

Classifications *Newsletter*

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Expert Group focuses on implementation of newly revised classifications

The Expert Group on International Economic and Social Classifications held its customary biennial meeting on 16-18 April 2007. This meeting, which was convened at United Nations Headquarters in New York, addressed a wide-ranging set of issues in the area of classifications. Coordination and collaboration among the classifications in the family remained a prime objective of the meeting, with custodians reporting on their accomplishments and sharing their plans regarding development and implementation of their classifications.

Detailed reporting was made on classifications revisions which were in progress, in particular, on the implementation of the International Standard Industrial Classification (ISIC) and the Central Product Classification (CPC) and the development of the International Standard Classification of Occupations (ISCO). The meeting also considered whether to undertake revisions to some other classifications, e.g. the Classification by Broad Economic Categories (BEC) and the Classifications of Expenditure According to Purpose.

Schedule for implementation of ISIC and CPC

In discussing the proposed global implementation programmes of the newly revised ISIC Rev. 4 and CPC Ver. 2, the Expert Group recommended that 2009 be the target date for adapting national classifications to these international standards. This would ensure that the revisions would be in place in time to be used in the 2010 round of national population censuses. It also recommended 2012 as the year when international data reporting on the basis of ISIC Rev. 4 should begin. Given the differing nature and organization of programmes and surveys across countries, it was considered impractical to set a target date for completion of intermediate goals such as the adaptation of business registers or use of the classification in individual surveys, as well as for the backcasting of statistical series.

Implementation tools

The Expert Group identified the correspondence table between ISIC Rev. 3.1 and ISIC Rev. 4 as the fundamental tool for assisting in the recoding of

business registers as well as for other adaptation activities. It therefore urged UNSD to publish a final version of the correspondence table as soon as possible.

Another tool that was recognized as important in the implementation process was the proposed Companion Guide to ISIC and CPC. An outline of this manual was presented to the Expert Group. The Expert Group agreed with the target date of December 2007 for finalization of a first draft of this Guide, recommending that those portions of the Guide which are germane to the adaptation of the classifications be given highest priority.

In the development of other implementation tools, such as the documentation for recoding of business registers and sampling design and estimation of weights, efficiencies are expected to accrue by using, as a starting point, implementation documents already developed by Eurostat. These will be vetted for applicability to the international context and modified accordingly.

Workshops and technical cooperation

Regional workshops will be mounted by UNSD as the first phase of implementation assistance to countries worldwide. The first such meetings are planned for 2007-2008, with a second round planned for 2008-2009. The latter will address the more specific issues of adaptation of business registers, statistical collection programmes and use of the classifications in administrative data.

Plans are for technical cooperation for the implementation to be organized within a matrix of regional partnerships, with USA, Canada and Mexico providing assistance to countries in the Economic Commission for Latin America and the Caribbean; Australia, Japan and India providing assistance to countries in the Economic Commission for Asia and the Pacific and the European Union providing assistance to countries in the Economic Commission for Africa, the Economic Commission for Europe and within the Economic Commission for Western Asia, for those countries where technical cooperation programmes already exist. UNSD will provide assistance to specific subregions, such as the Gulf Cooperation Council, that are not covered by the abovementioned groups. Initial assistance will be provided through an open discussion forum that will be developed.

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BEC

The BEC was discussed with a view to determining the need for expanding its scope and updating its structure and correspondences to other product classifications. As a precursor to any such updating, the Expert Group agreed that it was necessary to first identify the primary applications of the BEC and consequently the main characteristics of a possible BEC revision. Experts from France, India, the USA and Trinidad and Tobago have volunteered to undertake these initial activities.

ISCO

The Expert Group was informed of the progress made by ILO in updating ISCO. Details of this review are outlined in a separate article "Progress in the development of ISCO 08".

International Family of Health Classifications

The Expert Group discussed developments in the family of International Classifications for which the World Health Organization is custodian. In particular it was kept abreast of the mechanisms to be used in the revision of the International Statistical Classification of Diseases and Related Health Problems (ICD). The Expert Group confirmed the place of reference health classification standards within the International Family of Economic and Social Classifications and signalled its intent to review derived health classifications for potential inclusion in the wider family.

The Expert Group took note of the open web-based tools used in the ICD revision process and proposed that they be evaluated for their applicability to future classifications revisions including to the more immediate ISIC/CPC implementation process. The Expert Group will monitor the progress in the use of these tools.

