



ICLS/20/2018/Room document 4

20th International Conference of Labour Statisticians
Geneva, 10-19 October 2018

Room Document*: **4**

Data collection guidelines for ICSE-18

* This room document has not been formally edited

Abstract

1. The aim of this paper is to outline how the data collection of the International Classification of Status in Employment 2018 (ICSE-18) can be structured. The exercise is important for assessing how the conceptual framework works in practice and to initiate a discussion of what recommendations that should be given to countries once ICSE-18 is to be implemented.
2. The data collection guidelines, as presented in this document, focuses on status in employment and does not at this stage address statuses referring to the different forms of unpaid work.
3. The guidelines are based on the latest draft of 20th ICLS resolution concerning statistics on work relationships (ILO, 2018a). This implies that the content will be adapted to the outcomes of the discussion at the 20th International Conference of Labour Statisticians (ICLS). In addition the guidelines will need to be continually updated, also after the 20th ICLS, to reflect the latest methodological work and countries gained experience.
4. The measurement approach for household surveys can be divided into three different steps that comprise different classification and sub-classification modules. The modular structure ensures a flexible approach that can be used in different statistical sources with different levels of detail and frequency depending on the national context and need.

First step

5. The first step builds upon the current widespread practice in household surveys of using one or two single questions for collecting status in employment as defined in the 15th ICLS resolution concerning the International Classification of Status in Employment (ICSE-93). However, this practice will not be sufficient to classify the status in employment as defined by ICSE-18. The first step should rather be viewed as a self-identified status in employment that is used to further filter the respondent to the relevant classification module. The self-identified status in employment should as a minimum capture self-identified self-employed, employees and contributing family workers.

Second step

6. Depending on the outcome of the question(s) in the first step, the respondent will be filtered to a classification module. The classification modules consist of questions that are based on the key characteristics that needs to be established for identifying the relevant 2nd level category. The classification module for self-identified self-employed will also identify the 3rd level category for independent workers due to an overlap in key characteristics for independent workers on the 2nd level and 3rd level categories.
7. The three different classification modules target respectively self-identified self-employed, employees and contributing family workers and will identify the following 2nd level and 3rd level categories:

Employers

- Employers in corporations
- Employers in household market enterprises

Independent workers without employees

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

Dependent contractors

- Dependent contractors

Employees

Contributing family workers

- Contributing family workers

Classification module for self-identified self-employed.

8. The classification module for those who identify themselves as self-employed measures three different key characteristics.
- i. Having employees on a regular basis
 - ii. Whether the enterprise is incorporated or not
 - iii. Operational and/or economic dependency on another economic unit that exercises control over the activities

Classification module for self-identified employees.

9. The classification module for those who identify themselves as employees measures two key characteristics.
- i. Forms of remuneration
 - ii. Responsibility for contribution to social insurances or deduction of income taxes
 - or
 - iii. Actual contribution to social insurance and place of work

Classification module for contributing family workers

10. The classification module for those who identify themselves as contributing family workers measures two key characteristics.
- i. Forms of remuneration
 - ii. Making the most important decisions about the enterprise

Third step

11. The third step aims at sub-classify those who have been defined as employees. The sub-classification module will enable a sub-classification of:

Employees

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

Sub-classification module for employees

12. The sub-classification module for employees consists of four key characteristics.
- i. Guaranteed minimum amount of hours
 - ii. Time-limited employment arrangement
 - iii. Reasons for limited duration of employment agreement
 - iv. The duration of the employment agreement

Testing

13. The data collection guidelines should be viewed as a set of dynamic guidelines that needs to be continuously updated to reflect the latest findings and experiences of measuring ICSE-18. Further testing on central aspects coordinated by International Labour Organization (ILO) or regional agencies together with the National Statistical Offices (NSO's) as well as collecting country practices and experiences will be necessary to continue to improve the guidelines. In addition it will be essential that countries conduct tests on a national level before implementing ICSE-18.

Statistical sources

14. Household surveys are an important source for labour market statistics and thereby also for collecting status in employment. The level of detail that should be collected in a household survey would depend on how

important the measurement of employment is in that specific survey. In a source like the Labour Force Survey (LFS), that focus on employment, a high degree of detail regarding status in employment is required which implies the measurement of both the 2nd and 3rd level categories. However, in a survey where employment is primarily a variable for contextualisation it could be sufficient to only collect the 2nd level categories or even less information (for example 2nd level categories but excluding dependent contractors) depending on the national needs. If dependent contractors are not identified, however, unknown numbers of them will be classified as employees or independent workers.

15. The population census can also be an important source for measuring employment. If employment is measured within a census then status in employment would also be relevant. However, due to that respondent burden is a particularly important issue in relation to censuses a short question or module that collects the same concept but with less detail and less precision may be an appropriate approach.
16. The measurement approach proposed for household surveys is not directly feasible in establishment surveys such as structural earnings surveys or labour cost surveys. Using a two-stage sample selection methodology, establishment surveys would allow the various ICSE-18 level categories to be measured at the detailed level by adding the various classification of interest directly to the survey questionnaire. This however would place additional provider burden on enterprises in reporting the data required due to the complex sample design and coverage required to achieve the output specifications.
17. Status in employment might to some extent also be relevant for administrative sources. Administrative sources based on for example tax systems, employment services, pension schemes or social security are used in some countries to measure employment. The possibility to create the categories of ICSE-18 would very much depend on the possibilities that lie within the specific administrative source in the specific country.

