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Report II

Statistics on work relationships

20th International Conference of Labour Statisticians

Geneva, 10–19 October 2018



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INTERNATIONAL LABOUR ORGANIZATION

Department of Statistics

Report II

Statistics on work relationships

20th International Conference of Labour Statisticians
(Geneva, 10–19 October 2018)

Geneva, 2018

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Contents

| | <i>Page</i> |
|--|-------------|
| Abbreviations and acronyms | v |
| 1. Introduction and background | 1 |
| Structure of the report | 2 |
| Uses of statistics on work relationships | 3 |
| Overview of the International Classification of Status in Employment (ICSE-93) | 4 |
| Impact of the 19th ICLS resolution concerning statistics of work, employment and labour underutilization | 6 |
| The concept of work | 6 |
| Forms of work | 7 |
| Alignment of the framework for work statistics with the System of National Accounts (SNA) | 7 |
| Issues addressed in the revision of ICSE-93 | 8 |
| Outline of the proposed new standards | 9 |
| Main differences between the proposed new standards and ICSE-93 | 10 |
| Guidelines for data collection and measurement approach | 11 |
| 2. Conceptual framework for statistics on work relationships | 12 |
| Statistical units and work relationships | 12 |
| Refinement of the definition of job | 12 |
| Categorization based on authority and economic risk | 13 |
| Type of authority | 14 |
| Type of economic risk | 14 |
| Supporting concepts | 14 |
| Institutional and economic units | 15 |
| Enterprise | 15 |
| Corporation | 15 |
| Quasi-corporation | 16 |
| Household | 16 |
| Household market enterprises | 17 |
| Entrepreneurs | 17 |
| 3. Status in employment | 17 |
| Summary of differences between ICSE-93 and the proposed ICSE-18 | 19 |
| Employment in cooperatives | 21 |
| Definitions and explanatory notes for categories in the two hierarchies of the International Classification of Status in Employment | 22 |
| Independent workers | 22 |
| Dependent contractors | 23 |
| Employees | 26 |

| | <i>Page</i> |
|---|-------------|
| Contributing family workers..... | 26 |
| 4. International Classification of Status at Work (ICSaW-18)..... | 27 |
| Status at work categories and the SNA production boundaries | 30 |
| 5. Cross-cutting variables and categories..... | 31 |
| Duration of the job or work activity and hours of work..... | 33 |
| Reasons for non-permanent employment..... | 33 |
| Type of employment agreement..... | 34 |
| Form of remuneration | 34 |
| Type of workplace..... | 34 |
| Domestic workers..... | 34 |
| Multi-party work relationships..... | 36 |
| Employees with multi-party work arrangements..... | 37 |
| Dependent contractors with multi-party work arrangements..... | 38 |
| Variables related to the measurement of informal employment | 39 |
| 6. Data sources, indicators and future work..... | 39 |
| References | 41 |
| Appendix | 43 |

Abbreviations and acronyms

| | |
|-------|---|
| EU | European Union |
| ICLS | International Conference of Labour Statisticians |
| ICSaW | International Classification of Status at Work |
| 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 |
| SNA | System of National Accounts |
| UN | United Nations |

1. Introduction and background

1. International standards for labour statistics serve two main purposes: to provide up-to-date guidelines for the development of national official statistics on a particular topic; and to promote international comparability of the resulting statistics. Periodic revision and update of these standards are needed to ensure that they adequately reflect new developments in labour markets in countries at different stages of development, and that they incorporate identified best practices and advances in statistical methodology so as best to meet emerging policy concerns.
2. The current international standard for statistics on work relationships is the International Classification of Status in Employment (ICSE-93), adopted in 1993 as a resolution of the 15th International Conference of Labour Statisticians (ICLS). It provides five substantive categories and defines the widely used distinction between self-employment and paid employment. Its revision was mandated in 2013 at the 19th ICLS in order to address a wide range of concerns.
3. A central concern is that the five substantive categories defined in ICSE-93 do not provide sufficient information to adequately monitor the changes in employment arrangements that are taking place in many countries and are not sufficiently detailed to monitor various forms of non-standard employment. A variety of new, or non-standard, arrangements that aim to increase flexibility in the labour market are also generating a need for statistical information to monitor the impact of these arrangements on workers and the functioning of the labour market. Some of these arrangements change the balance of economic risk between workers and enterprises and are leading to uncertainty about the boundary between self-employment and paid employment.
4. An important focus of work to revise ICSE-93 was therefore to develop proposals that will support the provision of more comprehensive and internationally comparable statistics on the growth of non-standard forms of employment. Non-standard employment may in some cases be voluntary and have positive outcomes for both workers and employers. In other cases, however, it is associated with job and income insecurity. It may also “pose challenges for enterprises, the overall performance of labour markets and economies as well as societies at large”.¹
5. Non-standard employment refers to employment arrangements that deviate from the “standard employment relationship”, understood as work that is full time, indefinite, formal, and part of a subordinate relationship between an employee and employer. Non-standard employment arrangements include:
 - temporary employment, such as through fixed-term contracts, casual or daily work and some forms of on-call work;
 - part-time and on-call work;
 - multi-party employment arrangements such as labour hire, dispatch, and brokerage, temporary agency work and subcontracted labour supply; and

¹ ILO 2016.

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- “Dependent self-employment” when dependent workers have contractual arrangements of a commercial nature.
6. While part-time work is considered to be a form of non-standard employment, the provision of statistics on part-time and on-call work are covered to a large extent through existing standards for the measurement of working time and working time arrangements adopted by the 18th ICLS in 2008. There are no current standards for statistics on the other types of non-standard employment. The 15th ICLS resolution does provide advice on “the possible statistical treatment of particular groups” including those related to temporary employment, casual work and dependent self-employment. This advice is not formally part of the classification of ICSE-93, however.
 7. To assist in the development of proposals to replace ICSE-93, the ILO established a working group comprising producers and users of labour and economic statistics from national government agencies in all regions, intergovernmental agencies, and workers’ and employers’ organizations. This group met four times from May 2015 to September 2017. To widen the consultation process and obtain feedback on the proposals developed by the working group, the ILO also conducted a series of preparatory Regional Meetings of labour statisticians, in all regions of the world from late 2016 and throughout 2017. These meetings focused on both relevance to the regional context and technical feasibility of the proposed new standards. Opportunities for testing of the proposals were identified in several countries and testing is ongoing.
 8. The outcome of this development and consultation process is a series of proposals to replace ICSE-93 with a suite of statistical standards and classifications. A central element is a revised International Classification of Status in Employment (ICSE-18). It includes ten categories to allow better identification of workers with non-standard employment arrangements including those with fixed-term and with casual and short-term contracts of employment, to address concerns about both the blurring of the boundary between paid employment and self-employment and to measure the growth of dependent self-employment.
 9. The need for better statistics on various dimensions of non-standard employment is also provided through a series of cross-cutting variables and categories, which provide more detailed information on the degree of stability and permanence of the work. They cover topics such as duration of contract, multi-party employment arrangements, and job dependent social protection. A new International Classification of Status at Work (ICSaW-18) extends ICSE-18 to cover all forms of work. The proposals are integrated by a conceptual framework for statistics on work relationships which defines the key concepts, variables and classification schemes included in the new standards.
 10. These standards are proposed in the form of a draft resolution concerning statistics on work relationships, provided in the appendix to this report, to be reviewed and amended as necessary and considered for adoption by the 20th ICLS.

Structure of the report

11. The report consists of six chapters. This first chapter presents background information on the revision work and the demand for statistics on employment relationships, an outline of the proposed new standards and approach to data collection and an overview of the current relevant standards. The remaining chapters are intended to serve as a guide to the draft resolution. Chapter 2 describes the conceptual framework and model that underpin the proposed classifications and statistical variables included in the new standards. Chapter 3 discusses the proposal for a revised International Classification of Status in Employment,

while Chapter 4 covers the proposal for a new ICsaw-18. Chapter 5 is concerned with the proposed cross-cutting variables. Chapter 6 concludes the report by briefly discussing the sections of the resolution dealing with data sources and future work.

12. The report and draft resolution have been adapted from a more detailed paper on the conceptual framework for statistics on work relationships, which was developed and progressively updated in consultation with the working group. An updated version of the conceptual framework paper, as well as guidelines for data collection, will be provided as room documents during the 20th ICLS.

Uses of statistics on work relationships

13. Statistics on the relationship between the worker and the economic unit in which, or for which, the person works, including statistics in which jobs are currently classified by status in employment, are needed for a wide variety of purposes in both economic and social analysis. They provide information on the nature of the economic risk and authority that individuals experience at work, and on the strength and nature of the attachment of workers to the economic unit in which they work. In statistics on employment they provide an indicator of the prevalence of unstable or insecure employment situations.
14. Changes in status in employment distributions may reflect the impact of economic cycles on employment in higher risk, lower income, less secure jobs. For example, an increase in self-employment as a percentage of total employment may occur when workers who lose jobs in paid employment engage in various forms of self-employment.
15. 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 government policies and proposals related to economic development and job creation.
16. Statistics classified by status in employment are important for the identification of wage employment and its distribution and for the production and analysis of statistics on wages, earnings and labour costs. In some countries they are needed to estimate revenue from social contributions and assist in determining the level of contributions to be paid.
17. In social statistics, status in employment is an important explanatory variable in its own right and is used as an input variable in the production of statistics on informal employment and on the socio-economic status of persons and households.
18. Data classified by status in employment also provide an important input to national accounts. The income derived from employment of employees is treated in the System of National Accounts (SNA) as compensation of employees, whereas the remuneration of the self-employed is treated as mixed income.
19. Statistics on work relationships are needed to provide information on the extent of authority, dependence and economic risk experienced by various groups of policy concern in own-use production of goods and services, in volunteer work and in unpaid trainee work, as well as in employment. These groups include but are not limited to women and men, young people, children, migrants and ethnic minorities. They can provide important information to support the assessment of the economic and social conditions of these various groups.

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20. Reflecting these diverse uses, statistics on employed persons or jobs by status in employment, and on other variables related to the stability and permanence of work relationships, are widely collected in household-based collections such as Labour Force Surveys, social surveys and population censuses as well as in employer surveys. They may also be compiled from administrative records if these have been adapted for statistical purposes. Statistics on work relationships in other forms of work may also be compiled from such sources, or from special purpose data collections, depending on relevance and priorities in the national context.
21. The development and use of a consistent and coherent system of statistical standards for work relationships, including on status in employment, will therefore facilitate more meaningful comparisons of data from different sources (for example, household surveys with employer surveys or administrative sources where coverage may be limited to employees). The adoption, in addition to the classification of status in employment, of a classification of status of worker covering all forms of work, as well as a comprehensive set of standard variables and categories covering various aspects of the stability of work arrangements, should provide more relevant, detailed, harmonized and coherent statistics with the aim of better satisfying this wide range of analytical and policy needs.

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

22. ICSE-93 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 five substantive categories are specified in addition to a sixth category: “Workers not classifiable by status”:
- Employees.
 - Employers.
 - Own-account workers.
 - Members of producers’ cooperatives.
 - Contributing family workers.
23. While 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”. The last four groups listed above form the self-employed. The structure of ICSE-93 can thus be represented as follows:
- Paid employment jobs:
 - Employees.
 - Self-employment jobs:
 - Employers.
 - Own-account workers.
 - Contributing family workers.

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- Members of producers' cooperatives.
 - Workers not classifiable by status.
- 24.** 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”. Since this group does not relate to any observable phenomenon, it is proposed to delete this category from the new standards and to replace it with guidelines on the treatment of missing or insufficient data.
- 25.** The ICSE-93 also provides advice on “the possible statistical treatment of particular groups” that are relevant for analysis of the changes that are taking place in the labour market and could potentially satisfy some of the unmet needs for statistics. Some of the groups represent subcategories of one of the specific ICSE-93 categories. 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;

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- (s) subsistence workers.
26. These groups are not organized into a coherent classificatory framework, however, and the advice provided in ICSE-93 resolution is not definitive about the treatment of some of the groups. For example, owner-managers of incorporated enterprises and contractors may be classified as employees or as self-employed workers according to national circumstances. As a result, international comparison and analysis of trends related to the mix between paid employment and various categories of self-employment are compromised, since national practices are not consistent.
27. Based on the discussions at the 19th ICLS, among members of the working group and during the regional consultations, the definitions and statistical treatment of several of these groups were identified as major issues that needed to be addressed in the review of ICSE-93. In many cases these particular groups reflected various types of employment arrangements that national statistical agencies found difficult to fit into any of the five substantive categories.

Impact of the 19th ICLS resolution concerning statistics of work, employment and labour underutilization

28. The 19th ICLS resolution concerning statistics of work, employment and labour underutilization (19th ICLS resolution I) adopted in 2013, updated the previous international standards relating to statistics of the economically active population, employment, unemployment and underemployment (13th ICLS, 1982) and related guidelines. It introduced the first international statistical definition of work and a number of features that are particularly relevant for the revision of ICSE-93, including:
- (a) a more refined concept and definition of employment that focuses on work for pay or profit to serve as the basis for the production of labour force statistics;
 - (b) a comprehensive framework for work statistics that distinguishes between employment and other forms of work, including own-use production work, volunteer work, and unpaid trainee work;
 - (c) operational definitions and guidelines to enable comprehensive measurement of participation and time spent in forms of work other than employment, particularly production of goods for own final use, provision of services for own final use, and volunteer work.
29. The 19th ICLS resolution notes that the standards should serve to facilitate the production of different subsets of work statistics for different purposes as part of an integrated national system that is based on common concepts and definitions. This objective is equally relevant for the new standards that will replace ICSE-93.
30. The specific elements of the 19th ICLS standards that are most relevant to the revision of ICSE-93 are the reference concepts for work statistics, including the definition of work itself, and the definitions of each form of work.

The concept of work

31. According to the 19th ICLS, *work* comprises any activity performed by persons of any sex and age to produce goods or to provide services for use by others or for own use. It excludes activities that do not involve the production of goods or services (for example, begging

and stealing), self-care (for example, personal grooming and hygiene) and activities that cannot be performed by another person on one's own behalf (for example, sleeping, learning and activities for own recreation).

Forms of work

32. Five mutually exclusive forms of work are identified for separate measurement. These forms of work are distinguished on the basis of the intended destination of the production (for own final use; or for use by others, i.e. other economic units) and the nature of the transaction (i.e. monetary or non-monetary transactions and transfers), as follows:
- (a) *own-use production work* comprising production of goods and services for own final use;
 - (b) *employment work* comprising work performed for others in exchange for pay or profit;
 - (c) *unpaid trainee work* comprising work performed for others without pay to acquire workplace experience or skills;
 - (d) *volunteer work* comprising non-compulsory work performed for others without pay;
 - (e) other work activities.²

Alignment of the framework for work statistics with the System of National Accounts (SNA)

33. The concept of work and the forms of work were aligned with the SNA so as to ensure that all activities within the SNA production boundary could be separately identified and captured in statistics compiled according to the new standards. The 19th ICLS resolution I notes that:

Own-use production of goods, employment, unpaid trainee work, a part of volunteer work and "other work activities" form the basis for the preparation of national production accounts within the 2008 SNA production boundary. Own-use provision of services and the remaining part of volunteer work complete the national production accounts, that is, beyond the 2008 SNA production boundary but inside the General production boundary.³

34. The relationship between the forms of work and the production boundaries defined in the SNA is shown in figure 1. All the activities within the SNA production boundary were counted as employment according to the old standards for labour statistics and were therefore within the scope of ICSE-93.

² "Other work activities" include such activities as unpaid community service and unpaid work by prisoners, when ordered by a court or similar authority, and unpaid military or alternative civilian service, which may be treated as a distinct form of work for measurement (such as compulsory work performed without pay others).

³ ILO 2013c.

Figure 1. Forms of work and the System of National Accounts 2008

| <i>Intended destination of production</i> | <i>for own final use</i> | | <i>for use by others</i> | | | | | | |
|---|--|-------------|--|------------------------------------|--------------------------------------|--------------------------------------|----------------------------|----------|--|
| <i>Forms of work</i> | Own-use production work | | Employment (work for pay or profit) | Unpaid trainee work | Other work activities | Volunteer work | | | |
| | of services | of goods | | | | in market and non-market units | in households producing | | |
| | | | | | | | goods | services | |
| <i>Relation to 2008 SNA</i> | | | <i>Activities within the SNA production boundary</i> | | | | | | |
| | | | <i>Activities inside the SNA General production boundary</i> | | | | | | |

Issues addressed in the revision of ICSE-93

35. Based on the discussions at the 19th ICLS and among members of the working group, the following key issues were identified as the most important to be addressed in revising ICSE-93:

- (a) the extension of the new statistical standards to cover all forms of work specified in the 19th ICLS resolution I and to reflect the narrower definition of employment defined in that standard;
- (b) the need for an overarching conceptual framework to ensure coherence between the various classifications and variables specified in the new standards and between the various domains of social, labour and economic statistics, and to facilitate the provision of harmonized statistics from different sources and domains;
- (c) the relevance and usefulness of maintaining a distinction between paid employment and self-employment as a dichotomous pair of aggregate categories, given the wide range of analytical uses of these categories and the increasing number of types of employment arrangement that do not fit comfortably into either category;
- (d) the boundary between self-employment and paid employment, particularly with respect to working proprietors of incorporated enterprises and dependent workers who have contractual arrangements of a commercial nature;
- (e) applicability of the standards to informal employment situations, especially informal employees;
- (f) the identification of workers in various non-standard forms of employment such as casual, short-term, temporary and seasonal employees, and workers on zero-hours contracts;
- (g) the need for guidelines on data collection, questionnaire design, derivation and adaptation of the standards for national use;
- (h) the identification and statistical treatment of various specific types of worker including:
 - apprentices, trainees and interns;

-
- entrepreneurs;
 - wage and salary earners;
 - family workers;
 - domestic workers;
 - homeworkers and outworkers;
 - members of producers' cooperatives;
 - workers with multi-party employment arrangements, including those engaged by labour hire agencies or temporary employment agencies.

