

REVISION OF THE INTERNATIONAL CLASSIFICATION OF STATUS IN EMPLOYMENT

A progress report*

Report prepared by the ILO Bureau of Statistics

The main issues concerning a possible revision and expansion of the International Classification of Status in Employment (ICSE) was outlined in a paper presented to the 1989 session of the UN Statistical Commission:

- (a) The ICSE lacks a clear conceptual basis, i.e. it is not clear what the categories of the classification are supposed to measure, making it difficult to fit non-standard forms of employment into the classification;
- (b) The borderlines between the main groups of employees, employers, own-account workers, unpaid family workers and members of producers' co-operatives are not clearly defined (partly as a consequence of (a));
- (c) The ICSE does not give sub-divisions of the main categories, which would make it possible (i) to distinguish between sub-groups within the main groups; and (ii) to create aggregate categories with dividing lines different from those of the ICSE. Users have indicated that both (i) and (ii) are serious limitations of the classification;
- (d) Any revised and expanded ICSE would probably become more complex to implement properly and in its entirety than the present one because (i) it would represent improved data quality by reducing the fuzziness of borderlines; and (ii) it would give more details.

The work which has been carried out since 1989 has mainly looked at issues (a) to (d), using the conceptual basis proposed in the previous paper as a basis for the work. The work with the ICSE is being co-ordinated with the work carried out by the ILO to develop guidelines for the measurement of employment in the informal sector and with related work in the revision of the SNA.

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Implementation issues

A revised and expanded ICSE (RE/ICSE) will probably have to be specified in two versions (or at two levels):

- (a) a summary version (SRE/ICSE) consisting of e.g. three to eight categories suitable for pre-coding in population censuses, large-scale household surveys and other surveys where status in employment (SE) is intended as a summary background variable only. The main difference from ICSE will be the possibility for providing enumerators and supervisors with better instructions on how to resolve borderline cases;
- (b) a more detailed version (DRE/ICSE) with possibly 20-30 different groups at the most detailed level (not all relevant for all countries) which will require responses to several precoded questions to be implemented, and which therefore in practice can only be expected to be used in surveys focusing on the SE variable as an important topic in itself, or which are concerned with particular groups defined by the DRE/ICSE. The DRE/ICSE will also provide the basis for instructions on how to resolve borderline cases when using the SRE/ICSE.

It is clear that with this strategy of two ICSE versions, the SRE/ICSE will have to rely on the respondents' subjective perception of their SE to a much larger extent than DRE/ICSE, and that this will lead to a certain amount of divergence in the classification of specific borderline-type jobs.

It can be expected that some population censuses or labour force surveys will be able to implement intermediate versions of the RE/ICSE, for example by combining SRE/ICSE responses with responses to other questions also included in the census/survey on their own merit, e.g. questions on travel to work.

Homeworkers

The classification problems related to "homeworkers" have been examined. Users have clearly indicated the need to distinguish between the "employee" working at her/his home (the "homeworker proper") and the "own-account" worker working from his/her home. Assuming that "own-account" workers have been distinguished from "employees", this can be seen as an example of the possibility of an intermediate RE/ICSE, as referred to above through the use of a question on travel to work or place of work to supplement the SRE/ICSE question. Such travel/place questions have been used in several national population censuses or labour force surveys. For a more detailed analysis of the group of "homeworkers", users have expressed a wish to distinguish between those who have to supply their own raw materials and those who do not - a distinction which obviously would require a separate question and a "lower level" in the RE/ICSE.

Further work

Before preparing a draft report on a possible RE/ICSE, further work will be undertaken on contractual forms related to the increased use in industrialised countries of sub-contracting to "self-employed" individuals and on the various tenancy and contractual systems found in the agricultural sector in developing countries.