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Abbreviations

ICSE-18-A	The Classification of Status in Employment according to type of authority
ICSE-18-R	The Classification of Status in Employment according to type of economic risk
ICSaW-18	International Classification of Status at Work 2018
ICSE-93	International Classification of Status in Employment 1993
ICSE-18	International Classification of Status in Employment 2018
ICLS	International Conference of Labour Statisticians
ILO	International Labour Organization
LFS	Labour Force Survey
NSO	National Statistical Office

1 Introduction

18. The aim with these data collection guidelines is to outline how data classified according to the proposed International Classification of Status in Employment 2018 (ICSE-18) can be collected in statistical sources. This should be viewed as the beginning of the process and the discussion of what recommendations should be given to countries once ICSE-18 is to be implemented. These guidelines are limited to status in employment. The wider framework of the International Classification of Status at Work (ICSaW-18) is not addressed and needs to be part of future work.
19. The guidelines as described in this paper, are based on the latest version of the resolution. However, the development of the data collection guidelines is a dynamic process that is expected to continue beyond the 20th ICLS and an update will be necessary to reflect the outcomes of the discussion that will take place at the 20th ICLS. In addition the guidelines will need to continue to be updated after the 20th ICLS to reflect gained experiences from the continuation of the methodological work that can be expected to be undertaken by countries and ILO once the new standard has been adopted.
20. There is a strong need to conduct further tests to identify best practices and to gain more experience of how to best operationalize some of the aspects of ICSE-18. This is particularly important for the operationalization and measurement of dependent contractors but also highly relevant for aspects such as multiparty relationships, domestic workers and employees having a guaranteed minimum amount of hours. In general countries are encouraged to conduct further testing for contributing to the methodological work as well as carry out tests at the national level before implementing ICSE-18.

The document has the following structure:

21. Chapter 2: Identifies key characteristics that defines the status in employment when organized according to type of authority. The identified key characteristics can be used to operationalize the measurement of ICSE-18 in household surveys.
22. Chapter 3: Outlines the proposed measurement approach for household surveys. It explains the structure of the approach as well as how the key characteristics, identified in chapter 2, can be turned in to questions and organised in different modules for implementation in a household survey.
23. Chapter 4: Addresses the measurement of ICSE-18 when based on administrative sources and discusses possibilities as well as limitations of using administrative sources for the measurement of ICSE-18. The proposed approach, when using administrative sources, is based on ICSE-18 when organized according to type of economic risk.
24. Chapter 5: Outlines the proposed measurement approach for establishment surveys including the possibility of using a two-stage sampling for measuring ICSE-18 at its most detailed level.
25. Chapter 6: Describes how the proposed measurement approach fits within the current structure of LFS and other statistical sources such as other household surveys, census, establishment surveys and administrative sources.
26. Chapter 7: Provides recommendations for how the measurement of the cross-cutting variables can be structured in a household survey by identifying relevant clusters for implementation. It also includes an overview over the possibilities of deriving the variables based on administrative sources.
27. Annexes: Annex 1 includes examples on questions that can be used to collect ICSE-18. Annex 2 includes questions that can be used for collecting the cross-cutting variables. The questions are referenced in the paper and should be viewed as examples for inspiration rather than recommended questions as such.
28. It is important to stress that the work is by no means finished with this paper. Rather the paper should be viewed as the beginning of the process.

2 International Classification of status in employment (ICSE-18)

29. ICSE-18 comprises the statuses that refer to work relationships defined as employment. The boundaries of ICSE-18 are therefore set by the boundaries for employment as defined in the 19th ICLS resolution concerning statistics of work, employment and labour underutilization (ILO, 2013). The definition of employment is outside the scope of ICSE-18 (and these guidelines). Instead there is a presumption that the form of work has been correctly identified and defined and that the second step is to classify the employed person's job(s) by status in employment. However, it should be stressed that if the form of work is not correctly defined then per definition the work status in that form of work will also be wrongly classified. The category of contributing family workers is an example of this. Contributing family workers can indirectly benefit from the work by intra-household transfers but are not directly paid for the work carried out. It is therefore essential that unpaid contributing family workers are correctly classified as employed in the initial step to be able to classify their job in the category contributing family workers.
30. The different categories in status in employment can be organized along the two dimensions of type of economic risk and type of authority, which creates two different hierarchies. Both hierarchies are useful from a data collection point of view. The hierarchy based on type of authority, which creates a dichotomy between independent and dependent workers, would be a logical structure for an operationalization when the statistical source is a household survey and the hierarchy based on economic risk, which creates a dichotomy between employment for pay and employment for profit, would be more adapted as a structure for an operationalization when the information is collected by administrative sources.
31. The hierarchy based on type of authority is therefore used as a conceptual starting point for the identification of the key characteristics used to operationalize the measurement of ICSE-18 in a household survey. The use of the hierarchy based on type of economic risk is discussed in the chapter regarding using administrative sources for collecting ICSE-18. It should be stressed that both hierarchies can be created once all 3rd level categories have been collected so the choice of operational structure will not impact on the possibilities for creating both hierarchies, once data have been collected.