36. It would be difficult, within a single classificatory framework, to provide a set of mutually exclusive categories that would allow the identification of all of these groups and satisfy the numerous and very different purposes for which statistics on the employment relationship are required. It was agreed therefore to develop a set of proposals to replace ICSE-93 with a suite of standards for statistics on the relationships between workers and the economic unit for which they work, rather than incorporating a number of overlapping concepts and characteristics in a single complex classification.

Outline of the proposed new standards

- 37.** The draft resolution concerning statistics on work relationships aims to promote the coherence and integration of statistics from different sources on multiple characteristics of work relationships, by providing:
- (a) an overarching conceptual framework for statistics on work relationships which defines the key concepts, variables and classification schemes included in the new standards for statistics on work relationships;
 - (b) a revised International Classification of Status in Employment (to be designated ICSE-18);
 - (c) an International Classification of Status at Work (ICSaW-18) as a reference classification covering all forms of work;
 - (d) a set of cross-cutting variables and categories that support the derivation and analysis of the status at work categories;
 - (e) operational concepts, definitions and guidelines for the collection and compilation of statistics on status in employment and the cross-cutting variables.
- 38.** The revised ICSE-18 comprises ten categories which may be aggregated according to two alternative classification structures. The first structure, based on the type of authority that the worker exercises over the economic unit for which he/she works, provides categories at its top level for “dependent” and “independent workers”. The second structure, based on the type of economic risk to which the worker is exposed, creates a dichotomy between “workers in employment for pay” and “workers in employment for profit”. This is similar to the traditional distinction between paid employment and self-employment.

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39. The ICSE-93 categories of employers, own-account workers, contributing family workers and employees have been retained in the proposed ICSE-18. The aggregate categories in the ICSE-18 structure based on the type of authority are therefore quite similar to the ICSE-93 categories. In addition, the revised ICSE includes four subcategories of employees, separate categories for owner-operators of corporations and a separate category for dependent contractors.
40. A separate category for workers in producers' cooperatives has not been retained in ICSE-18, as the number of persons reported as employed in this ICSE-93 category is very small in almost all countries. Many countries do not use this category in their national statistics.⁴
41. The proposed new category of "dependent contractors" refers to "workers who have contractual arrangements of a commercial nature to provide goods or services for or on behalf of another economic unit, are not employees of that economic unit, but are dependent on that unit for organization and execution of the work or for access to the market.". They may either provide labour to others while having contractual arrangements similar to self-employment or else they own and operate a business without employees but do not have full control or authority over their work. This new category is needed to provide information on the group of workers frequently referred to as the "dependent self-employed", which was one of the most important objectives of the revision work.
42. The proposed ICSaW-18 is an extension of the classification of Status in Employment to cover all forms of work, including own-use production work, volunteer work and unpaid trainee work, as well as employment. Its purpose is to allow the production of conceptually consistent statistics on different populations and from different sources, rather than to be used in its entirety for the compilation of statistics from any particular survey. The categories in ICSaW are defined in such a way as to allow the provision of separate statistics on activities within and beyond the SNA production boundary.
43. The classifications according to status are complemented by a set of cross-cutting variables and categories which provide definitions and categories for types of arrangement that cut across several status categories. Many of these variables are regularly included in most Labour Force Surveys but are not covered by internationally agreed statistical standards. The proposals therefore seek not only to provide more relevant and detailed statistics on status in employment but also to promote greater harmonization, coherence and international comparability of statistics on various aspects of the contractual and other conditions in which work is performed.

Main differences between the proposed new standards and ICSE-93

44. The proposed new standards have a wider scope than ICSE-93, since the overall framework can be applied to all forms of work defined in the 19th ICLS resolution I, whereas ICSE-93 is restricted to employment as defined by the 13th ICLS. Some of the proposed new classifications and variables apply to all forms of work whereas others are restricted to a single form or to certain forms of work.

⁴ The reasons for not retaining a separate category for members of producers' cooperatives are discussed in more depth in Chapter 3

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45. While the proposed ICsaw includes categories relevant to all forms of work, the proposed ICSE-18 is applicable to employment as defined by the 19th ICLS. It is therefore narrower in scope than ICSE-93.
46. The ICSE-18 is generally more detailed than ICSE-93 and includes ten categories at its most detailed level, compared to the five in ICSE-93. Some of the concepts defined in ICSE-93 as “particular groups” for optional use at national level are covered by new categories in ICSE-18, including owner-operators of corporations, dependent contractors and subcategories of employee. Since members of producers’ cooperatives are no longer identified as a separate category in the revised ICSE, the owner-operators of enterprises that are members of producers’ cooperatives will generally be classified either as employers, or as independent workers without employees, as appropriate. The “cross-cutting” variables and classification schemes proposed in the new standards were not included in ICSE-93 but do reflect some of the ICSE-93 “particular groups”, or the statistical needs underlying them. More detailed information about the differences between ICSE-93 and ICSE-18 is provided in Chapter 3.

Guidelines for data collection and measurement approach

47. A major criticism of ICSE-93 is the absence of guidance on methods and approaches to collect data on status in employment and on work relationships more generally. Reflecting this concern and to ensure the statistical feasibility of the proposals, data collection guidelines have been developed and tested (to the extent possible) in parallel with the conceptual development work. They will provide guidance on the collection of statistics on work relationships in Labour Force Surveys, as well as on the use of reduced sets of questions in statistical collections where the fully detailed categories are not collected. Such data collections could include household surveys, the population census, employer surveys and administrative collections.
48. The approach proposed for the collection of statistics on status in employment in household surveys builds on existing common practice by asking an initial question to allow respondents to self-identify based on the categories “self-employed”, “employee”, “family worker” and “trainee”. Depending on the response to the initial question, respondents are directed to different streams of questions to allow the identification of dependent contractors, classification to more detailed levels of status in employment and to verify the accuracy of the initial response. While this approach may increase respondent burden and the complexity of questionnaires, the importance of collecting information on status in employment with an adequate degree of precision is widely acknowledged. Reliance on self-identification alone is likely to result in significant levels of misclassification.⁵ Much of the information required is already commonly collected in Labour Force Surveys.

⁵ Abraham, K. et al. 2017, Bonin, H. and Rinne, U., 2017.

2. Conceptual framework for statistics on work relationships

49. The proposed conceptual framework for statistics on work relationships uses two aspects of the work relationship as criteria to differentiate categories of jobs and work activities according to status and to arrange them into aggregate groups. These are the *type of authority* that the worker is able to exercise over the economic unit for which the work is performed and the *type of economic risk* to which the worker is exposed.
50. The detailed categories in the revised classification of status in employment (ICSE-18) may be aggregated according to alternative hierarchies, one based on the type of authority and the other on the nature of the economic risk to which the worker is exposed. This allows the production of separate statistics on dependent and independent workers and on those employed for pay and for profit. This latter dichotomy is aligned with the current distinction between paid employment and self-employment. The new terminology more accurately reflects the reality of the situation, especially for dependent workers employed for profit.
51. The concepts used to define the classification of status in employment are also used to define the categories in the proposed ICsaw-18. The detailed categories in ICSE-18 are a subset of those included in ICsaw-18. These classifications by status are complemented by a set of standard cross-cutting variables and categories that provide more detail, allow the identification of specific groups of interest and reflect characteristics that are not covered in the classifications according to status.

Statistical units and work relationships

52. Statistics on the work relationship are concerned with: (a) the authority relationships between persons who work and the economic units in which or for which the work is performed; and (b) the contractual or other conditions in which the work is performed.
53. The concept of economic unit used in the framework is aligned with the institutional units defined in the 2008 SNA which distinguishes between:
- (a) market units (i.e. corporations, quasi-corporations and household unincorporated market enterprises);
 - (b) non-market units (i.e. government and non-profit institutions serving households); and
 - (c) households that produce goods or services for own final use (domestic households).
54. Since persons frequently perform work for more than one economic unit, and the nature of their work relationships may differ for each unit, statistics on work relationships refer primarily to characteristics of jobs or work activities in particular economic units.

Refinement of the definition of job

55. The 19th ICLS resolution I, paragraph 12(b) defines a **job** or **work activity** as *a set of tasks and duties performed, or meant to be performed, by one person for a single economic unit* and goes on to note that:

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- (i) The term *job* is used in reference to employment. Persons may have one or several jobs. Those in self-employment will have as many jobs as the economic units they own or co-own, irrespective of the number of clients served. In cases of multiple job-holding, the **main job** is that with the longest hours usually worked, as defined in the international statistical standards on working time.
 - (ii) This statistical unit, when relating to own-use production work, unpaid trainee work, and volunteer work is referred to as *work activity*.
- 56.** The draft 20th ICLS resolution concerning statistics on work relationships proposes to refine and clarify the definition of job or work activity (see Appendix, paragraph 8) by specifying that for those employed as dependent workers, the set of tasks should be considered to be performed for the economic unit on which the worker is dependent and that a separate job should be defined for each economic unit on which the worker is dependent. A vehicle driver, for example, who accesses clients using two different ride providing agencies (such as Uber and Lyft) will have two different jobs and may be a dependent worker in both jobs. This ensures that dependent workers employed for profit are not classified as independent if the work is performed for more than one entity. It also means that separate jobs are defined in cases where some activities are undertaken on a dependent basis, and others on an independent or freelance basis.
- 57.** A further refinement ensures that separate work activities are defined when a person is engaged in both own-use production of goods and own-use provision of services in the same economic unit. This allows work activities within the SNA production boundary to be separately identified from those work activities that are outside the production boundary. This may also facilitate the production of statistics relevant to issues such as gender segregation in own-use production of goods and services. If a single work activity were defined for both the production of goods and the provision of services, three categories would be required in the classification of status at work, for those who produce services only, goods only, and both goods and services.
- 58.** Non-standard employment arrangements commonly occur in jobs that are not a person's main or even second job. The prevalence of these forms of employment may therefore be under-reported, since many household surveys measuring employment only cover a main job, or possibly main plus second job. The resolution therefore notes the importance of measuring work relationships in multiple jobs and work activities in order to measure the prevalence of non-standard employment. While this is recognized as being complex it is a broader challenge facing household surveys measuring labour and not limited to statistics on work relationships.
- 59.** While the term "worker" is not formally defined in international standards for labour statistics, it may be used in a general sense to refer to any person who works. In the standards for statistics on work relationships it is mainly used to refer to the persons role in the context of a job or work activity in a particular economic unit. The same person may therefore be described as a dependent worker in one job or work activity and an independent worker in another.

Categorization based on authority and economic risk

- 60.** This section describes the concepts of type of authority and type of economic risk, the relevance of these concepts to different types of jobs and work activity and the way they are used to create dichotomous categories of dependent and independent workers in the case of type of authority, and of workers employed for profit and employed for pay in the case of type of economic risk.

Type of authority

61. The *type of authority* exercised by the worker is defined in paragraph 11 of the draft resolution and is used to classify jobs and work activities as being independent or dependent and to arrange them into two broad groups: *independent workers* and *dependent workers*. Since workers within each of these broad categories may, in practice, have greater or lesser degrees of authority and dependence, there is to a certain extent a continuum between dependent and independent work.
62. Two aspects of dependence and authority are taken into consideration in the identification of dependent and independent workers: operational dependence and economic dependence. Operational dependence refers to whether the person has control over when and how the work is done, can make the most important decisions about the activities of the business, or is accountable to or supervised by another person or economic unit. Economic dependence refers to whether the worker or another person or economic unit controls access to the market, raw materials and capital items.
63. *Independent workers* control the activities of the economic units in which they work, either entirely independently or in partnership with others. They make the most important decisions about the activities of the economic unit and the organization of their work, are not supervised by other workers, nor are they dependent on a single other economic unit or person for access to the market, raw materials or capital items.
64. *Dependent workers* do not have complete authority or control over the economic unit in which or for which they work. They include employees, family helpers and dependent contractors.

Type of economic risk

65. *Type of economic risk* refers to the extent to which the worker may: (1) be exposed to the loss of financial or other resources in pursuance of the activity; and (2) experience unreliability of remuneration in cash or in kind as a result of the work performed, or receive no remuneration. In the case of workers employed for profit and owner-operators of corporations, the exposure to economic risk may result in financial loss but may also provide an enhanced opportunity to increase income and accumulate wealth.
66. The resolution provides information on the criteria that may be used for operational measurement of economic risk and on the aspects of the nature of the remuneration taken into consideration in order to differentiate workers employed for profit from workers employed for pay.
67. The concept of economic risk is of less relevance to the determination of specific groups of workers in forms of work other than employment. However, work activities in these other forms of work may also expose those performing these activities to varying degrees of economic risk.

Supporting concepts

68. Definitions of concepts that are used as part of the definition of categories and variables used in the framework are provided below. Many of these concepts are already defined in existing statistical standards such as the 2008 SNA, ISIC Rev.4 or the 19th ICLS standards. Where this is the case they are reproduced here for convenience.

Institutional and economic units

69. An institutional unit is defined for the purposes of economic statistics as an economic entity that is capable, in its own right, of owning assets, incurring liabilities and engaging in economic activities and transactions with other entities. It may own and exchange goods and assets, is legally responsible for the economic transactions that it carries out and may enter into legal contracts. An important attribute of the institutional unit is that a set of economic accounts exists or can be compiled for the unit. This set of accounts includes consolidated financial accounts and/or a balance sheet of assets and liabilities.
70. Institutional units include persons or groups of persons in the form of households and legal or social entities whose existence is recognized by law or society independently of the persons or other entities that may own or control them.⁶
71. The term “economic unit” is used in the draft resolution to refer to institutional units as producers or consumers of goods and services, whether or not a set of accounts exists for the unit. More than one economic unit may be defined for each household.

Enterprise

72. An enterprise is defined in ISIC Rev.4 as an institutional unit in its capacity as a producer of goods and services. It is an economic transactor with autonomy in respect of financial and investment decision-making, as well as authority and responsibility for allocating resources for the production of goods and services. It may be engaged in one or more productive activities.
73. An enterprise may be a corporation (or quasi-corporation), a non-profit institution or an unincorporated enterprise. Corporate enterprises and non-profit institutions are complete institutional units. On the other hand, the term “unincorporated enterprise” refers to an institutional unit – a household or government unit – only in its capacity as a producer of goods and services.

Corporation

74. The 2008 SNA treats all entities as corporations if they 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;
 - (c) set up for purposes of engaging in market production.
75. As well as legally constituted corporations, the term “corporations” is used in the SNA to include cooperatives, limited liability partnerships, notional resident units and quasi-corporations. The concept of “corporation” used in statistics on work relationships is more restricted than that used for national accounts purposes. It includes legally constituted corporations, cooperatives and limited liability corporations but *excludes* quasi-corporations owned by households.

⁶ ISIC Rev.4, Part 1, paras 74 and 75.

Quasi-corporation

76. According to the 2008 SNA a quasi-corporation is:

- (a) either an unincorporated enterprise owned by a resident institutional unit that has sufficient information to compile a complete set of accounts and is operated as if it were a separate corporation and whose de facto relationship to its owner is that of a corporation to its shareholders; or
- (b) an unincorporated enterprise owned by a non-resident institutional unit that is deemed to be a resident institutional unit because it engages in a significant amount of production in the economic territory over a long or indefinite period of time.

77. Three main kinds of quasi-corporation are recognized in the 2008 SNA:

- (a) unincorporated enterprises owned by government units that are engaged in market production and that are operated in a similar way to publicly owned corporations;
- (b) unincorporated enterprises, including unincorporated partnerships or trusts, owned by households that are operated as if they were privately owned corporations;
- (c) unincorporated enterprises that belong to institutional units resident abroad, referred to as “branches”.

78. For the purposes of labour statistics and the classification of the status in employment of the person in a particular job, however, the availability of a complete set of accounts is not a key defining criterion. Owner-operators of household market enterprises should be treated consistently regardless of the availability of a complete set of accounts. They are not separate legal entities from the enterprises in which they work and are exposed to similar economic risks as those who operate enterprises without providing a complete set of accounts. Accordingly, quasi-corporations owned by households (type b above) are not considered as corporations in the standards for statistics on work relationships

Household

79. The concept of household used in these standards is aligned with the definition used for the purposes of the 2008 SNA. A household is defined as a group of persons who share the same living accommodation, who pool some, or all, of their income and wealth and who consume certain types of goods and services collectively, mainly housing and food.⁷

80. Domestic staff who live on the same premises as their employer do not form part of their employer’s household even though they may be provided with accommodation and meals as remuneration in kind. Paid domestic employees have no claim upon the collective resources of their employers’ households and the accommodation and food they consume are not included with their employer’s consumption. They should therefore be treated as belonging to separate households from their employers.⁸

⁷ SNA, 2008, para. 4.149.