Classifications of Expenditure According to Purpose

The Expert Group assessed the need for revision of the Classifications of Expenditure According to Purpose. It concluded that there is, at present, no need for revising these classifications. It noted that COICOP has an important application in the calculation of the Consumer Price Index. It recommended that existing extensions of COICOP, such as those used in the Household Budget Survey and the Harmonized Index of Consumer Prices for European countries should be made more widely available. Additionally, the link between COICOP and the CPC should be developed to take account of the latest version of CPC, CPC Ver. 2.

The Family of International Economic and Social Classifications

In focusing on the wider ambit of classifications within the Family, the Expert Group reviewed the documents which define membership and the role of custodians within the Family. It recommended that the designations of classifications within the Family: "reference", "derived" and "related" should be reviewed, especially with regard to Trade in Services.

The Expert Group also recommended examination of an extended set of classifications that cover specific subjects of sufficient international interest, which may not have been subjected to the rigorous approval process required of the classifications which are in the Family. This list of classifications will be monitored and amended over time and circulated to the Expert Group.

The Expert Group affirmed the need to retain the UN Classifications Website as the central portal from which classifications within the Family should be made accessible.

The documentation for the meeting can be found at <http://unstats.un.org/unsd/class/intercop/expertgroup/2007>

The Statistical Commission is kept current

The 38th session of the Statistical Commission was held at United Nations Headquarters, New York, from 27 February to 2 March 2007. This decision-making body, functioning at the apex of global statistical activities, considered its usual wide range of statistical matters including international economic and social classifications. The Commission was informed of proposals in the implementation plans for ISIC and CPC, including the development of a user guide and correspondence tables and the provision of technical assistance to countries. Documents of this session of the Statistical Commission are available on the UNSD website at <http://unstats.un.org/unsd/statcom/sc2007.htm>.

With regard to ISIC and CPC, the Commission requested that correspondence tables between the new versions of these classifications and prior versions be prepared as soon as possible. It also encouraged countries to share their experiences in implementation of the newly revised classifications, inviting countries with the appropriate expertise to offer implementation assistance to other countries, as India and Japan had done.

The Commission was also made aware of progress in the revision of ISCO. It approved the draft structure of the revised classification which had been submitted as a background document, as an appropriate standard for internationally comparable statistics.

The Commission took note of the process for formal approval of ISCO by the ILO Tripartite Meeting of Experts in Labour Statistics and the International Conference of Labour Statisticians and noted that the explanatory notes of the classification still need to be developed and finalized prior to these meetings.

The Commission requested the ILO to report on its further progress at its next session in 2008.

Progress in the development of ISCO 08

The work on updating the International Standard Classification of Occupations (ISCO-88) is now at an advanced stage. A close-to-final draft classification structure was made available for comment on the ILO Website in February 2007. An outline of the major differences between this draft and ISCO-88 is also available.

The updated classification will be known as ISCO-08 and is planned to be available by the end of 2007 and published in 2008. A Tripartite Meeting of Experts in Labour Statistics, to be convened in December 2007, will be asked to evaluate the draft classification and make recommendations concerning its adoption to the ILO Governing Body.

The ILO has established a Technical Expert Group for Updating ISCO (TEG/ISCO), to provide advice on and assistance with the work. This group met in Geneva in November 2005, July 2006 and December 2006, although much of its work is done using electronic communications. The group met for a fourth time in New York on 19 and 20 April 2007, immediately following the meeting of the UN Expert Group on International Economic and Social Classifications.

Following the inaugural meeting of TEG/ISCO, the ILO developed an updated classification structure which addressed most of the problems identified as a result of responses to the first questionnaire on updating ISCO-88, circulated in 2004. Detailed examination of this draft by the ILO and members of TEG/ISCO led to the identification of a number of further problems with ISCO-88 and to a series of further proposals for change.

These proposals were discussed at the second meeting of TEG/ISCO held in July 2006. The ILO then prepared an updated draft classification structure and sought the views of countries and relevant international agencies on this draft and on a range of outstanding issues through a second questionnaire.

The responses to the second questionnaire, received by the end of November 2006, were analysed and discussed at the meeting of TEG/ISCO held in December 2006. There is strong support for the changes proposed to ISCO-88, although some further work will be needed to resolve a number of issues of detail, particularly with respect to occupations in Information and Communications Technology. Further adjustments to the classification structure were made following this meeting and included in the draft released on the ILO Website in February 2007. This draft was provided as a background document for information at the 38th session of the UN Statistical Commission and was discussed at the meeting of the UN Expert Group, held in April 2007.