2.1 International Classification of status in employment according to type of authority

32. The classification of Status in Employment according to type of authority (ICSE-18-A) has five different 2nd level categories (A-E) and ten different 3rd level categories (11-51) as can be seen in box 1.

Box 1. 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

33. The five different categories at the second level: *employers*, *independent workers without employees*, *dependent contractors*, *employees* and *contributing family workers* can be used as a starting point for structuring the measurement of ICSE-18 in a household survey. To use this as a starting point would be natural since the categories at the third level are sub-categories to the 2nd level. For example, all *employees* (a 2nd level category) have certain characteristics that define this group. These characteristics are shared among all the sub-categories of employees at the 3rd level (*permanent employees*, *fixed-term employees*, *short-term and casual employees* and *paid apprentices, trainees and interns*). From an operational point of view this implies that once all employees are identified they can be further divided in the different sub-categories depending on further specific characteristics. This top-down approach creates a flexible system that allows a consistent approach at the 2nd level independently of whether the 3rd level categories are collected with a different frequency or if they are not collected at all.

2.2 Identification of key characteristics of the 2nd level categories in ICSE-18-A

34. The five different 2nd level categories in ICSE-18-A have different unique characteristics or key characteristics that can be used to create boundaries between the categories and by that operationally define them. The different key characteristics can be turned into questions to be integrated in a survey. The key-characteristics are thereby a bridge between the conceptual definition of a category and the measurement of that category.
35. **Employers:** are persons who operate their own business either on their own or in partnership with others in which they employ one or more persons on a regular basis (except themselves, their partner or a

contributing family worker). “On a regular basis” refers to having at least one employee in the reference period and at least two of the three weeks preceding the reference period.

36. **Independent workers without employees:** operate a business on their own or in partnership with others in which they do not employ any person other than themselves, their partner or a contributing family worker on a regular basis.
37. **Having employees:** is a key characteristic that separates *employers* from *independent workers without employees*. Both categories share the characteristics that they own and control the activities of the economic unit, however, *independent workers without employees* do not employ, while *employers* do. In both cases the economic unit may or may not be incorporated.
38. **Employees:** are workers who do not hold controlling ownership over the economic unit in which they are employed. They are typically paid for time worked but can also be paid for each task or piece of work done or for services provided including sales (by the piece or commission). They are not paid according to the terms of a commercial contract for the provision of goods or services.
39. The combination of the characteristics that employees do not hold controlling ownership over the economic unit in which they are employed and that they are paid in cash or kind for the volume of work that they perform is unique for employees. This combination of characteristics can't be found in the other four categories.
40. **Dependent contractors:** are workers employed for profit, who are dependent on another entity that exercises explicit or implicit control over their activities and directly benefits from the work performed by them. 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 or services produced, or access to raw materials or capital items.

By definition, dependent contractors:

- Do not have a contract of employment
- Are not paid for time worked
- Do not on a regular basis employ one or more persons as employees
- Do not operate an incorporated enterprise

41. **Incorporated/unincorporated:** *dependent contractors* by definition are not operators of incorporated enterprises. The distinction between incorporated and unincorporated is a legal distinction. An incorporated enterprise constitutes a legal entity in itself and an unincorporated enterprise is not a separate legal entity from the person(s) who owns and operates it.
42. **Operational and/or economic dependency on another economic unit that exercise control over the activities:** *dependent contractors* share characteristics with *own-account workers in household market enterprises without employees*. They are workers that operate their own unincorporated enterprise without employed persons. The unique difference in characteristics between *dependent contractors* and *own-account workers in household market enterprises without employees* is that *dependent contractors* are operationally and/or economically dependent on another entity that controls their activities. The following characteristics may be relevant for identifying the boundary between *dependent contractors* and *own-account workers in household market enterprises without employees*.
- 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 price paid for the goods produced or services provided is determined by the client or an intermediary
 - c) access to raw materials, equipment or capital items is controlled by the client or an intermediary
43. **Type of remuneration:** the situation of a *dependent contractor* can also be very similar to that of an *employee*, especially when looking at the actual working arrangements and conditions. A *dependent*

contractor could work exclusively for one business that is organising and supervising the work, in the same way as for an *employee*. However, the mode of payment can be used in order to identify a group of employees that per definition are not *dependent contractors*. An *employee* can receive a wage or a salary for time worked while a *dependent contractor* per definition are not paid for time worked.