⁸ SNA, 2008, para. 4.151.

Household market enterprises

- 81.** Household market enterprises are unincorporated enterprises owned by households that mainly produce goods or services for sale or barter on the market. They can be engaged in virtually any kind of productive activity: agriculture; mining; manufacturing; construction; retail distribution; or the production of other kinds of services. They can range from single persons working as street traders or shoe cleaners with virtually no capital or premises of their own through to large manufacturing, construction or service enterprises with many employees.⁹

Entrepreneurs

- 82.** Entrepreneurs are persons who own and control an enterprise and seek to generate value through the creation of economic activity by identifying and exploiting new products, processes or markets. In doing so, they create employment for themselves and potentially for others. This definition is aligned with that included in the United Nations Economic Commission for Europe (draft) guidelines on the use of statistical business registers for business demography and entrepreneurship statistics.
- 83.** Those who work on a volunteer basis in non-profit institutions which they control and operate, as well as some workers in own-use production, may also be considered in some contexts as entrepreneurs, because they may create both unpaid work and paid employment for others. Since the main statistical interest in identifying entrepreneurs relates to those who create employment for themselves and for others, this is the concept proposed for the statistical measurement of entrepreneurs.
- 84.** The category of “independent workers” in the classification of status in employment provides the best starting point for the identification and compilation of statistics on entrepreneurs, as it includes own-account workers and employers in both incorporated and unincorporated enterprises. This approach appropriately excludes employees, dependent contractors and contributing family workers from the measurement of entrepreneurs.
- 85.** The draft resolution notes that additional information relevant to the national context is needed to provide complete statistics on entrepreneurship. In some contexts, there is interest in “entrepreneurship” in the sense of starting a new business. The time when the job started is useful as a supplementary variable in this respect. Statistics on the number of employees are also relevant to the compilation of statistics on entrepreneurs.

3. Status in employment

- 86.** The proposal for a revised ICSE-18 classifies jobs in employment for pay or profit based on the type of authority the worker is able to exercise in the job and the type of economic risk to which the worker is exposed. The ten detailed categories in ICSE-18 have the same definitions, scope and codes as the equivalent categories in the Classification of Status at Work. These categories are used as common building blocks to create two alternative classification hierarchies, one according to the type of authority the worker is able to exercise in relation to the work performed and the other according to the type of economic risk to which the worker is exposed.

⁹ SNA, 2008, para. 4.155.

87. The draft resolution notes that the two hierarchies for status in employment based on economic risk and on authority should have equal priority in the compilation of statistical outputs. Statistics from Labour Force Surveys and other relevant sources should be compiled on a regular basis according to both hierarchies. The hierarchy used will depend on the analytical purpose of the output in question.
88. The hierarchy based on the type of authority can be used to produce statistics on two broad groups of workers in employment: *independent workers* and *dependent workers*. This hierarchy is referred to as the ICSE-18 according to type of authority and abbreviated to ICSE-18-A. It is suitable for various types of labour market analysis, including analysis of the impact of economic cycles on the labour market, analysis of government policies related to employment creation and regulation, and as a starting point for the identification of entrepreneurs.

| Box 1 | |
|---|--|
| Classification of Status in Employment according to type of authority (ICSE-18-A) | |
| Independent workers | |
| A. Employers | |
| 11 – Employers in corporations | |
| 12 – Employers in household market enterprises | |
| B. Independent workers without employees | |
| 21 – Owner-operators of corporations without employees | |
| 22 – Own-account workers in household market enterprises without employees | |
| Dependent workers | |
| C. Dependent contractors | |
| 30 – Dependent contractors | |
| D. Employees | |
| 41 – Permanent employees | |
| 42 – Fixed-term employees | |
| 43 – Short-term and casual employees. | |
| 44 – Paid apprentices, trainees and interns | |
| E. Contributing family workers | |
| 51 – Contributing family workers | |

89. The second hierarchy, based on the type of economic risk, produces the dichotomy between *workers in employment for profit* and *workers in employment for pay*. This is analogous to the traditional distinction between self-employment and paid employment. This hierarchy is referred to as the ICSE-18 according to type of economic risk, and abbreviated to ICSE-18-R. It is suitable for the provision of data for national accounts, for the identification of wage employment and its distribution, and for the production and analysis of statistics on wages, earnings and labour costs.

Box 2
Classification of Status in Employment according to type of economic risk (ICSE-18-R)

Workers in employment for profit

- F. Independent workers in household market enterprises:
 - 12 – Employers in household market enterprises.
 - 22 – Own-account workers in household market enterprises without employees.
- C. Dependent contractors:
 - 30 – Dependent contractors.
- E. Contributing family workers:
 - 51 – Contributing family workers.

Workers in employment for pay

- G. Owner-operators of corporations:
 - 11 – Employers in corporations.
 - 21 – Owner-operators of corporations without employees.
- D. Employees:
 - 41 – Permanent employees.
 - 42 – Fixed-term employees.
 - 43 – Casual and short-term employees.
 - 44 – Paid apprentices, trainees and interns.

90. The detailed categories in the ICSE-18 classification structures are assigned the same two-digit numerical code in each classification, the first digit being the same as the code for the aggregate categories in ICSaW-18. The aggregate categories in the two ICSE-18 hierarchies are assigned a single-character unique alphabetic code, so as to avoid confusion with the equivalent categories in ICSaW-18 that have a broader scope than in ICSE-18.

Summary of differences between ICSE-93 and the proposed ICSE-18

91. Since the ICSE-18 is comprised of categories that relate to employment as defined by the 19th ICLS resolution I, it is narrower in scope than ICSE-93. Specifically, the 19th ICLS concept of employment excludes own-use production of goods, all categories of volunteer work, unpaid trainee work and compulsory unpaid work. Since the scope of ICSE-93 is based on the 13th ICLS concept of employment, it includes own-use production of goods, certain categories of volunteer work, unpaid trainee work and some types of compulsory unpaid work.
92. The ICSE-93 has a single hierarchical structure comprising five substantive categories that are aggregated according to a combination of the type of economic risk and the type of authority to form the dichotomous categories of “paid employment jobs” and “self-employment jobs”. The ICSE-18 has ten detailed categories that may be aggregated either according to type of economic risk or type of authority to form two alternative hierarchies.
93. The additional detailed groups in ICSE-18 relate to some of the concepts defined in paragraph 14 of the 15th ICLS resolution concerning the International Classification of Status in Employment (ICSE-93) which outlines the “possible statistical treatment of particular groups of workers”. These include the new categories in ICSE-18 which allow

for the separate identification of owner-managers of corporations, dependent contractors and subcategories of employee. Some other “particular groups”, or the statistical needs underlying them, are reflected in the various cross-cutting variables included in the proposed standards.

94. The ICSE-18 group “owner-operators of corporations” is equivalent to the group “owner-managers of incorporated enterprises” defined in ICSE-93 as a “particular group” which countries may need or be able to distinguish for specific descriptive or analytical purposes. The ICSE-93 notes that different users of labour market, social and economic statistics may have different views on whether these workers are best classified as in paid employment or as in self-employment. The ICSE-18 classifies them as independent workers in the classification by type of authority and as workers in employment for pay in the classification according to type of economic risk. The ICSE-18 also provides further disaggregation of owner-operators of corporations through separate detailed groups for those with employees and those without employees. Separate identification of these workers is important for statistics on employment by institutional sector, wages and income, labour market characteristics and workplace relations, as well as for input to the national accounts.
95. The new category for dependent contractors allows the identification of workers who are employed for profit but do not have full control over the activities of the economic unit for which they work. This category replaces the concept of “contractors” specified as a “particular group” in the ICSE-93 resolution. Paragraph 14(i) of this resolution defines contractors 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, for example, “regular employees” but who;
 - (b) hold explicit or implicit contracts which correspond to those of “paid employment”.
96. The ICSE-93 resolution notes that these workers may be classified as in a “self-employment job”, or as in a “paid employment job” depending on national circumstances. In ICSE-18, dependent contractors are classified as “dependent workers” in the classification according to type of authority and as “workers in employment for profit” in the classification according to type of economic risk. The ICSE-18 concept of dependent contractors is also somewhat broader than the ICSE-93 concept of contractors, in the sense that there is no requirement for registration as a separate business, for exemption from employer responsibilities for social security payments, or to make arrangements such that the contractual relationship is not subject to national labour law. Nor is there any requirement for contracts which “correspond to those of paid employment”.
97. In some cases, the statistical treatment of the “particular groups” defined in paragraph 14 of the 15th ICLS resolution is clarified by the draft 20th ICLS resolution, even though these categories are not separately identified or replaced by the new proposed standards. For example, *franchisees* who engage employees or who operate incorporated enterprises, will be classified as independent workers. If they have no employees however, and their business is not incorporated, they may be classified as dependent contractors. *Sharecroppers*, as defined in ICSE-93, would generally be classified as dependent contractors if they have no employees. *Work gang (crew) members* are covered by an inclusion statement in the ICSE-18 definition of employees.
98. Subcategories are provided for employees in order to provide more detailed information about the stability of employment relationships for these workers, to allow the

identification of employees with non-standard employment arrangements, and to allow the identification of paid apprentices, trainees and interns.

99. In addition to the provision of more detailed groups, ICSE-18 also makes adjustments to the boundaries between certain categories. In ICSE-93, the distinction between employers and own-account worker is based on whether or not employees were engaged on a continuous or regular basis. In the draft 20th ICLS resolution this is clarified by removing the word “continuous” and noting that “on a regular basis” should be interpreted as having at least one employee during the reference period and at least two of the three weeks immediately preceding the reference period.
100. The category of contributing family workers has been extended in ICSE-18 to include workers who help family members in a job in which the assisted family or household member is an employee or dependent contractor, in addition to those who assist in an enterprise operated by a family member.

Employment in cooperatives

101. The ICSE-93 category *Members of producers’ cooperatives* is not used by most countries, and is not identified as a separate category in the proposed new standards. The number of persons employed in this category is very small in almost all countries. This gives a misleading impression of the impact of cooperatives on employment, however, as employment in other types of cooperatives and of persons who are not members of the cooperative is not covered. In addition, since members of producer cooperatives are generally enterprises, rather than persons, the workers who own and operate these enterprises may frequently be classified in ICSE-93 as own-account workers or employers in their own enterprises, rather than as workers in the cooperative. In ICSE-18 they are classified as independent workers.
102. Members of worker cooperatives (worker members), on the other hand, are individuals who work in a cooperative which they jointly own. Like employee shareholders in other types of corporations, they have a vote on key decisions and on election of the board. Voting is based on membership (one member one vote) rather than on the share of capital, however. Since they do not have the same degree of control over the business as a majority shareholder they are classified in ICSE-18 as dependent workers. Classifying worker members of cooperatives as independent workers would also mean many of them might be classified as employers, since some worker cooperatives have employees who are not members. This could potentially result in misleading statistics on the number of employers.
103. If worker members of cooperatives are paid for time worked or for each task or piece of work done in the cooperative, they should be classified as employees of their own cooperative; if they are paid only in profit or surplus, or paid a fee per service, they should be classified as dependent contractors.
104. Further guidance on the treatment of employment in cooperatives is provided in the draft *Guidelines for statistics of cooperatives* to be presented for consideration and possible endorsement at the 20th ICLS.

Definitions and explanatory notes for categories in the two hierarchies of the International Classification of Status in Employment

- 105.** Short definitions of each category included in ICSE-18 are provided in the draft resolution. The aim is to provide clarity on the conceptual boundaries between the categories and sufficient detail to support the development of operational methods for measurement, without however going into lengthy discussion on methods for measurement. To avoid repetition, the definitions of the detailed categories do not include information that is covered in the definitions of the relevant higher level categories. As a result, the detailed definitions cannot stand alone without making reference to the higher level category.
- 106.** More detailed information on measurement and comprehensive stand-alone explanatory notes for each category will be included in the papers on guidelines for data collection and the conceptual framework for statistics on work relationships, to be presented as room documents during the 20th ICLS.
- 107.** While all the categories are defined in the draft resolution, some additional information is necessary to properly understand the context of the definition and is provided below.

Independent workers

- 108.** In ICSE-18-A, independent workers are disaggregated first according to whether or not they had one or more employees on a regular basis. Employers and independent workers without employees are then further disaggregated according to whether or not the economic unit they own and control is a corporation or a household market enterprise.

Employers

- 109.** In ICSE-93, the distinction between employers and other independent workers is based on whether or not employees were engaged on a continuous or regular basis. This was not considered to be sufficiently precise for measurement on a consistent basis, did not necessarily reflect short-term changes in labour market conditions, and was not aligned with the reference period used for other labour market statistics. In the draft 20th ICLS resolution the definition of employer is clarified by a statement that “on a regular basis” should be interpreted as having at least one employee during the reference period and at least two of the three weeks immediately preceding the reference period.
- 110.** There is not complete agreement on the definition of employers, however. Some labour statisticians would prefer to base the definition on the same short reference period that is used to determine Labour Force Status. This means that any worker who employed at least one person during the reference period as an employee, would be classified as an employer. It can be argued, however, that the socio-economic characteristics of those who only engage employees occasionally are more similar to those of independent workers without employees than to those who have employees on a regular basis. Since it is common for businesses in some countries to hire employees on a casual basis for just one day, there are concerns that changing the definition to a short reference period without further qualification could lead to a significant increase in the number of employers and more volatility in the statistics, especially for employers and own-account workers in agriculture.
- 111.** If the definition of employer were based only on the reference period, the draft resolution may need to state that, if relevant in the national context, countries should separately

identify employers who have employees on a regular basis from those who have employees only on an occasional basis along the following lines:

- Employers own the economic unit in which they work and control its activities on their own account or in partnership with others, and in this capacity employ one or more persons (including temporarily absent employees but excluding themselves, their partners and family helpers) to work as an employee during the reference period.
- Employers include those who have employees on a regular basis and those who have employees only on an occasional basis. Employers who have employees on a regular basis are those who usually have at least one employee during the reference period and at least two of the three weeks immediately preceding the reference period. Statistics on employers may be compiled either for those who have employees on a regular basis, or for all employers. When statistics are collected for all employers, those employers who have employees on a regular basis should, where possible, be identified separately from those who have them only on an occasional basis.

Owner-operators of corporations

112. The draft resolution defines owner-operators of corporations as workers who hold a job in an *incorporated enterprise* in which they hold controlling ownership and have the authority to act on behalf of the enterprise. The term “incorporated enterprise” refers to enterprises that are constituted as separate legal entities from their owners.
113. The draft resolution provides examples of terms that are used to describe different types of incorporated enterprise (limited liability corporation, limited partnership). To identify owner-operators of corporations in surveys, however, it will be necessary to ask questions of those who say they operate a business using terms for the specific legal forms that exist in the country. While respondents who do not operate an incorporated enterprise may not be familiar with these terms, it is likely that those who do operate such businesses, as well as their proxy respondents, will be well aware of the legal form of their business.
114. In ICSE-18-R, owner-operators of corporations are further disaggregated according to whether or not the enterprise has one or more employees on a regular basis.

Dependent contractors

115. The need for information on the group of workers frequently referred to as the “dependent self-employed” has been a major challenge for many statistical agencies in both the developed and developing world. These are workers who have contractual arrangements of a commercial nature to provide goods or services for or on behalf of another economic unit, are not employees of that economic unit, but are dependent on that unit for organization and execution of the work or for access to the market. Since these jobs do not fit comfortably into any of the substantive categories in ICSE-93, they are frequently classified either as own-account workers or as employees, resulting in overestimation of one or the other of these groups (or of both). As a result, it is difficult to monitor structural change in this important form of employment, which is considered by many researchers to be growing. This also impacts on the monitoring of structural change among both employees and independent workers. The need to address this problem was among the most challenging but also most important objectives of the revision work.
116. The ILO report for discussion at the Meeting of Experts on Non-Standard Forms of Employment held in Geneva from 16 to 19 February 2015, described dependent self-employment as a situation in which “workers perform services for a business under a civil

or commercial contract but depend on one or a small number of clients for their income and receive direct instructions regarding how the work is to be done”. That Meeting of Experts noted that non-standard forms of employment included, among others, “disguised employment relationships” and “dependent self-employment”. The first of these refers to workers who provide their labour to others while having contractual arrangements that correspond to self-employment. The second refers to those who operate a business without employees but do not have full control or authority over their work.

