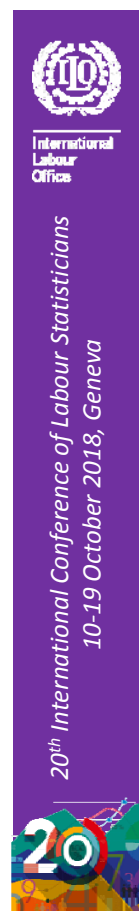
ICSE-18

- Comprises ten categories can be organised according to the two dimensions *type of authority* and *type of economic risk*
- Creates two different hierarchies:
- International Classification of Status in Employment according to type of authority (ICSE-18-A)
    - Creates a dichotomy between independent workers and dependent workers
    - Suitable for various types of labour market analysis (such as analysis of the impact of economic cycles, of government policies and the identification of entrepreneurs) as well as for the compilation of statistics classified by socio-economic status
- Classification of Status in Employment according to type of economic risk (ICSE-18-R)
    - Creates a dichotomy between workers for profit and workers for pay
    - Suitable for the provision of data for national accounts, for the identification of wage employment and for the production and analysis of statistics on wages, earnings and labour costs.

Classification of status based on type of Authority (ICSE-18-A)

Independent workers

Employers
- Employers in corporations
- Employers in household market enterprises

Independent workers without employees
- Owner-operators of corporations without employees
- Own-account workers in household market enterprises without employees

Dependent workers

Employees
- Permanent employees
- Fixed-term employees
- Short-term and casual employees
- Paid apprentices, trainees and interns

Dependent contractors
- Dependent contractors

Contributing family workers
- Contributing family workers

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Classification of status based on the type of economic Risk (ICSE-18-R)

Workers in employment for profit

Independent workers in household market enterprises
- Employers in household market enterprises
- Own-account workers in household market enterprises without employees

Dependent contractors
- Dependent contractors

Contributing family workers
- Contributing family workers

Workers in employment for pay

Owner-operators of corporations
- Employers in corporations
- Owner-operators of corporations without employees

Employees
- Permanent employees
- Fixed-term employees
- Short-term and casual employees
- Paid apprentices, trainees and interns

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Dependent Contractors

- Workers who have contractual arrangements of a commercial nature:
  - ➤ to provide goods or services for or on behalf of another economic unit,
  - o are not employees of that economic unit
  - o are dependent on that unit for organization and execution of the work or for access to the market.

❖Proposed definition:

"workers employed for profit, who are dependent on another entity that exercises explicit or implicit control over their activities and directly benefits from the work performed by them"

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ICSE-18-A ver. ICSaW

I Independent workers

  1 Employers

    11 Employers in corporations

    12 Employers in household market enterprises

    13 Employers in own-use production of services

    14 Employers in own-use production of goods

  2 Independent workers without employees

    21 Owner-operators of corporations without employees

    22 Own-account workers in household market enterprises without employees

    23 Independent workers in own-use production of services without employees

    24 Independent workers in own-use production of goods without employees

    25 Direct volunteers

D Dependent workers

  3 Dependent contractors

    30 Dependent contractors

  4 Employees

    41 Permanent employees

    42 Fixed-term employees

    43 Short-term and casual employees

    44 Paid apprentices, trainees and interns

  5 Family helpers

    51 Contributing family workers

    52 Family helpers in own-use production of services

    53 Family helpers in own-use production of goods

  6 Unpaid apprentices, trainees and interns

    60 Unpaid apprentices, trainees and interns

  7 Organization-based volunteers

    70 Organization-based volunteers

  9 Other workers

    90 Other workers

-Employment

-Own-use production work
-Unpaid trainee work
-Volunteer work
-Other work activities

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Cross-cutting variables

- The classification is complemented by a set of cross-cutting variables that provide information for characteristics that cut across several status categories
- Many of these are regularly covered, for example in LFS' but are not in general covered by international standards
- Output variables and categories to promote greater harmonization, coherence and international comparability
- "Explanatory notes" and the definitions of the output categories are provided in the conceptual framework (Room document 5)

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Three types of CC-variables

- **Required**
  - Duration of work agreement
  - Type of employment agreement
  - Contractual hours of work
  - Forms of remuneration
- **Essential**
  - Duration of employment in the current economic unit
  - Hours usually worked
  - Full-time/part-time status
  - Reasons for non-permanent of job
  - Preference or not for a non-permanent of job
  - Seasonal workers
  - Place of work
  - Domestic workers
  - Home-based workers
  - Multi-party work relationships
  - Job-dependent social protection coverage
  - Paid annual leave
  - Paid sick leave

- **Recommended**
  - Number of employees in the economic unit in which the worker is employed
  - Main form of remuneration
  - Reasons for preferring a non-permanent job

Required for deriving the status in Employment

Essential for the compilation of coherent statistics on work relationships

Recommended: that may be relevant depending on context and need

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Guidelines for data collection

- The resolution provides some general guidelines such as:
  - The frequency of the data collection on different aspects of the work relationships for the different forms of work
  - The use of different types of data sources and the level of detail that can be collected

- More detailed guidelines are provided in the data collection guidelines (see room document 4)
  - Dynamic guidelines
  - Based on current country practices and test results
  - Household surveys (LFS), Administrative sources, establishment surveys

Indicators

- Indicators are proposed to allow assessment and monitoring of:
  - ✓ labour market performance
  - ✓ the stability of employment relationships
  - ✓ exposure of the employed population to economic risk
  - ✓ participation in non-standard employment arrangements
- Indicators referring to employment:
  - ➢ More comprehensive for main job than secondary job
- Indicators for statuses referring to the unpaid forms of work are also included