44. **Responsibility for social insurances or income taxes:** another important distinction between *dependent contractors* and *employees* is that the *dependent contractor* does not have an agreement of employment, neither formal, informal nor implicit, instead they have a commercial agreement. This implies that *dependent contractors* are typically not legally entitled to paid leave, sick leave, or social insurances (depending on the national context) through the job. Instead *dependent contractors* are responsible to provide these types of insurances on their own. *Dependent contractors* are also responsible to declare their own job-related income and pay income taxes according to the national laws.
45. The similarities in characteristics between *dependent contractors* and *independent workers without employees*, and the similarities in actual working arrangements between *dependent contractors* and *employees* makes *dependent contractors* a category placed at the boundary between the two other categories.
46. **Contributing family workers:** are workers who assist a family member or a household member in the 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. *Contributing family workers* do not have the responsibility for the enterprise and do not make the most important decisions about it. They do not receive regular payments such as wage or salary but can benefit from intra-household transfers.
47. **Remuneration:** *contributing family workers* share the characteristic of not controlling the economic activities with *employees*, but unlike *employees* they do not receive regular payments such as wage or salary.
48. **Making decisions:** *contributing family workers* do not own or control the economic unit in which they work and do not make the most important decisions regarding the enterprise. A key characteristic that separates between *contributing family workers* and *independent workers* is the degree of authority to make decisions. *Contributing family workers* do not have the authority to make the most important decisions.

2.3 Identification of key characteristics of the 3rd level categories in ICSE-18-A

49. It is either possible to view the 3rd level categories as sub-categories to the 2nd level or to view the 2nd level categories as an aggregation of the 3rd level categories. However, the former approach would be more efficient in a survey because it reduces the respondent burden by limiting the number of questions to the respondents and ensure a flexible structure.

The 2nd level category **Employers** has two different 3rd level categories:

- *Employers in corporations*
- *Employers in household market enterprises.*

50. **Incorporated/unincorporated** : is the key characteristic that defines the two sub-categories of employers. *Employers in corporations* are workers who operate an incorporated enterprise while *employers in household market enterprises* operate an unincorporated enterprise.
51. The category **Independent workers without employees** has two different 3rd level categories:
 - *Owner-operators of corporations without employees*
 - *Own-account workers in household market enterprises without employees*
52. **Incorporated/unincorporated:** as in the case of employers the key characteristic that separates between the two sub-categories is whether the enterprise is incorporated or unincorporated. *Owner-operators of*

corporations without employees are own-account workers who operate an incorporated enterprise, while *own-account workers in household market enterprises without employees* operate an unincorporated enterprise.

53. **Dependent contractors:** does not have any sub-categories. The 3rd level category of dependent contractors is the same as the 2nd level.

Employees has four different 3rd level categories.

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

54. The different categories are built around four different key characteristics:

55. **Guaranteed minimum amount of hours:** relates to whether the employee is guaranteed a minimum set of hours per pay period. A guaranteed minimum amount of hours should not be understood in the terms of full time or part time employment, or in the terms of an employee that has shifting working hours during a certain period but to whether the employee is guaranteed a certain minimum numbers of contractual/agreed hours per pay period. To be guaranteed a minimum amount of hours is a characteristic for *permanent employees* and *fixed-term employees*. Employees that do not have such a guarantee e.g. employees with zero-hours contract, are per definition in the category *short-term and casual employees*.

56. **Time-limited employment arrangement:** is a key characteristic that defines whether there is a specific date or event (for example end of harvest, the completion of a project) on which the employment will be terminated¹. If such a date or event is specified, then the employment agreement is time-limited. *Permanent employees* have open-ended arrangements, while *fixed-term employees* and *short-term and casual employees*² have time-limited arrangements.

57. **Duration of employment arrangement:** captures the total length of the employment. Duration is one of the key characteristic that constitutes the boundary between *fixed-term employees* and *short-term and casual employees*. Employees with a total duration of 3 months or less constitute the second group in the sub-category *short-term and casual employees*. Employees with a duration of more than 3 months, are categorised as *fixed-term employees*³.

58. **Acquiring workplace experience and skills:** *paid apprentices, trainees and interns* is the fourth sub-category of employees. This category is characterised by the purpose of the activity being to acquire workplace experience, while producing goods and services for others. In doing so they also receive remuneration for these activities and the remuneration is typically lower compared to that of a non-trainee employee.

59. **Contributing family workers** do not have any sub-categories. The 3rd level category of contributing family workers is the same as the 2nd level.

¹ Standard age of retirement is not considered as an end date.

² Employees with no guaranteed minimum amount of hours and open-ended employment arrangement would still be defined as *short-term and casual employees*.

³ This is under the condition that they have a guaranteed minimum amount of working hours. If an employee does not have such a guarantee and have a time-limited contract with a duration of more than 3 months then the person should be categorised as *short-term and casual employees* due to the non-guaranteed amount of hours.