117. Statistics are needed about both groups to inform policy concerns about the use of contractors, transfer of economic risk from employers to workers, access to social protection and trends in non-standard forms of employment. There is a need for objective information to assess the extent to which jobs in these categories provide flexibility for both workers and employers, provide opportunities for labour market participation, and to inform debate on labour market policies and regulation. While ideally the two groups should be separately identified rather than grouped together, this is difficult to achieve operationally. The concept of dependent contractors proposed in the draft resolution covers both of these groups and allows for the separate identification of the two subgroups if feasible and relevant in the national context.
118. The need to include a category for this group in the classifications according to status has been widely (although not universally) accepted by labour statisticians and was strongly supported during the regional consultations. It is recognized in many countries to be a statistically significant and growing group, although comprehensive statistics about them are rarely available. Since they are both dependent workers and employed for profit they are identified as a separate group at the second level of each hierarchy in ICSE-18. This is necessary to ensure their statistical visibility. Moreover, it would be inappropriate to represent them as a subset of employees in one classification hierarchy and as a subset of independent or own-account workers in the other.
119. The types of job that should be included are quite diverse in terms of the nature of the work performed and the nature of the worker’s dependence on another economic unit. In many cases they involve types of contractual arrangement that have been in existence and inconsistently classified for many years. Examples include hairdressers who rent a chair in a salon and whose access to clients is entirely dependent on the salon owner, waiters who are paid only through tips from clients, vehicle drivers who have a service contract with a transport company which organizes their work, home-based workers who are contracted to perform manufacturing tasks such as assembling garments, and consultants working for corporations or government agencies.
120. The group also includes the emerging group of workers in the so-called “gig-economy” who have been the subject of considerable recent attention in academic, political and media discourse. Examples include vehicle drivers providing rides or parcel delivery services and home-based workers performing information-processing services, where organization of the work or access to clients is typically mediated through an Internet application controlled by a third party.
121. Despite this diversity, what workers in this group have in common is that they do not control the economic unit for which the work is performed, while being exposed to the economic risk associated with employment for profit. The different criteria used to define and measure them need to allow identification of those cases which fall into this category and are of genuine policy interest, while avoiding the identification of workers that are genuinely employees, freelance contractors or running their own business. These criteria also need to take account of the diversity of the nature of their dependency. Different criteria may therefore be more or less relevant, depending on the context.

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- 122.** Much of the early statistical development work on the definition and measurement of dependent contractors focused on dependence on one or a small number of clients. This approach, however, potentially includes genuinely independent workers who may have only a small number of clients in a given period, while excluding workers who have multiple clients but whose access to the market or access to raw materials is controlled by another entity. The working group for the revision of the ICSE-93 proposed additional features which could be used to identify dependent contractors such as payment of social contributions, type of payment received, dependence on another entity for access to the market, control over the price of the goods produced or services provided and various forms of control over the work performed.
- 123.** The relevant section of the draft resolution starts with a short introductory sentence explaining the concept of dependent contractors that should ideally be measured. It then provides a short definition of a more operational nature: “workers employed for profit, who are dependent on another entity that exercises explicit or implicit control over their productive activities and directly benefits from the work performed by them”. To clarify the scope of the category, it goes on to note that dependency may be of an operational or economic nature and that the worker may be dependent on units in all sectors of the economy. A list of characteristics that may be relevant for the identification of dependent contractors, provides further clarification on the scope of the group and may also assist in the development of operational criteria for measurement.
- 124.** Exclusion statements are provided to ensure that workers who have a contract of employment or are paid for time worked are classified as employees, not as dependent contractors. Similarly, workers who operate an incorporated enterprise, or who employ others to work for them as employees are classified as independent workers, even if their businesses are dependent on another enterprise. This establishes clear boundaries between the categories and ensures that classification is based on the relationship between the worker and the economic unit for which the work is performed, rather than on relationships between enterprises. The engagement of employees and incorporation of the enterprise both imply a degree of authority and control over the operation of an enterprise.
- 125.** Testing currently under way in several countries is focusing strongly on the development of methods to identify dependent contractors in statistical collections, especially in household surveys. In order to differentiate these workers from own-account workers it is necessary to establish whether or not a single separate economic unit has control over access to the market or operational authority over the work. To differentiate them from employees, it is necessary to determine whether those who are reported in household surveys as working for someone else are in fact employed for profit.
- 126.** The proposed measurement approach being tested identifies dependent contractors according to two streams from traditional status in employment questions: those who say they work for someone else, and those who say they are self-employed. It is possible to consider the workers identified by these two streams as if they were conceptually separate groups. Since this distinction is based on the perception of survey respondents, rather than on objective criteria, however, it does not provide a reliable distinction between the two groups of workers with disguised employment relationships and the dependent self-employed. The draft resolution therefore proposes a single category of dependent contractors but notes that two subgroups of dependent contractors may be identified if information is available on the nature of the financial or material resources committed by the worker. More experience is required, however, before definitive guidance on measurement of dependent contractors can be provided.

Employees

127. The draft resolution defines employees as *workers employed for pay, in a formal or informal business, who do not hold controlling ownership of the economic unit in which they are employed*. The second part of this definition differentiates employees from owner-operators of corporations who may receive a wage or salary from the corporation that they own and operate. The four subcategories of employees allow permanent employees to be separately identified from fixed-term employees and from short-term and casual employees. Employment in this latter category may provide flexibility for workers who need to balance employment with family responsibilities, education, or other forms of work but may also entail insecurity of income and employment.
128. Permanent, fixed-term, short-term and casual employees are differentiated from each other based on three criteria:
- whether there is a specified date or event on which the employment will be terminated;
 - the expected duration of the employment; and
 - whether the employer agrees to provide work and pay for a specified number of hours in a set period and the worker agrees to work for at least the specified number of hours (contractual hours).
129. A boundary of three months is proposed to distinguish fixed-term from short-term employees. This reflects the thresholds of two or three months used in a number of countries to identify short-term employment for migrant workers. A duration of three months may also ensure the group is large enough to measure in typical household surveys.
130. The category of short-term and casual employees includes two very distinct groups: *short-term employees* and *casual or intermittent employees*. In the case of short-term employees, the employment is by definition of a time-limited nature but provides a stable number of hours of work and income during that short period. Casual or intermittent employment may sometimes be of an ongoing nature, however, while providing no guarantee of employment for a certain number of hours. The resolution notes, therefore, that these two groups may be separately identified if relevant in national circumstances and provides a definition of each group.
131. A separate category is provided for paid apprentices, trainees and interns to allow separate identification of this group and to avoid including them among fixed-term or short-term employees. This will improve the comparability of statistics on fixed-term and short-term employees between countries with large numbers of paid apprentices, trainees and interns, and those where paid trainee work is less common. Exclusion statements establish clear boundaries between this group and workers undergoing periods of probation following the start of a job, workers undergoing in-service training while in employment, unpaid trainee workers and contributing family workers.

Contributing family workers

132. Contributing family workers continue to be a statistically important group in many countries of the world. In many industrialized countries, however, they represent only a small proportion of total employment. The proposed definition of this group seeks to clarify the boundary between these workers and employees by specifying that they do not receive regular payments, such as a wage or salary in return for the work performed. It

notes, however, that they may benefit in kind or receive irregular payments as a result of the outputs of their work through family or intra-household transfers. The boundary between contributing family workers and own-account workers and employers is established by the statement that contributing family workers do not make the most important decisions affecting the enterprise or have responsibility for it.

133. Based on the results of testing for the implementation of the 19th ICLS standards, it is recommended that, at least for countries where these workers are an important group, an initial question based on self-identification should be followed by questions on whether a wage or salary is received and whether those initially identified as contributing family workers make decisions about the business. In this way it is possible to determine, for example, whether both husband and wife working in a family business should be classified as employers/own-account workers, or whether one of them should be classified as a contributing family worker.

4. International Classification of Status at Work (ICSaW-18)

134. The proposed ICSaW-18 is a three-level hierarchical classification which comprises, at its detailed level, a set of 20 mutually exclusive categories. As with ICSE-18 these categories are defined on the basis of the type of authority, and the type of economic risk experienced by the worker in a particular job or work activity. The groups are aggregated, according to the type of authority only, to form eight broad groups and a dichotomy between independent workers and dependent workers.
135. These categories cover all jobs and work activities in all forms of work, including own-use production work, employment, unpaid trainee work, volunteer work and other forms of work. Each of the detailed status at work groups relates to only one form of work.
136. The subset of these categories that relate to employment is the same as the detailed categories in ICSE-18. Another way of describing this is to say that the Classification of Status at Work is an extension of the Classification of Status in Employment to cover all forms of work.
137. Those groups that relate to own-use production work are differentiated according to whether goods are produced or services are provided. These categories allow the production of data suitable as input to national accounts and provide compatibility with both the current 19th ICLS and previous 13th ICLS standards for statistics on employment and work.
138. Separate categories are provided for employers, own-account workers and family helpers in own-use production of goods and in own-use provision of services. The category for employers in own-use provision of services is intended primarily for employers of domestic workers. The category of employers in own-use production of goods includes subsistence foodstuff producers who hire employees to carry out certain tasks related to agricultural production for consumption by the household or family members living in other households. In relation to this group, the 19th ICLS resolution I states that “for operational purposes, an important test to verify the subsistence nature of the activity is that it is carried out without workers hired for pay or profit”. However, testing completed by the ILO on implementation of the 19th ICLS standards found that it is common in some countries for subsistence foodstuff producers to hire employees to assist with that work. It is now proposed to treat these workers in the same way as others who employ workers to assist with own-use production of goods. This will be a substitution for paragraph 25 of

the 19th ICLS resolution I. This is noted in the Preamble to the draft resolution concerning statistics on work relationships.

- 139.** The previously proposed category of “Volunteers employing others” has been removed following advice that by law, non-profit organizations do not have “owners.” Either they are associations, in which the members are the owners, or they are non-profit corporations, which are controlled by boards which do not own the organization. Most countries include a “capital lock” in their non-profit laws so that if the organization is closed or converted into a for-profit corporation, whatever assets it holds do not go to the directors or managers but must be transferred to another non-profit institution serving a similar charitable purpose. Recognizing that this group will inevitably be very small, volunteers who control non-profit organizations with employees are now classified as dependent workers along with other volunteers in such organizations. The category “organization-based volunteers” is provided for both groups.
- 140.** The detailed status at work categories may be aggregated, based on the type of authority exercised by the worker, to form the following eight broad status-at-work groups which may in turn be aggregated to form a dichotomy between dependent workers and independent workers.

Independent workers

1. Employers
2. Independent workers without employees

Dependent workers

3. Dependent contractors
 4. Employees
 5. Family helpers
 6. Unpaid trainee workers
 7. Organization-based volunteers
 9. Other unpaid workers
- 141.** The purpose of the Classification of Status at Work is to provide a coherent and consistent set of categories and definitions for statistics on workers classified by status, covering all forms of work in a conceptually exhaustive way. This allows statistical outputs on topics such as employment, volunteer work, child labour and time use to be reported on a conceptually consistent basis, regardless of the scope and source of the statistics. It therefore includes categories for groups about which statistics may rarely be produced from regular surveys, but which may be important in specialized ones. It is not considered likely that the complete classification will be used on a regular basis without modification. With the possible exception of time-use surveys, very few statistical collections would include all categories and all forms of work in scope, or provide a sufficiently large number of observations to compile reliable estimates for all categories. In this sense it may be seen as an organizing framework for statistics on status at work, rather than as a classification intended directly for use in regular statistical outputs.
- 142.** The structure of the Classification of Status at Work is shown in box 3, including names of categories and classification codes. Each detailed status at work category is assigned a two-digit code, in which the first digit represents the broad group and the first and second digits together represent the detailed category.

143. The categories marked with an asterisk (*) are identical to categories included in the Classification of Status in Employment. Aggregate groups marked with two asterisks (**) also appear in the Classification of Status in Employment. Those marked with two asterisks have a broader scope in the Classification of Status at Work, as they include detailed categories that relate to forms of work other than employment. Detailed categories that appear in both ICSE-18 and ICSaW-18, are assigned the same two-digit numerical code in each classification.¹⁰
144. The section of the draft resolution that describes ICSaW-18 provides definitions of each of the categories that are not included in ICSE-18.

| Box 3 | |
|--|--|
| Status at work – Classification structure and codes | |
| I. Independent workers ** | |
| 1. Employers ** | |
| 11 – Employers in corporations * | |
| 12 – Employers in household market enterprises * | |
| 13 – Employers in own-use provision 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 provision 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 provision of services | |
| 53 – Family helpers in own-use production of goods | |
| 6. Unpaid trainee workers | |
| 60 – Unpaid trainee workers | |
| 7. Organization-based volunteers | |
| 70 – Organization-based volunteers | |
| 9. Other unpaid workers | |
| 90 – Other unpaid workers | |

¹⁰ The Classification of Status at Work was in fact developed by taking the principles used to develop the draft ICSE-18, and applying them to all forms of work. Description of these classifications according to the Statistical Classification Model in the Generic Statistical Information Model (GSIM), however, requires ICSE-18 to be represented as both a derived classification based on ICSaW-18, and as a Statistical Classification Version in the Classification Series ICSE. The alternative ICSE-18 hierarchies may be represented as one or more variants of ICSE-18. See: <https://statswiki.unece.org/display/gsim/Statistical+Classification+Model>.

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145. The 20 detailed categories in ICSaW-18 may also be aggregated according to the forms of work defined in the 19th ICLS resolution I when this is relevant for particular types of analysis or for the compilation of statistics on work relationships in the different forms of work. The draft resolution provides aggregates for workers in own-use production and volunteer work.

Status at work categories and the SNA production boundaries

146. The 2008 SNA provides a general definition of production followed by a more restricted definition that is used for the compilation of national accounts. The SNA therefore makes reference to *the general production boundary* and *the production boundary in the SNA*.
147. Economic production within the general production boundary is defined as any activity carried out under the control and responsibility of an institutional unit that uses inputs of labour, capital, and goods and services to produce outputs of goods and services.¹¹ This concept of production is aligned with the 19th ICLS resolution I definition of work.
148. *The production boundary in the SNA* is more restricted in that it excludes activities undertaken by households that produce services for their own use. However, it includes services produced by employing paid domestic staff, and the own-account production of goods for own final consumption.¹² The SNA also includes within the production boundary the activities of students who contribute some of their labour as an input to an enterprise's production in return for education services¹³ (that is, unpaid apprentices, trainees and interns). It should be noted that this latter group of workers is explicitly excluded from employment by the 19th ICLS resolution I.
149. Concerning volunteers, the SNA notes that volunteers working for token amounts or with no remuneration *within a recognized institutional unit*, are still regarded as being employed in SNA terms. This is in contrast to the 19th ICLS resolution I which includes such workers in volunteer work. Those providing services without pay outside an institutional unit are not regarded as employed according to the SNA and their labour inputs are therefore beyond the production boundary in the SNA, but within the general production boundary.¹⁴
150. It may be concluded from all of this that, in addition to the status at work categories that refer to employment, all categories that refer to own-use production of goods, to unpaid trainee work or to volunteering through a recognized institutional unit relate to activities that are within the production boundary in the 2008 SNA, specifically:

14 – Employers in own-use production of goods.

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

¹¹ SNA, 2008, para. 6.24.

¹² SNA, 2008, paras 6.26–6.27.

¹³ SNA, 2008, para. 19.21.

¹⁴ SNA, 2008, para. 19.39.

53 – Family helpers in own-use production of goods.

60 – Unpaid trainee workers.

70 – Organization-based volunteers.

- 151.** The following detailed groups are concerned with own-use provision of services and with own-account volunteering (that is, not through any kind of organization) and are therefore beyond the SNA production boundary but within the general production boundary:

13 – Employers in own-use provision of services.

23 – Independent workers in own-use provision of services without employees.

25 – Direct volunteers.

52 – Family helpers in own-use provision of services.

Statistics about these activities may be presented as satellite accounts.

- 152.** Since group 9 “other unpaid workers” may include various types of activity, it is not possible to say with certainty that these activities are within the production boundary in the SNA, although they would fall within the general production boundary as they must involve the production of goods or services for consumption by others. Since unpaid work ordered by judicial authorities would generally be organized through an establishment of some type, such as a prison or community service agency, it could be argued that conceptually this type of unpaid work would fall within the production boundary, even though it is unpaid and not voluntary. As these activities would rarely represent a statistically significant component of labour inputs to national production, it may not be necessary to produce estimates for these inputs, unless for a special descriptive or analytical purpose (for example, a study of the production of a particular good or service).

5. Cross-cutting variables and categories

- 153.** The classifications of status at work and status in employment are complemented by a set of variables and categories that provide more detailed information on characteristics associated with the degree of stability and permanence of a particular work arrangement, and for other characteristics that are not reflected in the status at work categories. They provide definitions and categories for types of arrangement that may be represented in several status categories and are therefore referred to as “cross-cutting variables”. They can be combined in output with relevant status categories to construct output classifications relevant for national purposes.

- 154.** Many of the cross-cutting variables are essential elements of the framework. These variables are required to derive the categories in the ICSE-18, or are essential for the compilation of coherent statistics on work relationships – or both. Some are recommended for use in certain contexts only. The variables described in the draft resolution are therefore divided into three groups: (a) required to compile statistics on the detailed categories in ICSE-18; (b) essential for the compilation of coherent statistics on work relationships; and (c) recommended.