Some of the more significant proposed changes are listed below:

- reorganization of managerial occupations so as to overcome problems with the distinction between Corporate managers and General managers experienced by users of ISCO-88;
- a major updating and expansion of occupations associated with information and communications technology, allowing for the identification of professional and associate professional occupations in this field as sub-major groups at the second level of the classification;
- improved coverage and upgrading of health services occupations, providing sufficient detail to allow ISCO-08 to be used as the basis for the international reporting of data on the health work force to the World Health Organization;
- reorganization of the section of the classification dealing with office clerks, to reflect the increasing impact of information and communications technology on the organization of clerical work and provide more meaningful detail for occupations in which large numbers of women are employed;
- more detailed categories for some occupational groups involved in agriculture;
- more detailed categories for occupations involved in the provision of information and services to clients, including those related to tourism;
- rationalization and restructuring of groups for plant and machine operators in response to concerns that this part of ISCO-88 was excessively detailed and out-of-date in some areas; and

- extended coverage of occupations that are significant in the informal sector and an associated increase in the number of sub-major groups in ISCO Major Group 9, Elementary occupations.

At its April 2007 meeting, the UN Expert Group discussed the February 2007 draft classification structure. It confirmed that the structure that was presented in that draft was a suitable one and provided comments on a number of areas where changes had been proposed. The Expert Group also recognized that finalization of the draft would entail a significant amount of work.

Following the meeting of the Expert Group, the TEG/ISCO also met in April 2007 to discuss the work plan, the draft classification structure and future implementation plans for ISCO 08. It agreed detailed structural changes in the areas of Cultural Occupations, Health, Environmental and energy engineers and Supervisory occupations, among other categories.

Regarding the ISCO index, the TEG/ISCO held opinions similar to those proposed in an ILO paper on its purposes and uses and agreed with the proposals put forward for updating it. The TEG/ISCO endorsed a multi-faceted approach to implementation, as had been proposed by the ILO. This approach included: a recommendation for strategic collaboration between staff of occupation classifications and those of employment services and the use of forums such as meetings of the ICLS and regional conferences, as opportunities to raise awareness among decision-makers about the need to update national occupation classifications.

Planned future work

The ILO will prepare a final draft structure and explanatory notes during the third quarter of 2007, taking into consideration comments made on the draft circulated in February 2007, as well as responses to the second questionnaire received during 2007. Throughout 2007 the ILO will work closely with TEG/ISCO members to develop updated definitions of all the ISCO-88 classification categories that will be included in ISCO-08 and to complete work on definitions of those categories that will be new for ISCO-08. Work will also be undertaken to update the ISCO indexes.

Current plans to provide support for implementation of the updated ISCO, following its anticipated adoption at the end of 2007, include:

- publication of the classification in English, French and Spanish;
- preparation of manuals and training material on how to adapt ISCO-08 for use in national and regional settings;

- provision of training on a regional basis through a series of regional workshops;
- provision of technical assistance and advice directly to countries; and
- assistance with and review of correspondence tables between national classifications and ISCO-08. This work will need to take place during 2008 and 2009 in order to allow sufficient time for the updated ISCO, or national adaptations of it, to be used in the round of national population censuses to be conducted from 2010 onwards.

Further information on the draft classification and other ISCO versions can be found on the ISCO Website at <http://www.ilo.org/public/english/bureau/stat/isco/> or by contacting the ISCO team at isco@ilo.org.

Calendar of Meetings

Technical Subgroup Meeting

The next Meeting of the Technical Subgroup is tentatively scheduled for November 2007. This meeting will focus on finalization of the Companion Guide to ISIC and CPC which is being developed as one of the tools for implementation of ISIC Rev. 4 and CPC Ver. 2.

Editorial note

The Classifications Newsletter summarizes recent developments in the field of international classifications, announces upcoming events and draws attention to the availability of relevant classifications material in print and on the Internet. The Classifications Newsletter can be found at the United Nations Classifications Website <http://unstats.un.org/unsd/class> under “Newsletter”.

To receive the Classifications Newsletter by e-mail, you can sign up for our mailing list at <http://unstats.un.org/unsd/cr/regmaillist.asp> or select “Mailing list” from the menu at the Classifications Website. For further information please contact the Classifications Hotline:

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