3 Approach for collecting ICSE-18 in household surveys.

60. It is essential that the data collection approach is flexible enough to allow an adaptation to different types of household surveys, while still ensuring harmonised data collection across surveys. In addition it is important to provide enough flexibility to enable countries to measure different categories with different frequency and to make it possible for countries to integrate categories that are of specific national interest. A modular three step approach would fulfil these criteria.
61. The first step builds on the widespread practice of using one single question to measure ICSE-93. However, the self-identified status in employment will not be sufficient to classify ICSE-18, not even at its first level. In addition it has been shown that self-identification alone may not always provide a sufficiently accurate distinction between the employers, own-account workers and employees as defined in ICSE-93 (Abraham, K. et al 2017 and Bonin, H. and U. Rinne, 2017). The outcome of the first step should therefore rather be viewed as *self-identified status in employment*.
62. The second step collects the information needed to either verify the initial status from the first step or re-classify the respondent to a correct category. The second step includes different sets of questions (classification modules) that establish the key characteristics necessary for creating the boundaries between the 2nd level categories: i.e. *employers, independent workers without employees, dependent contractors, employees and contributing family workers*. Due to an overlap in key characteristics between the 2nd and 3rd level categories for *employers* and *independent workers without employees* the classification modules will also identify the 3rd level categories for these groups.
63. The third step identifies the 3rd level categories for those defined as *employees*. The 3rd level classification is carried out by using a set of questions (called a sub-classification module) that measures the key characteristics that operationally defines the sub-categories of employees.

Table 1. Overview of the three different steps

1 st step: Self-identified status in employment	2 nd step: Classification modules	3 rd step: Sub-Classification module
<ul style="list-style-type: none"> -Self-employed -Employee -Contributing family workers -(Paid apprentices, trainees, interns) -Additional categories of national interests 	<p>Categorisation of:</p> <ul style="list-style-type: none"> -Employers <ul style="list-style-type: none"> -Employers in corporations -Employers in household market enterprises -Independent workers without employees <ul style="list-style-type: none"> -Owner-operators of corporations without employees -Own-account workers in household market enterprises without employees -Dependent contractors -Employees -Contributing family workers 	<p>Categorisation of:</p> <p><i>Sub-classification of employees</i></p> <ul style="list-style-type: none"> -Permanent employees -Fixed-term employees -Short-term and casual employees -Paid Apprentices, Trainees, interns

3.1 Self-identified Status in employment module

64. The aim with the module is to establish the status in employment as identified by the respondent or by the proxy respondent. The self-identified status in employment is then used actively in the questionnaire to either verify the self-identified status (in many cases this will be the result) or to establish that the self-identified status and the actual status are not the same. In the latter case the respondent would be re-classified. To start out with a self-identified status in employment creates a flexible structure that can be used by countries to develop their questionnaires based on the current structure of measuring ICSE-93.

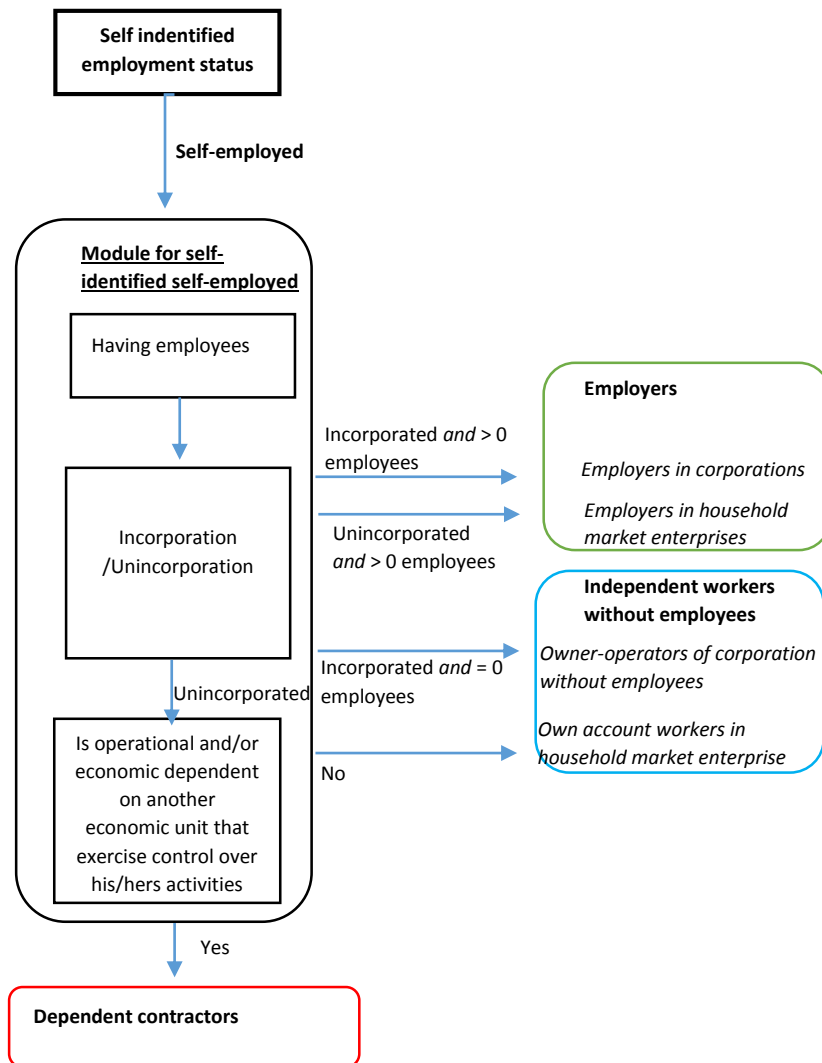
65. The focus of the module should be to create a respondent friendly question that is natural for the respondents and where the information can be used to filter the respondent further to a classification module. Taking this into account it could be argued that categories such as, *employee, self-employed, owner of a business, employer, contributing family worker* and *own account worker* (if the terminology is commonly used in the national context) do fulfil these two criteria. However, *dependent contractors* cannot be regarded as a respondent friendly category and should therefore not be part of the self-identified status in employment.
66. It is possible that there are certain sub-categories of dependent contractors in a given country that could be included as a direct category. However, this would require that the category per definition can be defined as dependent contractors without any further probing, otherwise it would be necessary to include a classification module for that specific response category to correctly classify the respondent. The same is valid for all additional categories that might be included in the self-identified status in employment question due to national interests
67. The self-identified status in employment module should as a minimum be able to identify the following categories:
- Employees
 - Self-employed
 - Contributing family workers
 - (Paid apprentices, trainees and interns)
68. There are numerous different ways in which the self-identified status in employment can be collected and countries should strive to create a respondent friendly approach built on their experience from measuring ICSE-93. Self-identified status in employment can be collected by asking one single question or by using multiple questions. Different wordings can be used depending on national language and context. For different examples of questions see Annex 1.1.
69. The different categories can be divided into sub-categories depending on the national context and need. For example the category of *self-employed* can be replaced by the two categories *own-account worker* and *employer*.
70. The category of *Paid apprentices, trainees and interns* is relevant to include when the sub-classification of employees is part of the data collection. The category would be redundant if the aim is to only identify the 2nd level categories and if there is no special interest in separately identifying paid apprentices, trainees and interns as a special sub-category of employees.
71. Independently of the exact version and formulation of the question(s) the self-identified status in employment will not be sufficient in order to classify ICSE-18 not even at its first level. Different classification modules are necessary in order to create the necessary boundaries between the different categories.