- 155.** The following cross-cutting variables and categories are proposed:

(a) required for ICSE-18:

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- duration of work agreement;
 - type of employment agreement;
 - contractual hours of work;
 - forms of remuneration;
 - job-dependent social protection coverage.
- (b) Essential for statistics on work relationships:
- duration of employment in the current economic unit;
 - usual hours worked;
 - full-time/part-time status;
 - reason for non-permanence of job;
 - preference or not for a non-permanent job;
 - seasonal workers;
 - type of workplace;
 - domestic workers;
 - home-based workers;
 - multi-party work relationships;
 - job-dependent social protection coverage;
 - paid annual leave;
 - paid sick leave.

(c) 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.

156. Detailed proposals for the cross-cutting variables and categories are provided in the draft resolution. Detailed information on the definition the categories included in the cross-cutting variables will be included in the *Conceptual framework for statistics on work relationships* to be provided as a room document at the 20th ICLS. Further notes on specific cross-cutting variables are provided below.

Duration of the job or work activity and hours of work

157. Since many of the detailed categories in ICSE-18 include jobs which differ significantly in their capacity to provide ongoing and full employment, statistics classified by status in employment, and particularly the subcategories of employees, should be complemented by information on both the duration of the work arrangement and on hours worked.
158. Two variables on the duration of the job or work activity are proposed in order to provide a full understanding of the stability of work relationships over time and to assess the extent to which workers without permanent employment relationships have ongoing employment and income security. These are *Duration of work agreement* and *Duration of employment in the current economic unit*. The first of these measures the time from the beginning to the end of an employment contract or oral agreement and the second measures the time elapsed since the worker started employment with a particular employer. The latter is needed to assess the stability and continuity of employment in cases where a worker has had a series of contracts with the same economic unit.
159. The draft resolution provides guidance for each variable on the treatment of recurring contracts including those interrupted by seasonality, on situations where work is mediated through labour hire agencies and on recommended measurement practices. A single set of duration categories is proposed for the presentation of statistics on both variables.
160. Information on full-time/part-time status, hours usually worked and contractual hours of work is essential to gain a full understanding of the nature of work relationships and for the identification of non-standard employment. The resolution does not propose new standards for these concepts but makes reference to the existing international standards for the measurement of working time.¹⁵

Reasons for non-permanent employment

161. Information about the reasons why a person has a non-permanent job, and whether this arrangement is voluntary or involuntary, are important to provide a full understanding of statistics on temporary employment and duration of employment. Conceptually three different dimensions capturing various aspects of reasons for non-permanent employment can be identified. The dimension of voluntary/involuntary, the dimension of why the job is non-permanent and the dimension of why the person has a non-permanent job.
162. The required variable *Reason for non-permanence of job* focuses on characteristics of the job and may also be used to allow the identification of both seasonal work and paid apprentices, trainees and interns as well as other characteristics of interest. The resolution proposes a minimum set of categories. Other reasons could be identified separately if relevant in the national context. The variable *preference or not for a non-permanent job* captures the voluntary element by focusing on whether the person took a non-permanent job because he or she did not want a permanent job.
163. The variable *reasons for preferring a non-permanent job* is associated with the situation of the person and is not required for the provision of information about the nature of the employment relationship. They are nevertheless of significant interest for both

¹⁵ Resolution concerning the measurement of working time, adopted by the 18th International Conference of Labour Statisticians (November–December 2008), http://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/WCMS_112455/lang--en/index.htm.

employment and social policy as they may represent barriers to accessing the labour market, especially among women.

Type of employment agreement

164. Type of employment agreement provides information on whether a person has a written contract or an oral agreement. At a minimum, categories for “Written contract”, “Oral agreement” and “No contract” are likely to be required as response categories in household survey questionnaires, since some workers such as casual day labourers may not consider that they have any kind of contract or agreement with an employer. The last two response categories, however, should be aggregated in output. The draft resolution provides information on the uses of this variable and notes that categories for individual and collective agreements may be added if required.

Form of remuneration

165. The two variables related to the basis on which the worker is paid are intended to provide information to understand the nature of the employment relationship but not to provide detailed information on remuneration more generally. The variable “forms of remuneration” should include information on all forms of remuneration received in a particular job as it is required to assist with the identification of the status in employment categories. A separate variable “main form of remuneration” provides additional information and should be collected through an additional question when respondents indicate more than one form of remuneration.
166. In some regions “tips from clients” may be the only type of payment received for certain occupations such as waiter or bag fillers in supermarkets. When this is the case it is likely that the workers concerned would meet the criteria to be classified as dependent contractors.

Type of workplace

167. The variable *type of workplace* refers to the type of location where the work is usually performed. The draft resolution proposes a minimum set of categories to identify groups of interest, including home-based workers, domestic workers and workers in multi-party employment relationships. Additional categories may be added to reflect national circumstances specific analytical needs.

Domestic workers

168. The ILO defines domestic work and domestic workers in the Domestic Workers Convention, 2011 (No. 189), as follows:
- (a) the term ***domestic work*** means work performed in or for a household or households;
 - (b) the term ***domestic worker*** means any person engaged in domestic work within an employment relationship; and
 - (c) a person who performs domestic work only occasionally or sporadically and not on an occupational basis is not a domestic worker.

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169. It is widely recognized that domestic workers are particularly vulnerable to exploitation. They are among the lowest paid of all workers and frequently do not enjoy the same social and legal protections as other workers. An ILO report on domestic workers published in 2013 estimated that the number of domestic workers totalled at least 52.6 million men and women across the world in 2010 and that domestic work accounts for 7.5 per cent of women's wage employment worldwide.¹⁶
170. Statistics are needed to measure not only the total number of domestic workers and their characteristics, but also shifts over time between unpaid domestic work provided by household members and paid domestic work, and between paid domestic work performed by workers employed directly by households and those employed by third-party agencies or for profit. This implies the need for measurement of all domestic work in different forms of work, and for statistics that are not restricted to workers who perform domestic work on a regular basis by employees of households.
171. Since the definitions in Convention No. 189 are not sufficiently precise and have various limitations if used directly for statistical purposes, the draft resolution proposes a general statistical definition of domestic work and a definition of domestic workers for use in statistics on employment. This will allow the provision of comprehensive statistics on the various circumstances in which domestic work is performed, including when it is mediated through agencies or Internet applications, and through independent domestic services providers.
172. According to the draft resolution, workers directly engaged as employees by households to provide services for consumption by household members are counted as domestic workers and defined as *domestic employees*, irrespective of the nature of the services provided. Workers who are not in a direct employment relationship with households are only counted as domestic workers when the work mainly comprises domestic services.
173. There are four commonly used approaches to measuring domestic workers in household surveys: industry-based; occupation-based; status in employment-based; and based on the relationship to the head of the household. All of these approaches have limitations and are unlikely to identify domestic workers in all employment statuses. Moreover, the use of a special category for domestic employees in the classification of status in employment is not compatible with the current proposals for subcategories of employees.
174. The draft resolution proposes a solution for the measurement of all domestic workers. Domestic employees are identified using the industry-based approach,¹⁷ which may be derived from both the industry and the institutional sector questions. Self-employed domestic workers can be identified based on occupation and type of workplace. Domestic workers employed by agencies are identified by a combination of industry, type of workplace and occupation. The occupations used for the measurement of domestic workers not employed directly by households should be those commonly held by domestic employees, identified on the basis of empirical analysis of occupation data on domestic employees in the national context. Since in many countries it is likely that the numbers of domestic workers with these arrangements will be very small, it may be necessary to undertake such analysis only periodically.

¹⁶ ILO, 2013e.

¹⁷ For most operational measurement purposes, data on employment classified at only one-digit level to ISIC Rev.4, Section T, *Activities of households as employers; undifferentiated goods and services-producing activities of households* would provide sufficiently accurate information.

175. The following categories of domestic workers are specified in the draft resolution:

- (a) domestic employees:
 - (i) live-in domestic employees;
 - (ii) live-out domestic employees;
- (b) domestic workers employed by service providers;
- (c) domestic service providers employed for profit.

176. *Live-in domestic employees* are employed to provide services for consumption by household members and live on the same premises as their employers. They may be identified in statistical collections on the basis of information on the economic activity of the employer, their type of workplace and their place of residence. They may also be identified by information on the relationship between each person living in the household dwelling and the household reference person. They do not form part of their employer's household even though they may be provided with accommodation and meals as remuneration in kind. They should be treated as belonging to separate households from the households in which they are employed.¹⁸

177. *Live-out domestic employees* are employees of households who provide services for consumption by household members and do not live on the same premises as their employers. They may be identified in statistical collections on the basis of information on the economic activity of the employer, the type of workplace and the place of residence.

178. *Domestic workers employed by service providers* are engaged as employees by economic units other than private households to provide domestic services in private households, in a multi-party employment arrangement. They may be identified in statistical collections if their occupation is one of those commonly held by domestic employees, the type of workplace is the client's residence and their status in employment is employee.

179. *Domestic service providers employed for profit* provide domestic services to private households as employers, independent workers without employees or dependent contractors. They may be identified in statistical collections if their occupation is one of the occupations commonly held by domestic employees, the place of work is the client's residence and their status in employment is employer, own-account worker or dependent contractor.

Multi-party work relationships

180. A multi-party work relationship is a contractual arrangement involving a worker, an economic unit for which the work is performed, and a third party. Workers with these arrangements are not directly employed by the economic unit to which they provide their services. They may be employees of the third-party economic unit, or they may be dependent contractors whose access to raw materials, clients or the market is controlled by a third party.

¹⁸ SNA, 2008.

Employees with multi-party work arrangements

- 181.** The concept of multi-party *employment* arrangements, whereby a worker is paid by one enterprise to perform work for another enterprise, exists in many countries. Traditionally this group has been referred to as “employees in *triangular* employment arrangements”, but more recently this has been adapted to “*multi-party* employment arrangements”.
- 182.** Multi-party arrangements for employees are mediated by an institutional unit that acts as the employer and makes the worker available, on a temporary or permanent basis, to work for another economic unit while paying the wage or salary of the employee.
- 183.** Two main groups of employees with multi-party employment arrangements can be identified:
- (a) Labour hire employees.
 - (b) Employees providing outsourced services.
- In some countries, a third group may also be identified:
- (c) Employees in employment promotion schemes.¹⁹
- 184.** Distinguishing between these three groups is important to inform policy debate. While there is strong demand for statistical information about all groups, the provision of information about the first group (labour outsourcing) should be a priority. Although some workers with these arrangements have very similar social protections and conditions to other workers and may benefit from a degree of flexibility associated with temporary agency work, there are also policy concerns about excessive use of such arrangements and their impact on working conditions.
- 185.** The draft resolution provides definitions and explanatory notes for each of the three subgroups of employees with multi-party employment arrangements. These notes seek to clarify the boundaries between each group, as well as with employees who are not in multi-party arrangements. The blurring of these boundaries, both conceptually and in the minds of survey respondents, however, inevitably results in measurement difficulties. In all of these cases, the work is not mainly performed at the premises of the agency that pays the employee. The type of workplace is usually the premises of the client but may be some other place. This group of workers may therefore possibly be identified in statistical sources through questions on who is responsible for payment of wages and salaries, and the type of workplace. Since the concept of multi-party employment relationships is broad and complex, often changing depending on national laws, it is not possible, however, to provide advice on a single approach to data collection or a single data source.
- 186.** Household surveys, establishment surveys and administrative registers are all important potential sources of data on multi-party employment arrangements. Several countries have used estimates from administrative sources and/or establishment surveys in preference to household survey data. Household surveys are nevertheless an important and valuable

¹⁹ Persons who are required to perform work in an employment promotion scheme as a condition of continued receipt of a government social benefit such as unemployment insurance are excluded from employment according to the 19th ICLS resolution I (para. 31(c)). They may not therefore be counted as employees but may nevertheless be considered to be in a multi-party work relationship.

source of data both for the purposes of international comparability, and to obtain complete information on the characteristics of workers with these arrangements.

187. In view of national differences in the legal situation with respect to labour outsourcing, the optimum measurement approach in household surveys will vary from country to country. When data on multi-party employment arrangements are collected using Labour Force Surveys, two main approaches can be identified: (1) type of employment contract; and (2) who pays the wage or salary.
188. The first approach involves asking a direct question about the type of employment contract or arrangement that the worker has. This may be suitable in situations where there is a clearly defined and well understood type of employment contract for labour outsourcing. The information may be collected as part of a general question on employment type, or as a direct question such as “Do you have a contract with a temporary employment agency?”
189. The second approach involves asking a question on whether the worker is paid directly by the economic unit for which the work is performed, or by another agency. This may need to be used in conjunction with a question on type of workplace, in order to exclude those workers who perform work directly for an employment agency, for example, as administrative staff. The distinction between labour outsourcing and subcontracted service provision could be made either by providing a separate response category as part of the “who pays” question (for example, temporary employment agency, labour broker) or based on the industry of the employer.
190. Several potential problems would need to be addressed at the national level, however, if this second approach is to be used effectively. Firstly, experience has shown that survey respondents may have difficulty in accurately responding to questions on who pays for the work performed. This may be related to identifying who the employer is or to the respondent simply not knowing.
191. Secondly, correct reporting and coding of the industry of the employer may also be a problem when there are multi-party employment arrangements. In Labour Force Surveys in several countries, the industry of the economic unit for which the work is performed is recorded for agency workers, rather than the industry of the employer. This leads to inconsistency with information collected from establishments and administrative sources and complicates the identification of agency workers. Ideally, the industry of both the employing enterprise and the user enterprise should be recorded in order to properly account for the employment impacts of the user enterprise, identify the extent and nature of labour outsourcing, and provide coherent data for national accounts purposes. This may be difficult to achieve in practice, however, given the complexity of industry coding in household surveys and the difficulties experienced in some circumstances in identifying the employer.

Dependent contractors with multi-party work arrangements

192. In the case of dependent contractors, multi-party work arrangements exist when an intermediary supplies raw materials and receives the goods produced by the dependent contractors, or else access to clients or work is controlled by an intermediary, typically using the Internet. The contractor may be paid directly by the client, or payment may be received only through the intermediary that benefits from the work performed by the contractor.

Variables related to the measurement of informal employment

- 193.** The resolution defines three variables related to the measurement of informal employment:
- (a) job-dependent social protection;
 - (b) access to paid annual leave; and
 - (c) access to paid sick leave.
- 194.** These variables are related to the economic risk to which the employee is exposed and are useful to assess the impact of new or non-standard forms of employment on access to leave and social protection. They are recognized as possible criteria for measuring informal employment among employees in the 17th ICLS guidelines concerning a statistical definition of informal employment. They are also frequently used by countries when measuring informal employment among employees. These three cross-cutting variables are not sufficient to measure informal employment, however. Comprehensive measurement of informal employment also requires the identification of informal employment among workers with all statuses in employment. This would require additional information that is not specified in the draft resolution.

6. Data sources, indicators and future work

- 195.** The draft resolution provides advice in the section on data sources and guidelines for data collection on the frequency of data collection for statistics on different aspects of work relationships for the different forms of work, on the suitability of different types of data source and on the level of detail that might be collected in different data sources. Detailed information on data collection is provided in the Data Collection Guidelines to be made available as a room document.
- 196.** Indicators relevant for labour market analysis are proposed for employment in the main job for all categories in ICSE-18 based on headcounts, usual hours worked as a measure of volume and the share of each category in total employment. Indicators for secondary jobs are proposed for ICSE-18 categories related to non-standard employment, in order to reflect the prevalence of non-standard employment among multiple job holders.
- 197.** The ratios of dependent contractors to employees and to independent workers are proposed to provide comparability between countries when the shares of employees and independent workers in total employment is significantly different. The subcategories of employees as a share of all employees also allows for meaningful comparison between countries.
- 198.** The ratio of employees with a non-permanent main job to total employees in a main job provides information about the proportion of employees in temporary employment. Two sets of indicators provide information related to the duration of employment, in order to complement the information classified by status in employment, especially for temporary and casual employees.
- 199.** Separate indicators for own-use production of goods and for own-use provision of services are proposed using the relevant ICSaW-18 categories, to provide information about the authority and levels of participation in own-use production of different population groups, including men, women and young people.

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- 200.** Indicators are also proposed to provide information about the numbers, hours worked and proportions of paid and unpaid apprentices, trainees and interns, and the relative importance of each of these groups in relation to each other. Similar indicators are proposed for direct volunteers and organization-based volunteers, using the working-age population as a denominator. Indicators for the three categories of employees with multi-party employment arrangements are proposed using total employment or all employees as denominators. In view of the different characteristics of each of these groups, a total for employees with multi-party arrangement is not proposed.
- 201.** The importance of disaggregation of all indicators by sex, age and other characteristics relevant for national purposes is stressed.
- 202.** The section on future work stresses the importance of working collaboratively with countries and organizations to support implementation of the resolution. It focuses on the need to update and maintain the data collection guidelines and to provide technical manuals, model data collection instruments and technical support to countries. It also points to the need for further methodological and conceptual development work to support implementation of the resolution and to extend the standards to include the measurement of employment that is intermediated through the Internet in the so-called “gig economy”.