3.2 Classification module for self-identified self-employed

72. The classification module for self-identified self-employed classifies respondents that have identified themselves (or been identified by a proxy respondent) as self-employed into *employers, independent workers without employees* and *dependent contractors* by establishing three key characteristics. The module will also collect sufficient information for classifying the 3rd level sub-categories of *independent workers without employees* and *employers*.
73. The key characteristic that separates *employers* from *independent workers without employees* and *dependent contractors* is that *employers* employ at least one person (other than themselves, a partner or a family member) on a regular basis.

74. *The first step should include question(s) that identifies whether the self-identified self-employed have one or more employees in the reference period and at least two of the three weeks preceding the reference period. (See Annex 1.2.1 for examples.)*
75. Respondents that have identified themselves as being self-employed and do have employees are classified as *employers*. As can be seen in flowchart 1.
76. The next step in the module is to establish whether the enterprise is incorporated or not. This key characteristic excludes respondents from being classified as *dependent contractors* (that per definition do not operate an incorporated enterprise) and creates the sub-categories of *employers* and *independent workers without employees*. The question should therefore be asked of all respondents self-identified as *self-employed*. The question should include commonly used terms for the legal forms of incorporated enterprises 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, as well as their proxy respondents, will be well aware of the legal form of their business.
77. *The second step should include question(s) that identifies if the establishment is incorporated or not. (See Annex 1.2.2 for examples.)*
78. The last step in the module is to establish whether those who are owners of a business without employees in an unincorporated enterprise should be classified as *own-account workers in household market enterprises without employees* or *dependent contractors*. The key characteristic that distinguishes the two categories is whether they are operationally and/or economically dependent on another economic unit that exercises control over their activities. It is not yet given how this key-characteristic should be operationalized. Different types of operationalization have been tested and more tests are needed for establishing how to best operationalize this dimension (see room document 10 - Testing of proposals for a revised International Classification of Status in Employment, ILO, 2018b). The different operationalization that have been tested includes:
- If the client or intermediary determines the price for the goods or services produced.
 - If the client or intermediary provides the material input (access to raw materials, capital items or clients).
 - The work is organized or supervised by one main client
79. *The third step should include a question(s) identifying whether the self-identified self-employed in an unincorporated enterprise without employees are operationally and/or economically dependent on another economic unit that exercise control over their activities. (See Annex 1.2.3.1-1.2.3.5 for examples.)*
80. Respondents that have identified themselves as self-employed, have an unincorporated enterprise without employees and are operational and/or economic dependent on another economic unit are classified as *dependent contractors*. While respondents that have identified themselves as self-employed and have an unincorporated enterprise without employees but do not have that dependency are classified as *independent workers without employees*.
81. The module will also collect sufficient information for the classification of the 3rd level sub-categories *employers in corporations*, *employers in household market enterprises*, *owner-operators of corporations without employees* and *own-account workers in household market enterprises without employees* as can be seen in flowchart 1. The possibility to classify both the 2nd level and 3rd level categories with the same questions makes a sub-classification module for self-identified self-employed redundant.