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Appendix

Revised draft report at 30 July 2018

20th International Conference of Labour Statisticians resolution concerning statistics on work relationships

Preamble

The 20th International Conference of Labour Statisticians,

Having reviewed the relevant texts of the resolution concerning the International Classification of Status in Employment (ICSE), adopted by the 15th International Conference of Labour Statisticians (January 1993),

Taking into consideration the resolution concerning statistics of work, employment and labour underutilization adopted by the 19th International Conference of Labour Statisticians (ICLS) (2013), and the resolution concerning the measurement of working time adopted by the 18th ICLS (2008),

Recalling the requirements of the Labour Statistics Convention, 1985 (No. 160), and the accompanying Labour Statistics Recommendation, 1985 (No. 170), and the need for coherence with other international statistical standards, particularly with regard to the system of national accounts, working time, employment-related income, and work in the informal economy,

Recognizing the need to revise and broaden the existing standards for statistics on status in employment in order to enable better statistical measurement of various aspects of the relationships between workers and the economic units for which their work is performed; to adequately monitor changes in employment arrangements and forms of employment; to extend the scope of statistical standards on work relationships to cover all forms of work; and to provide guidelines on a wider set of measures than previously defined internationally, thereby enhancing the relevance and usefulness of the standards for countries and territories (hereinafter referred to as “countries”) at all stages of development,

Calling attention to the usefulness of these standards to enhance the international comparability of statistics on workers’ contractual situations, to their contribution to the measurement of decent work and of well-being of households and society in general, thereby supporting and facilitating the 2030 Agenda for Sustainable Development, as well as to the achievement of gender justice,

Acknowledging that the relevance of statistics on work relationships in a given country will depend on the nature of its society, labour markets and regulations as well as user needs, and that their implementation will therefore, to a certain extent, be determined by national circumstances,

Adopts this xth day of October 2018 the following resolution in substitution for the resolution of 1993 and for paragraph 25 of the resolution of 2013 cited above.

Objectives and scope

1. The standards set by this resolution aim to guide countries in updating, harmonizing and further developing their statistical programmes that include information on work relationships. Statistics on work relationships are concerned with: (a) the authority relationships between persons who work and the economic units in which or for which the work is performed; and (b) the economic risks that follow from the contractual or other conditions under which the work is performed. These statistics can relate to all forms of work, including own-use production work, employment, unpaid trainee work, volunteer work and other forms of work.
2. These standards should facilitate the production of national statistics on work relationships for various purposes as part of an integrated national system of work statistics based on common concepts and

definitions that are aligned with the current international standards and guidelines for statistics on work adopted by the International Conference of Labour Statisticians (ICLS).

3. In order to promote the coherence and integration of statistics from different sources on multiple characteristics of work relationships, the resolution provides:
 - (a) an overarching conceptual framework for statistics on work relationships;
 - (b) a revised International Classification of Status in Employment (to be designated ICSE 18);
 - (c) an International Classification of Status at Work as a reference classification covering all forms of work;
 - (d) a set of cross-cutting variables and categories that are not reflected in the status at work categories, in order to provide information on characteristics associated with the degree of stability and permanence of a particular work arrangement, and allow the identification of particular groups of policy interest; and
 - (e) operational concepts, definitions and guidelines for the collection and compilation of statistics on status in employment and the cross-cutting variables.
4. The characteristics of jobs and work activities that are relevant and of interest for statistics on work relationships vary depending on the form of work and on the analytical purposes of the statistics. Some of the concepts, variables, classification schemes and categories described in these standards are relevant, therefore, only for certain forms of work. Others should be applied to all forms of work.
5. Each country should aim to develop its statistics on work relationships in order to provide an adequate information base for a wide range of descriptive and analytical purposes, taking account of specific national needs and circumstances, in order to provide information on:
 - (a) the nature of the economic risks and authority experienced by workers, the strength and nature of their attachment to the economic unit in which they work, and the impact of economic and social changes on their work;
 - (b) the impact of government policies in relation to employment creation, promotion of enterprise, and labour market regulation on the nature of jobs and the quality of employment;
 - (c) the impact of government policies and regulation in relation to unpaid forms of work;
 - (d) the extent to which engagement in employment and participation in other forms of work provide access to social protection and income security;
 - (e) wages, earnings and labour costs;
 - (f) the fiscal impact of employment in various types of work relationships;
 - (g) socio-economic status;
 - (h) the volume of work or labour inputs for national production accounts, separately for workers employed for pay and workers employed for profit;
 - (i) participation in different types of work relationships among population groups such as women and men, young people, children, migrants and other groups of particular policy concern; and
 - (j) the relationships between different forms of work arrangements and their economic and social outcomes.
6. In developing statistics on work relationships, countries should endeavour to apply these standards to assess trends and structural changes for the purpose of labour market, economic and social analysis and to facilitate international comparability.

Reference concepts

Statistical units

7. The units that are relevant for the production of statistics on work relationships are persons, jobs or work activities and economic units.
8. A job or **work activity** is defined as a set of tasks and duties performed, or meant to be performed, by one person for a single economic unit:

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- (a) The term *job* is used in reference to employment. This statistical unit, when relating to own-use production work, unpaid trainee work and volunteer work is referred to as *work activity*.
 - (b) Persons may have one or several jobs during a given reference period. In cases of multiple job-holding, the **main job** is that with the longest hours usually worked, as defined in the current international statistical standards on working time.
 - (c) Those employed as independent workers have as many jobs as the economic units they own or co-own, irrespective of the number of clients served.
 - (d) For those employed as dependent workers the set of tasks should be considered to be performed for the economic unit on which the worker is dependent, and a separate job defined for each economic unit on which the worker is dependent.
 - (e) Separate work activities are defined when a person is engaged in both own-use production of goods and own-use provision of services for the same household. This allows the identification of work activities within and beyond the production boundary in the System of National Accounts (SNA).
9. Since statistics on work relationships refer primarily to characteristics of jobs or work activities in specific economic units, persons may have as many work relationships as they have jobs or work activities in economic units. Since some types of work relationship and some forms of employment may be more prevalent in secondary activities than in the main job, statistics on work relationships in secondary and other jobs or work activities are necessary to gain a full understanding of the extent of all types of work relationship, including those associated with non-standard forms of employment.
10. Two characteristics of jobs and work activities are relevant to differentiate them according to status at work and status in employment, and to arrange them into aggregate groups. These are the 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.

Type of authority

11. The *type of authority* refers to the nature of the control that the worker has over the organization of his or her work, the nature of authority that he or she exercises over the economic unit for which the work is performed (including its activities and transactions), and the extent to which the worker is dependent on another person or economic unit for organization of the work and/or for access to the market. The type of authority is used to classify workers as *dependent* or *independent*.

Independent workers

12. Independent workers own the economic unit in which they work and control its activities. They make the most important decisions about the activities of the economic unit and the organization of their work. They may work on their own account or in partnership with other independent workers and may or may not provide work for others.

Entrepreneurs

13. Entrepreneurs are persons who own and control an enterprise and seek to generate value through the creation of economic activity by identifying and exploiting new products, processes or markets. In doing so, they create employment for themselves and potentially for others. The category of “independent workers” in the classification of status in employment provides the best starting point for the identification and compilation of statistics on entrepreneurs. Additional information relevant to the national context, such as the size, age and other characteristics of the enterprise, is needed to provide complete statistics on entrepreneurship and to accurately identify those workers who are creating employment opportunities for themselves or for others.

Dependent workers

14. Dependent workers are workers who do not have complete authority or control over the economic unit for which they work. If they are in employment for profit they have no employees, and do not make the most important decisions about the activities of the economic unit for which they work.

Type of economic risk

15. *Type of economic risk* refers to the extent to which the worker may: (1) be exposed to the loss of financial or other resources in pursuance of the activity; and (2) experience unreliability of remuneration in cash or in kind or receive no remuneration.
16. Economic risk may be measured operationally by considering:
 - (a) the existence and nature of remuneration for the work performed;
 - (b) the degree of stability or permanence of the job or work activity; and
 - (c) the extent to which the worker is protected in the event of sickness, accident, or termination of the job.
17. In statistics on employment, the type of economic risk is used to classify workers as *in employment for profit* or *in employment for pay* based primarily on the nature of the remuneration for a particular job. The aspects of the nature of the remuneration taken into consideration include whether or not remuneration is received or expected:
 - (a) in the form of profit (and therefore also entails the risk of loss);
 - (b) based on time worked;
 - (c) by the piece for the goods produced or services provided; or
 - (d) as a fee for the production of goods or provision of services.

Workers in employment for profit

18. *Workers in employment for profit* are employed persons whose remuneration is directly and entirely dependent on the profit or loss made by the economic unit in which they are employed, including remuneration in cash or in kind by way of a commercial transaction for goods produced or services provided. They do not receive a wage or salary in return for time worked.
19. Owner-operators of corporations are excluded from workers in employment for profit. While they are exposed to economic risk related to the potential for loss of investments made in the corporation, the risk is mitigated due to limitations of liability when corporations are separate legal entities from the persons who own them. They may receive a wage or salary whether or not the corporation is making a profit and may also be in receipt of payments deriving from profits.

Workers in employment for pay

20. Workers in employment for pay are employed persons who receive, or expect to receive, remuneration in cash or in kind, in return for time worked or for each piece or service produced. They include both employees and owner-operators of corporations who hold a job in an incorporated enterprise which they own and control.

The International Classification of Status in Employment (ICSE-18)

21. The International Classification of Status in Employment (ICSE-18) classifies jobs in employment for pay or profit into ten detailed categories based on the concepts of type of authority and type of economic risk described above. These categories may be aggregated according to two alternative classification hierarchies: the *International Classification of Status in Employment according to type of authority (ICSE-18-A)* and the *International Classification of Status in Employment according to type of economic risk (ICSE-18-R)*.
22. Both hierarchies for status in employment, based on economic risk and authority, should have equal priority when producing statistics. Statistics from labour force surveys and, when possible from other relevant sources, should be compiled on a regular basis according to both hierarchies.

International Classification of Status in Employment according to type of authority (ICSE-18-A)

23. ICSE-18-A provides, at its top level, a dichotomy between independent workers and dependent workers in which:

Independent workers are classified into the following groups:

- A. Employers:
 - 11 – Employers in corporations.
 - 12 – Employers in household market enterprises.
- B. Independent workers without employees:
 - 21 – Owner-operators of corporations without employees.
 - 22 – Own-account workers in household market enterprises without employees.

Dependent workers are classified into the following groups:

- C. Dependent contractors:
 - 30 – Dependent contractors.
- D. Employees:
 - 41 – Permanent employees.
 - 42 – Fixed-term employees.
 - 43 – Short-term and casual employees.
 - 44 – Paid apprentices, trainees and interns.
- E. Contributing family workers:
 - 51 – Contributing family workers.

24. ICSE-18-A is suitable for various types of labour market analysis, including analysis of the impact of economic cycles on the labour market, and of government policies related to employment creation and regulation. It is also the most suitable hierarchy for use as an input variable in the compilation of statistics classified by socio-economic status.

Classification of Status in Employment according to type of economic risk (ICSE-18-R)

25. ICSE-18-R provides a dichotomy between employment for pay and employment for profit. This latter dichotomy is analogous to the traditional distinction between paid employment and self-employment, used for example in the SNA.

Workers in employment for profit are classified into the following groups:

- F. Independent workers in household market enterprises:
 - 12 – Employers in household market enterprises.
 - 22 – Own-account workers in household market enterprises without employees.
- C. Dependent contractors:
 - 30 – Dependent contractors.
- E. Contributing family workers:
 - 51 – Contributing family workers.

Workers in employment for pay are classified into the following groups:

- G. Owner-operators of corporations:
 - 11 – Employers in corporations.
 - 21 – Owner-operators of corporations without employees.

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- D. Employees:
- 41 – Permanent employees.
 - 42 – Fixed-term employees.
 - 43 – Short-term and casual employees.
 - 44 – Paid apprentices, trainees and interns.

26. ICSE-18-R is suitable for the provision of data for national accounts, for the identification of wage employment and its distribution, for the analysis from the perspective of economic risk of the impact of economic cycles and government on the labour market, and for the production and analysis of statistics on wages, earnings and labour costs.

Definitions and explanatory notes for categories in the two hierarchies of the International Classification of Status in Employment

A. Employers

27. Employers own the economic unit in which they work and control its activities on their own account or in partnership with others, and in this capacity employ one or more persons (including temporarily absent employees but excluding themselves, their partners and family helpers) to work as an employee on a regular basis. *'On a regular basis' should be interpreted as having at least one employee during the reference period and at least two of the three weeks immediately preceding the reference period.* In statistics on employment, they include:
- 11 – Employers in corporations.
 - 12 – Employers in household market enterprises.

11 – Employers in corporations

28. *Employers in corporations* are workers who are owner-operators of corporations in which they employ one or more persons (including temporarily absent employees but excluding themselves, their partners and family helpers) to work as an employee on a regular basis.

12 – Employers in household market enterprises

29. *Employers in household market enterprises* are workers who, alone or with one or more partners, operate an unincorporated market enterprise for profit, and who, employ one or more persons (including temporarily absent employees but excluding themselves, their partners and contributing family workers) to work in that enterprise as an employee on a regular basis.

B. Independent workers without employees

30. *Independent workers without employees* operate an economic unit alone or in partnership with others, and do not employ any persons other than themselves, their partners, and contributing family workers to work in the economic unit on a regular basis as an employee. In statistics on employment they include:
- 21 – Owner-operators of corporations without employees.
 - 22 – Own-account workers in household market enterprises without employees.

21 – Owner-operators of corporations without employees

31. *Owner-operators of corporations without employees* are workers who hold a job as owner-operator of a corporation in which they do not employ any persons (other than themselves, their partners and contributing family workers) to work in the enterprise on a regular basis as an employee.

22 – Own-account workers in household market enterprises without employees

32. Own-account workers in household market enterprises without employees are workers who operate an unincorporated market enterprise for profit, alone or with one or more partners or contributing family workers, and do not employ any persons to work in the enterprise on a regular basis as an employee.

F. Independent workers in household market enterprises

33. Independent workers in household market enterprises are workers who operate an unincorporated market enterprise for profit, alone or with one or more partners or contributing family workers. They may or may not be able to provide a complete set of accounts for the activities of the enterprise. They include:

12 – Employers in household market enterprises.

22 – Own-account workers in household market enterprises without employees.

G. Owner-operators of corporations

34. *Owner-operators of corporations* are workers who hold a job in an incorporated enterprise (such as a limited liability corporation or limited partnership,) in which they:

- (a) hold controlling ownership of the enterprise alone, or together with other members of their families and/or one or a few partners; and
- (b) have the authority to act on behalf of the enterprise with respect to contracts with other organizations and the hiring and dismissal of employees, subject to national legislation regulating such matters and the rules established by the elected or appointed board of the corporation.

“Controlling ownership” should be interpreted as having a decisive vote or veto on the appointed or elected board of the corporation or in meetings of shareholders, rather than necessarily holding an absolute majority of the shares.

35. Owner-operators of corporations include:

11 – Employers in corporations.

21 – Owner-operators of corporations without employees.

C. Dependent contractors

36. Dependent contractors are workers who have contractual arrangements of a commercial nature to provide goods or services for or on behalf of another economic unit, are not employees of that economic unit, but are dependent on that unit for organization and execution of the work or for access to the market.

37. For the purposes of statistical measurement, dependent contractors are defined as workers employed for profit, who are dependent on another entity that exercises explicit or implicit control over their productive activities and directly benefits from the work performed by them.

- (a) Their dependency may be of an operational nature, through organization of the work and/or of an economic nature such as through control over access to the market, the price for the goods produced or services provided, or access to raw materials or capital items.
- (b) The economic units on which they depend may be market or non-market units and include corporations, governments and non-profit institutions which benefit from a share in the proceeds of sales of goods or services produced by the dependent contractor, and/or benefit when the work performed by dependent contractors may otherwise be performed by its employees.

38. Dependent contractors display one or more of the following characteristics which may be relevant for their identification in statistical collections, depending on the national context:

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- (a) their work is organized or supervised by another economic unit as a client, or as an entity that mediates access to clients;
 - (b) the mode of payment is by way of a commercial transaction;
 - (c) the price paid for the goods produced or services provided is determined by the client or an intermediary;
 - (d) access to raw materials, equipment or capital items is controlled by the client or an intermediary;
 - (e) their actual working arrangements or conditions may closely resemble those of employees;
 - (f) the entity on which the worker is dependent does not withhold income tax for the worker;
 - (g) the worker is responsible for arranging his or her own social insurance and other social contributions.
39. Excluded from dependent contractors are workers who:
- (a) have a contract of employment (formal, informal, or implicit) with the entity on which they are dependent;
 - (b) are paid for time worked;
 - (c) employ one or more other persons to work for them on a regular basis as an employee; or
 - (d) operate an incorporated enterprise.
40. Two subgroups of dependent contractors may be identified if feasible and relevant in the national context:
- (a) workers who provide their labour to others but have contractual arrangements corresponding to those of self-employment; and
 - (b) workers who have committed significant financial or material assets to the unincorporated enterprise which they own and operate, but do not have full control or authority over their work or the activities of the enterprise.
41. Identification of the two subgroups of dependent contractors requires additional information on the nature of the financial or material resources committed by the worker.