Flowchart 1. 2nd and 3rd level outcome of the classification module for self-identified self-employed

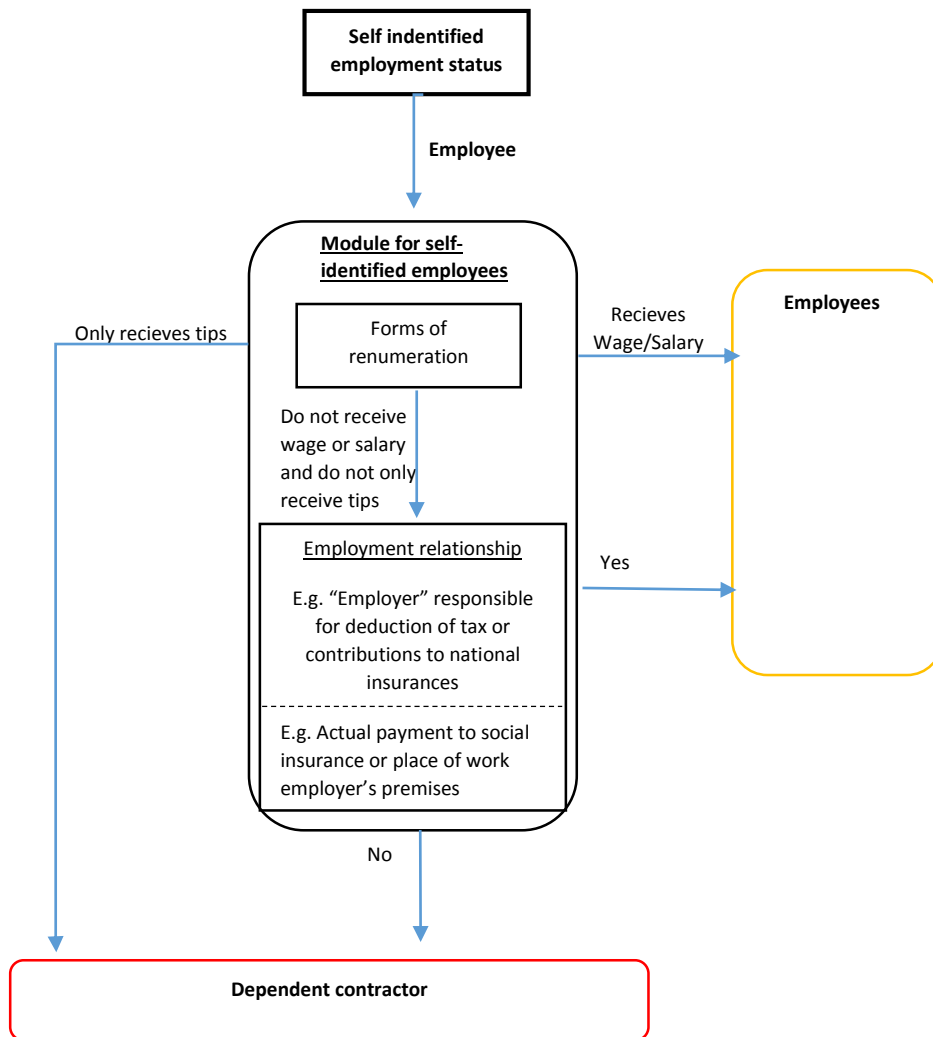


3.3 Classification module for self-identified employees

- 82. The classification module for self-identified employees creates a boundary between *employees* and *dependent contractors* and by doing so identifies *dependent contractors* among self-identified employees. The first key characteristic that defines the boundary between *employees* and *dependent contractors* is type of remuneration.
- 83. *The first step should include a question(s) that identifies the forms of remuneration received by the worker. (See Annex 1.3.1 for examples)*
- 84. Self-identified employees that do receive some wage or salary for time work are per definition *employees*. Their remuneration is based on time spent at work which confirms that their work relationship is an employment relationship and not a relationship based on a commercial contract/agreement, even if they also receive some other forms of remuneration
- 85. Self-identified employees that receive tips as the only form of remuneration are classified as *dependent contractors*. In this situation there is no employment relationship between the perceived “employer” and the respondent but a work relationship of commercial character.

86. For the remaining self-identified employees it is necessary to separately identify genuine employees who are paid other than for time worked (such as by the piece or commission only) from dependent contractors. The aim is to establish whether the relationship is an employment relationship (*employee*) or of a commercial character (*dependent contractor*). This distinction can be identified based on the key characteristic responsibility for social insurances or income taxes. Countries should therefore develop a question adapted to the national specific context that allows this distinction to be made.
87. *In many countries, the second step should include a question(s) that establishes if the respondent is responsible for declaring the earnings related to the job in order to pay income tax and/or contributions to social insurances (see Annex 1.3.2.1 for examples).*
88. If the employer is responsible for deduction of taxation or for contributing to social insurances then there is an acknowledged employment relationship and the respondent is classified as an *employee*. If this is a responsibility of the self-identified employee who is not paid for time worked, then the relationship is of commercial character and the respondent is classified as a *dependent contractor*, whether or not payments or contributions are actually made (See Flowchart 2).
89. The use of the key characteristic responsibility for social insurances or income taxes responsibility might be less meaningful in labour markets characterised by a high share of informal employment. In this situation the step can be substituted with a combination of actual contribution to social insurance by the employer and place of work. The impact and usefulness of this operationalization needs to be further tested, however.
90. *In these cases, the second step should include a question(s) that identifies whether the respondent's employer actually contributes to social insurances (see Annex 1.3.2.2 for examples).*
91. *The third step could include a question(s) that identifies the place of work (see Annex 1.3.2.2b for examples).*
92. If the “employer” does not contribute to social insurances, and the self-identified employee is not paid for time worked and does not work within the employers or client’s premises (i.e. outworker) then the respondent is classified as a *dependent contractor*. Otherwise he or she is classified as an employee (see flowchart 2.)