D. Employees

42. *Employees* are workers employed for pay, on a formal or informal basis, who do not hold controlling ownership of the economic unit in which they are employed. They are remunerated in cash or in kind in return for time worked or, in some cases, for each task or piece of work done or for services provided including sales (by the piece or commission). Payment for time worked is the typical mode of remuneration. Payment in kind is generally received in the form of goods. Where payment is received in the form of services, this is generally complementary to payment in cash.
43. Employees may be employed in market units, non-market units and households producing goods and/or services mainly for own consumption. They may hold shares in the economic unit in which they are employed, or have authority over aspects of the operations of the economic unit as employees with management responsibilities but do not hold controlling ownership of the enterprise. They are accountable to a third party within the economic unit such as a person or board.
44. Employees include the following specific groups among others:
- (a) workers who have been engaged on terms corresponding to those of paid employment when the employing organization has entered into a contract only with an intermediary such as a crew leader or organizing agent, and not with the individual worker; and
 - (b) worker-members of cooperatives who are paid for time worked or for each task or piece of work done.
45. Employees exclude workers who are paid according to a commercial contract for the provision of goods or services.
46. Employees may be further disaggregated according to the nature of the contractual arrangements for employment, the degree of permanency of the employment relationship and the stability of the working time available to the employee, to form the following groups:

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- 41 – Permanent employees.
 - 42 – Fixed-term employees.
 - 43 – Short-term and casual employees.
 - 44 – Paid trainees, apprentices and interns.

41 – Permanent employees

47. *Permanent employees* are employees who are guaranteed a minimum number of hours of work and are employed on an ongoing or indefinite basis. They are full-time or part-time workers employed for pay, in formal or informal jobs, who have employment arrangements whereby:
- (a) there is no specified date or event on which the employment will be terminated other than any age or time for retirement that may apply in the economic unit concerned;
 - (b) the employer agrees to provide work and pay for a specified number of hours or to pay for the number of goods or services produced in a set period; and
 - (c) the worker agrees to work for at least the specified number of hours, or for the time required to produce a specified number of goods or services.

42 – Fixed-term employees

48. *Fixed-term employees* are employees who are guaranteed a minimum number of hours of work and are employed on a time-limited basis for a period of three months or more. They are full-time or part-time workers employed for pay, in formal or informal jobs, who have arrangements whereby:
- (a) there is a specified date, other than any age or time for retirement, on which the employment will be terminated, or an event such as the end of the harvest or completion of a construction or other project, which will lead to termination of employment;
 - (b) the total duration of the employment is expected to be at least three months from the first day of employment to the expected final day of employment;
 - (c) the employer agrees to provide work and pay for a specified number of hours, or to pay for the number of goods or services produced, in a set period; and
 - (d) the worker agrees to work for at least the specified number of hours, or for the time required to produce a specified number of goods or services.
49. Fixed-term employees include:
- (a) employees with fixed-term contracts of employment with a duration of three months or more; and
 - (b) employees without formal arrangements or contracts when it is understood that the employment will have a duration of at least three months but not of an indefinite nature.
50. Paid apprentices, trainees and interns with fixed-term employment arrangements are excluded from this group.

43 – Short-term and casual employees

51. Short-term and casual employees are employees with short-term employment arrangements and/or without a guaranteed minimum number of hours of work per pay period. They are workers employed for pay, in formal or informal jobs, who have arrangements whereby:
- (a) there is no guarantee to offer work or to perform work during a set period; or
 - (b) the arrangement is of a short-term nature, with a duration of less than three months from the first day of employment to the expected final day of employment.
52. This category includes two groups which may be separately identified if relevant in national circumstances: *short-term employees* and *casual and intermittent employees*:

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- (a) *short-term employees* are those who are guaranteed a minimum number of hours of work and are employed on a time-limited basis with an expected duration of less than three months. They include:
 - (i) employees with contracts of employment with a duration of less than three months;
 - (ii) employees without formal arrangements or contracts when it is understood that the employment will be of a duration of less than three months; and
 - (b) *casual and intermittent employees* are those who have no guarantee of employment for a certain number of hours during a specified period but may have arrangements of an ongoing or recurring nature. Depending on national circumstances and specific contractual arrangements pertaining to the job, this group includes employees engaged on a casual or intermittent basis, workers on zero-hours contracts, employees who are only paid when called in to work, and workers hired on a day-to-day basis.
53. Unless the total duration of the employment arrangement is less than three months, short-term and casual employees exclude:
- (a) workers with on-call working-time arrangements who are guaranteed a specified amount of employment per pay period; and
 - (b) workers who are guaranteed to be offered work and to be paid for at least one hour per week.

44 – Paid apprentices, trainees and interns

54. Paid apprentices, trainees and interns are employees who perform any activity to produce goods or provide services for others, in order to acquire workplace experience or skills in a trade or profession and receive payment in return for work performed. Acquiring “workplace experience or skills” may occur through traditional, formal or informal arrangements whether or not a specific qualification or certification is issued. They are usually remunerated at a reduced rate compared to fully qualified workers. They include persons involved in:
- (a) paid formal or informal traineeships, apprenticeships, internships or other types of programmes, according to national circumstances; and
 - (b) paid skills training or retraining schemes within employment promotion programmes, when engaged in the production process of the economic unit for which they work.
55. They exclude workers who are:
- (a) undergoing periods of probation associated with the start of a job;
 - (b) undertaking general on-the-job training or life-long learning while in employment;
 - (c) working without pay; and
 - (d) contributing family workers who are undertaking training while working in an enterprise operated by a family or household member.

E. Contributing family workers

56. *Contributing family workers* assist a family member or household member in a market-oriented enterprise operated by the family or household member, or in a job in which the assisted family or household member is an employee or dependent contractor. They do not receive regular payments, such as a wage or salary, in return for the work performed, but may benefit in kind or receive irregular payments in cash as a result of the outputs of their work through family or intra-household transfers, derived from the profits of the enterprise or from the income of the other person. They do not make the most important decisions affecting the enterprise or have responsibility for it.

International Classification of Status at Work (ICSaW-18)

57. The International Classification of Status at Work (ICSaW-18) provides an organizing framework for statistics classified by status at work from various sources. It is not expected that all of its categories will be collected with the same frequency or used for the presentation of statistics from any particular

source. It covers all jobs and work activities in all forms of work, including own-use production work, employment, unpaid trainee work, volunteer work and other forms of work. It comprises, at its most detailed level, 20 mutually exclusive categories, defined on the basis of the type of authority that the worker is able to exercise and the type of economic risk to which he or she is exposed in a particular job or work activity.

58. The detailed status at work categories may be aggregated, based on the type of authority exercised by the worker, to form eight broad groups which may be further aggregated to form a dichotomy between independent workers and dependent workers, according to the following hierarchy.

Independent workers

1. Employers:
 - 11 – Employers in corporations.
 - 12 – Employers in household market enterprises.
 - 13 – Employers in own-use provision 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 provision of services without employees.
 - 24 – Independent workers in own-use production of goods without employees.
 - 25 – Direct volunteers.

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 provision of services.
 - 53 – Family helpers in own-use production of goods.
 6. Unpaid trainee workers:
 - 60 – Unpaid trainee workers.
 7. Organization-based volunteers:
 - 70 – Organization-based volunteers.
 9. Other unpaid workers:
 - 90 – Other unpaid workers.
59. Each of the detailed status at work groups in ICSaW-18 relates to only one form of work. The groups that relate to employment have the same definitions as in ICSE-18. The aggregate groups that include both employment and other forms of work, have a broader scope in ICSaW-18 than in ICSE-18-A and in some cases are assigned a different name.
60. Subsets of the detailed categories in ICSaW-18 may be used to present statistics on work relationships in own-use production work, employment, volunteer work, child labour and time-use on a

conceptually consistent basis, regardless of the scope and source of the statistics. The categories for own-use production work and volunteer work may be aggregated according to the form of work as follows:

- (a) Workers in own-use production:
 - (i) Workers in own-use provision of services:
 - 13 – Employers in own-use provision of services.
 - 23 – Independent workers in own-use provision of services without employees.
 - 52 – Family helpers in own-use provision of services.
 - (ii) Workers in own-use production of goods:
 - 14 – Employers in own-use production of goods.
 - 24 – Independent workers in own-use production of goods without employees.
 - 52 – Family helpers in own-use production of goods.
- (b) Volunteer workers:
 - 25 – Direct volunteers.
 - 70 – Organization-based volunteers.

Definitions of the categories in ICSaW-18 that are not included in ICSE-18

13 – Employers in own-use provision of services

61. *Employers in own-use provision of services* are workers who perform any activity to provide services mainly for own final use and employ one or more persons (including temporarily absent employees but excluding other members of their household) on a regular basis as a domestic employee.

14 – Employers in own-use production of goods

62. *Employers in own-use production of goods* are workers who perform any activity to produce goods for own final use and employ one or more persons on a regular basis in return for payment in cash or in kind (including temporarily absent employees but excluding other members of their household) to produce goods mainly for consumption by the employer's own household. A part or surplus of the goods intended mainly for own consumption may be sold or bartered.

23 – Independent workers in own-use provision of services without employees

63. *Independent workers in own-use provision of services without employees* are workers who perform any activity to provide services for own final use, but do not employ any persons to work on a regular basis as a domestic employee.

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

64. *Independent workers in own-use production of goods without employees* are workers who, on their own account or with one or more partners, perform any activity to produce goods for own final use who do not employ any persons on a regular basis to produce goods for pay in cash or in kind. A part or surplus of the goods intended mainly for own consumption may be sold or bartered.

25 – Direct volunteers

65. Direct volunteers are workers who, on their own account or in partnership with others, and independently of any organization or community group, perform any unpaid, non-compulsory activity

to produce goods or provide services for other households. Excluded from this group are workers who produce goods or services for consumption by members of the worker's own household or family.

5. Family helpers

66. *Family helpers* are workers who assist a family or household member in the production of goods or provision of services for household consumption, in a market-oriented enterprise operated by that person, or in a job held by that person as an employee or dependent contractor. They do not make the most important decisions affecting the economic unit and do not have responsibility for it. They may benefit from the outputs of their work in cash or in kind through intra-household transfers but do not receive an agreed wage or salary.

52 – Family helpers in own-use provision of services

67. *Family helpers in own-use provision of services* assist a family or household member in the provision of services for household consumption.

53 – Family helpers in own-use production of goods

68. *Family helpers in own-use production of goods* assist a family or household member in the production of goods for household consumption.

6. Unpaid trainee workers

69. *Unpaid trainee workers* are persons in unpaid trainee work as defined in the most recent international statistical standards concerning work, employment and labour underutilization (Currently the 19th ICLS resolution 1, paragraphs 33 to 35).

7. Organization-based volunteers

70. *Organization-based volunteers* are workers who perform any unpaid non-compulsory activities to produce goods or provide services for others through or for any type of organization or community group, including market and non-market units.
- (a) Included in this group are workers who produce goods or provide services for others through or for self-help, mutual aid, or community-based groups.
 - (b) Excluded from this group are:
 - (i) unpaid trainee workers;
 - (ii) workers performing unpaid compulsory activities;
 - (iii) direct volunteers.

9. Other unpaid workers

71. *Other unpaid workers* are workers who cannot be classified in any other groups in the International Classification of Status at Work. They include workers performing activities such as unpaid community service and unpaid work by prisoners, when ordered by a court or similar authority, and unpaid military or civilian service.

Cross-cutting variables and categories

72. To provide complete and coherent statistics on work relationships, information is needed on characteristics of jobs and work activities that are not measured in the classifications of status at work and status in employment. This information should be presented through a set of variables and categories based on characteristics associated with the degree of risk, stability and permanence of a particular employment or work arrangement and provide definitions for situations that may be represented in several categories of the classifications by status. They may be used for the generation

of statistics in their own right, or combined in output with relevant status categories to construct output classifications relevant for national purposes.

73. The following cross-cutting variables are required to compile statistics on the detailed categories in ICSE-18:
- (a) duration of work agreement;
 - (b) type of employment agreement;
 - (c) contractual hours of work;
 - (d) forms of remuneration.
74. While not required for the compilation of statistics on status in employment, the following variables and categories are essential for the compilation of coherent statistics on work relationships or for the identification of important groups of interest:
- (a) duration of employment in the current economic unit;
 - (b) hours usually worked;
 - (c) full-time/part-time status;
 - (d) reason for non-permanence of job;
 - (e) preference or not for a non-permanent job;
 - (f) seasonal workers;
 - (g) type of workplace;
 - (h) domestic workers;
 - (i) home-based workers;
 - (j) multi-party work relationships;
 - (k) job-dependent social protection coverage;
 - (l) paid annual leave;
 - (m) paid sick leave.
75. The following additional cross-cutting variables and categories are recommended:
- (a) number of employees in the economic unit in which the worker is employed;
 - (b) main form of remuneration;
 - (c) reasons for preferring a non-permanent job.

Duration of the job or work activity

76. Since many of the detailed categories in ICSE-18 include jobs which differ significantly in their capacity to provide ongoing and full employment, statistics classified by status in employment, and particularly the subcategories of employees, should be complemented by information on both the duration of the work arrangement. Two variables on the duration of the job or work activity are necessary to provide a full understanding of the temporal stability of work relationships and to assess the extent to which workers without permanent employment relationships have ongoing employment and income security. These are *Duration of work agreement* and *Duration of employment in the current economic unit*.

Duration of work agreement

77. *Duration of work agreement* refers to the period of time from the beginning to the end of a written or oral work contract, or in the absence of a contract specifying the duration, to the date on which it is expected the employment will terminate. If the agreement does not specify the duration of the employment and there is no expected date or event on which the employment will terminate, other than the age or time for retirement, the duration is considered to be “without stated limit of time”. This variable is required for the derivation of the subcategories of employees but may also apply to unpaid trainees and volunteers.

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78. When a worker has had a series of ongoing renewed temporary contracts with the same economic unit, the duration of work agreement should be based on the duration of the current (most recent) contract.

Duration of employment in the current economic unit

79. *Duration of employment in the current economic unit* refers to the time elapsed since the worker started work with a particular economic unit and can be applied to all statuses in employment. It provides a measure of the stability and continuity of employment, including in cases where a worker has had a series of contracts with the same economic unit. The concept of the duration of work in the current economic unit can also be applied to activities in forms of work other than employment.
80. When a worker has had a series of renewed temporary engagements with the same economic unit, the duration of employment in that economic unit should be based on the total duration since the first engagement, unless the gap between engagements was one month or longer. In some special cases, for example when substitute or probationary teachers are typically engaged from the beginning to the end of the school year, a longer gap of up to three months may be applied.
81. When a worker has been transferred between different establishments or locations within an enterprise, or enterprise group, or between different ministries or departments within the same government, duration in the current economic unit should be based on the highest level institutional unit considered as a single economic unit. For workers employed through agencies, for example in multi-party employment arrangements, the duration of employment should be with the agency not the client of the agency.

Categories for the presentation of statistics on duration of the job or work activity

82. The following categories should be included in standard statistical outputs for the two variables describing the duration of the job or work activity:
- less than one month;
 - one to less than three months;
 - three to less than six months;
 - six to less than 12 months;
 - 12 to less than 18 months;
 - 18 to less than 24 months;
 - 24 to less than 36 months;
 - three years or more;
 - without stated limit of time.
83. The category for “without stated limit of time” should also be included in data collection and statistical outputs on duration of work agreement. To facilitate analysis of the data collected, it is preferable to collect information for the duration variables using questions that do not include pre-defined categories other than “without stated limit of time”.

Working time

84. Information on full-time/part-time status, hours usually worked, and contractual hours of work should be collected in accordance with the most recent international standards for statistics on working time (currently the 18th ICLS Resolution concerning the measurement of working time). Information on contractual hours of work is required to determine whether employees have arrangements that provide a guaranteed minimum number of hours of work and is essential for derivation of the subcategories of employees.

Reasons for non-permanent employment

85. Employment of a temporary or casual nature may be associated with characteristics of the job or of the labour market, the preference of the person, and the need for the person to balance employment with other responsibilities. Statistics on these different dimensions of non-permanent employment may be compiled using the following three variables:

- Reason for non-permanence of job.
- Preference or not for a non-permanent job.
- Reasons for preferring a non-permanent job.

86. *Reason for non-permanence of job* refers to the characteristics of the job that are reasons for it being of a temporary or casual nature. These statistics should be collected for all jobs of employees other than permanent employees. Such statistics should also be collected for dependent contractors if relevant for national purposes. Depending on the measurement approach, information on the reason for non-permanence of job may be used to identify both seasonal jobs and paid apprentices, trainees and interns.

87. Statistical outputs on *reason for non-permanence of job* should include at least the following categories:

- seasonal work;
- trainee, apprenticeship or internship;
- substitute work;
- completion of a project;
- employment creation programme;
- period of service required before permanent contract granted;
- other reasons.

Reasons such as “usual in industry or occupation” are included in the category “other reasons” but could be identified separately if relevant in the national context.

88. Statistics on whether non-permanent employment is the person’s preference should be compiled as a separate variable: *Preference or not for a non-permanent job*. This refers to whether the person took a non-permanent job because he or she did not want a permanent job.

89. Statistics on the *reasons for preferring a non-permanent job* refer to the situation of the person which may have resulted in the preference for taking a non-permanent job. They may be compiled when relevant for national purposes. Such reasons may include among others:

- combining employment with education;
- combining employment with a pension;
- combining employment with unpaid care for children;
- combining employment with other family responsibilities.

Type of employment agreement

90. A variable *type of employment agreement* is needed to provide information on whether an employee has a written contract or an oral agreement. A question on type of employment agreement is required for sequencing questions and also provides an indication of the stability of the arrangement.

91. Type of employment agreement should not be used directly to measure informality, since workers with oral agreements can be subject to social protection, and workers with written contracts may or may not meet the criteria for formality.

92. At a minimum, categories for “written contract” and “oral agreement” should be used in statistical outputs. Statistics indicating whether the agreement is collective or individual should also be compiled from relevant statistical sources.

Form of remuneration

93. *Form of remuneration* refers to the basis on which a worker is paid, rather than to the form of payment (e.g. cash or in kind). It should specify the information relevant to understand the nature of the employment relationship, but not necessarily other aspects of remuneration. The variable “forms of remuneration” is required to assist with identification of the status in employment categories and should include information about all forms of remuneration received by the worker in a particular job. A separate recommended variable on “main form of remuneration” provides additional information that may be collected by adding an additional question.
94. At a minimum, the following categories are needed:
- for time worked;
 - by the piece;
 - commission;
 - fee for services;
 - determined by profit or loss;
 - tips from clients;
 - other.

Seasonal workers

95. *Seasonal workers* are those with jobs or work activities whose timing and duration are significantly influenced by seasonal factors such as climatic seasons, holidays and agricultural preparations or harvests. For non-permanent employees and dependent contractors, seasonality should be measured as part of the reasons for non-permanent employment. For independent workers and contributing family workers, information is needed on whether the business operates all year round or only during a certain season of the year. When ongoing contracts for employment only at particular times of the year are common in a country or region, information about seasonality may need to be collected using dedicated questions for workers in relevant industries or occupations. For accurate measurement of seasonality, data collection is required at different times during the year, covering all active and inactive seasons.

Type of workplace

96. *Type of workplace* provides information on the type of location where the work is usually performed. When work is regularly performed in more than one type of location, this variable should be based on the main type. Thus, if a worker teleworks from home on an occasional basis, but spends most working time at the employer’s premises, the main type of workplace should be the employer’s premises.
97. Information on type of workplace is needed to identify workers such as home-based workers, domestic workers and workers in multi-party employment relationships. For workers in multi-party work relationships the type of workplace recorded should be the place where the work is actually performed, not the employer’s place of work, for example in the case of those working for temporary employment agencies. In some contexts, information on the type of workplace is relevant for the identification of dependent contractors. As a variable in its own right it is relevant for the identification of workers whose place of work may expose them to risk, such as on the street, or of home-based workers of all employment statuses.
98. Statistics on the following categories are required at a minimum to assist in the identification of the groups mentioned above and for analysis of employment relationships:
- own home (or area outside);
 - client’s or employer’s home;
 - employer’s workplace or site;
 - own business premises;
 - own household farm;

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- client's workplace or site;
 - water, air or land-based vehicle;
 - door-to-door;
 - street or other public space;
 - market;
 - no single type of location;
 - other type of location.

99. Countries may choose to add questions or categories for their own analytical purposes. Where there is a need for information on work through Internet platforms this should be captured as a separate variable rather than as a category of place of work, which would refer to the type of place where the Internet is usually accessed.
100. When the place of work is a business premises such as a retail shop or repair workshop attached to the residence but is not an integral part of the residence (if, for example, it has its own entrance) then the place of work should be considered as business premises. When the place of work is a room or rooms within the residential premises which would normally be used for residential purposes, the place of work should be considered as "own home".

Domestic workers

101. Domestic work is defined for statistical purposes as "all work performed in or for a household or households to provide services mainly for consumption by household members". Domestic work is performed with payment made to employees of the household, to agencies that provide domestic services to households and to self-employed domestic service providers. Domestic work is performed unpaid by household members or by persons not residing in the household, such as family members, neighbours and volunteers.
102. In statistics on employment, domestic workers are defined as workers of any sex employed for pay or profit, including in-kind payment, who perform work in or for a household or households to provide services mainly for consumption by the household. The work may be performed within the household premises or in other locations.
103. Based on the statistical definitions of domestic work and domestic workers, the following categories of domestic workers in employment may be identified:
 - (a) domestic employees, defined as all workers engaged directly as employees of households to provide services mainly for consumption by the household members, irrespective of the nature of the services provided including:
 - (i) live-in domestic employees;
 - (ii) live-out domestic employees;
 - (b) domestic workers employed by service providers; and
 - (c) domestic service providers employed for profit.
104. Workers in employment who provide services within or for a household or households but are not employed directly by a household, are considered to be domestic workers if the nature of the work performed mainly comprises domestic services such as cleaning, childcare, personal care, food preparation, gardening, driving and security.
105. Domestic workers do not include:
 - (a) workers employed for profit and employees of economic units other than private households who provide services to households that are not considered to be domestic services, for example, services consumed by the household related to educational training (home tuition) or related to maintenance and preservation of physical goods of the dwelling such as electrical installation and repair, plumbing, etc.;
 - (b) workers who mainly provide services to household market enterprises;
 - (c) workers who provide services frequently provided by domestic employees such as laundry, childcare and personal care, when the work is performed in the worker's own premises;

however, if the service is provided as part of a job in which the worker is engaged directly as an employee of the household the worker is classified as a domestic employee.

106. *Domestic workers employed by service providers* are employees of economic units such as agencies that provide domestic services to households. *Domestic service providers employed for profit* provide domestic services to private households as independent workers or dependent contractors.
107. Domestic employees may be identified in statistical collections when the economic activity of their employer is equivalent to ISIC Rev.4 Division 97, Activities of households as employers of domestic personnel. Other domestic workers may be identified in statistical collections if their occupation is one of those commonly held by domestic employees, and their main place of work is the client's residence. Analysis of these occupations by place of work may also allow the identification of other workers not considered to be domestic workers, but who perform services frequently provided by domestic workers (such as laundry, childcare and personal care) in settings such as their own home or workplace, or in the workplace of agencies providing such services.

Home-based workers

108. *Home-based workers* are workers whose main place of work is their own home. Among workers in employment, they may be employers, independent workers without employees, dependent contractors, employees or contributing family workers.

Multi-party work relationships

109. *Multi-party work relationships* exist when a third party is involved between a dependent worker and the enterprise for which the work is performed. Workers in this category may be employees of the third-party enterprise or they may be dependent contractors whose access to raw materials, clients or the market is controlled by the third party economic unit.
110. In the case of employees, multi-party arrangements are mediated by an enterprise that acts as the employer and makes the worker available, on a temporary or permanent basis, to work for another enterprise while paying the wage or salary of the employee.
111. Two main groups of employees with multi-party employment arrangements can be identified:
- (a) Labour hire employees.
 - (b) Employees providing outsourced services.
- In some countries, a third group may also be identified:
- (a) Workers in employment promotion schemes.
112. *Labour hire employees* are supplied by an agency to work for another enterprise under the supervision of the user enterprise. They are engaged by private employment agencies, such as labour hire agencies, temporary employment agencies, or other labour providers (labour brokers, labour outsourcing agencies, labour despatchers, labour subcontractors), that supply and pay the workers but are not generally involved in supervision of the work
113. *Employees providing outsourced services* are engaged as employees by one enterprise to provide, on a regular basis, a specific service that their employer has contracted to provide to another enterprise or to a household, usually under the partial supervision of the client. Their employers include but are not limited to service provision agencies such as nursing agencies, domestic or office cleaning service providers, security service providers and information technology services providers. The employing enterprise may supervise some elements of the work and establish standards of service, while the client may also provide day-to-day supervision over work performed.
114. *Workers in employment promotion schemes* are workers provided by a government agency and paid by that government agency to perform work for another economic unit as part of a government-funded employment promotion programme. Excluded from this group are Workers who are required to work as a condition of continued receipt of social benefits.
115. In all of these cases, the work is not mainly performed at the premises of the enterprise that pays the employee. The place of work is usually the premises of the client but may be some other place.
116. In the case of dependent contractors, multi-party work arrangements exist when an intermediary supplies raw materials and receives the goods produced by the dependent contractors, or else access

to clients or work is controlled by an intermediary, typically using the Internet. The dependent contractor may be paid directly by the client, or payment may be received only through an intermediary that benefits from the work performed.

Variables related to the measurement of informal employment relationships

117. Three variables related to the measurement of informal employment are required to understand the degree of social protection available to workers and the extent of economic risk to which they are exposed in the event of absence from work:
 - (a) job-dependent social protection;
 - (b) access to paid annual leave;
 - (c) access to paid sick leave.
118. These variables are useful to assess the impact of non-standard forms of employment on access to leave and social protection. They are relevant for the identification of informal employment among employees but are not sufficient for the comprehensive measurement of informal employment.

Job-dependent social protection

119. *Job-dependent social protection* provides information on whether the person is entitled to social protection as the result of employment in a particular job. It therefore excludes “universal” protection schemes that are not dependent on holding a job.
120. When measuring job-dependent social protection, the national context and labour laws should be taken into account. Measurement may be based on one or more specific forms of social protection (e.g., occupational injury insurance, old-age benefits, health insurance or unemployment insurance) depending on the national context.

Access to paid annual leave

121. *Access to paid annual leave* refers to the worker’s entitlement and ability to take paid time off granted by the employer or to be compensated for unused annual leave. The number of days granted by the employer may vary between countries but also within the same country (e.g. between different industries and occupations) depending on national labour laws and regulations. It is not sufficient to have a legal right to paid annual leave if the worker does not have access to it in practice.

Access to paid sick leave

122. *Access to paid sick leave* refers to the worker’s entitlement and ability to take paid leave from employment due to personal sickness or injury. The paid sick leave should be dependent on the worker’s job and therefore excludes schemes that are not related to having a particular job. The number of days for which the worker can receive payment during sickness or injury may vary between countries but also within the same country depending on national labour laws and regulations. It is not sufficient to have a legal right to paid sick leave if the worker does not have access to it in practice.

Data sources and guidelines for data collection

123. The standards for statistics on work relationships described in this resolution aim to allow statistics on different types of productive activity to be compiled in a harmonious and comparable manner from different types of data source. They define categories and variables for the presentation of statistical outputs on an internationally comparable basis. The exact questions and data collection methods used will depend on the data sources. To facilitate international comparability of the statistics, data on work relationships should be collected on the basis of the most recent relevant data collection and methodological guidelines released by the ILO.
124. The collection of data for ICSE-18 should follow the same frequency as the measurement of employment. The level of detail may vary depending on the statistical source, and on descriptive and

analytical needs. Compilation of statistics according to ICSaW-18, or subsets of it, will be dependent on the availability and frequency of collection of statistics on the different forms of work.

125. All sources that are used as the basis for statistics on employment are also potential sources when collecting the information required to compile statistics on the ten detailed categories in ICSE-18. Different statistical sources have their advantages as well as disadvantages and can frequently be complementary to each other.
126. Household and establishment-based surveys are important sources of labour market statistics. In particular, household-based collections such as labour force surveys will be critical sources of data for detailed statistics classified by ICSE-18.
127. Employment statistics may also be measured via other specialized household surveys such as those concerned with time-use, education and training, living standards, or household income and expenditure. In such cases it would be appropriate to include questions designed to determine status in employment with a degree of detail that is relevant for the analytical requirements for the statistics. The nature of the questions asked and the degree of detail would in such cases need to reflect the feasibility of data collection given the limitations of the particular data source.
128. Since the population census is an important source of statistics on employment, there may be a need to classify those employed by status in employment in the Census, in order to produce estimates for small geographic areas as well as for small groups. The need for a strict limit on the number of questions that can be included in most population censuses, however, would mean that a short question or module that collects the concept or concepts defined in this resolution but with less detail and less precision than in labour force surveys may be appropriate.
129. Since establishment surveys are an important source of statistics on employment, earnings, time paid for, labour costs and job vacancies, ICSE-18 should be applied when there is a need for information about different types of employment arrangements. The level of detail should reflect the national needs for the information, and the feasibility of collecting the information from establishments.
130. Administrative records, developed or adapted for statistical purposes, may also be an important input for the production of employment statistics. The administrative records could, for example, be based upon taxation systems, employment services, pension schemes or social security administration. If a country is using administrative records in order to produce employment statistics, then it might also be relevant to derive status in employment categories from these records. The possibilities to do so depend on the structure and content of the country-specific administrative sources.

Indicators

131. A set of indicators that serves the principal objectives of the statistics should be selected by countries for dissemination according to the relevant reporting periodicities, as recommended in paragraph 124. Indicators should be computed for the target group as a whole and disaggregated by sex, specified age groups (including separate categories for youth), level of educational attainment, geographic region, urban and rural areas, and other relevant characteristics taking account of the statistical precision of the estimates.
132. To reflect national circumstances, the set should comprise selected indicators from among those identified below to monitor labour market performance, the stability of employment relationships, exposure of the employed population to economic risk, and participation in non-standard forms of employment. The selected set could be complemented with additional indicators to meet national needs.
 - (a) Headcounts, usual hours worked, and rates calculated in relation to total employment of persons employed in the main job in the following groups:
 - (i) independent workers;
 - (ii) dependent workers;
 - (iii) workers in employment for profit;
 - (iv) workers in employment for pay;
 - (v) each of the aggregate categories (A to G) defined in ICSE-18-A and in ICSE-18-R;
 - (vi) the ten detailed categories specified in ICSE-18;

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- (b) headcounts and rates calculated in relation to total employment of persons employed in secondary jobs in the following groups:
 - (i) dependent contractors;
 - (ii) own-account workers in household market enterprises without employees;
 - (iii) fixed-term employees;
 - (iv) short-term and casual employees;
 - (c) the ratios of dependent contractors in the main job to employees and to independent workers without employees;
 - (d) sub-categories of employees as a share of all employees;
 - (e) the ratio of employees with non-permanent main job to total employees in main job;
 - (f) duration of work agreement for:
 - (i) fixed-term employees;
 - (ii) short-term and casual employees;
 - (g) the duration of employment in the current economic unit for all statuses in employment.
133. To provide information about the authority and levels of participation of men, women and young people in own-use production work the following indicators may be used:
- (a) headcounts, usual hours worked, and rates calculated in relation to the working age population and to all workers in own-use production of goods for the following categories in ICSaW-18:
 - (i) Employers in own-use production of goods.
 - (ii) Independent workers in own-use production of goods without employees.
 - (iii) Family helpers in own-use production of goods.
 - (b) headcounts, usual hours worked, and rates calculated in relation to the working age population for the following categories in ICSaW-18:
 - (i) Employers in own-use provision of services.
 - (ii) Independent workers in own-use provision of services without employees.
 - (iii) Family helpers in own-use provision of services.
134. To provide information about the levels of participation of youth and adult men and women in paid and unpaid trainee work the following indicators may be used:
- (a) Headcounts and usual hours worked for the following categories in ICSaW-18:
 - (i) Paid apprentices, trainees and interns.
 - (ii) Unpaid trainee workers.
 - (b) Ratios calculated for each of the above groups in relation to total employment and to all persons in paid and unpaid trainee work.
 - (c) For countries interested in analysing trainee workers overall, a combined indicator could be calculated as follows:

$$\frac{(\text{Paid apprentices, trainees and interns}) + (\text{Unpaid trainee workers})}{\text{Total number of persons in employment} + \text{unpaid trainee workers}} \times 100$$
135. To provide information about the levels of participation of youth and adult men and women in volunteer work, headcounts, actual hours worked, and rates calculated in relation to the working age population and to all persons in volunteer work for the following categories in ICSaW-18 may provide useful indicators:
- (a) Direct volunteers.
 - (b) Organization-based volunteers.

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136. To support analysis about multi-party employment arrangements, countries may find it useful to develop indicators on the levels of participation in multi-party employment arrangement headcounts, usual hours worked, and rates calculated in relation to total employment (or total employees) for the following groups:
- (a) Labour hire employees.
 - (b) Employees providing outsourced services.
 - (c) Workers in employment promotion schemes.

Future work

137. To promote the implementation of this resolution, the ILO should work collaboratively with countries, international, regional and sub-regional organizations, and representatives of workers' and employers' organizations to:
- (a) widely disseminate these standards and communicate on their impact and interpretation;
 - (b) update and maintain the draft data collection guidelines published as Room Document x to this conference in order to reflect this resolution as adopted and current international best practice and experience;
 - (c) develop technical manuals and model data collection instruments, to be made available in the three official languages, and in other languages with the support of partner institutions;
 - (d) further conduct conceptual and methodological work including pilot testing of the different elements of the standards for statistics on work relationships;
 - (e) provide technical assistance, training and capacity building to national statistical agencies, to relevant statistical services in line ministries, and to other relevant stakeholders including workers' and employers' representatives.
 - (f) undertake further conceptual and methodological development work on the measurement of workers whose employment is intermediated through Internet-based platforms or apps.