Flowchart 2. 2nd level outcome of the classification module for self-identified employees



3.4 Sub-Classification module for employees

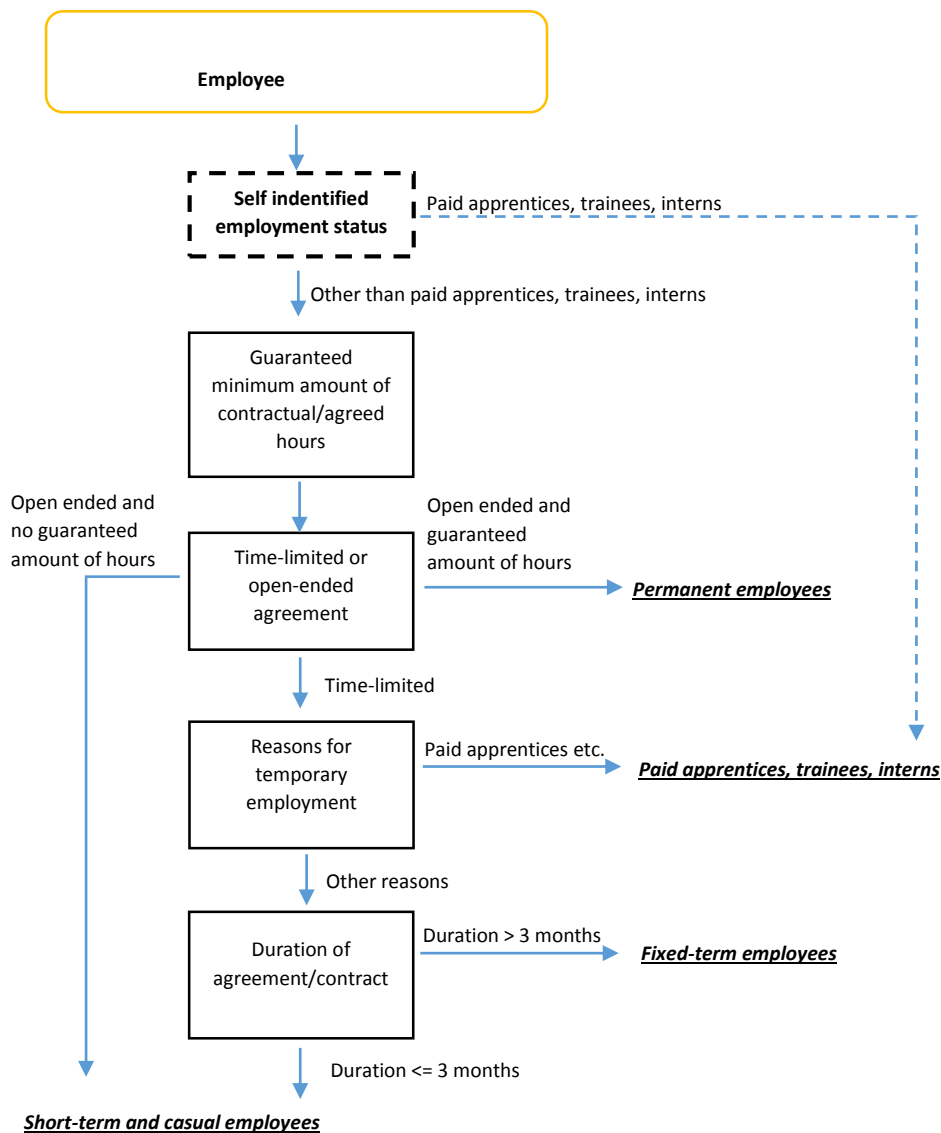
93. The sub-classification module for employees targets respondents that, based on the classification modules, are defined as being employees and categorise them in one out of the four following sub-categories of employees:
- Permanent employees
 - Fixed-term employees
 - Short-term and casual employees
 - Paid apprentices, trainees and interns
94. The sub-categories of employees relies on the identification of the following key characteristics; guaranteed minimum amount of hours, time-limited employment arrangement, reason for non-permanence of job and duration of employment arrangement.
95. *The first step is to establish whether the employee has a written or oral employment agreement. (See Annex 1.4.1 for examples).*

The information is not necessary for identifying the sub-category of the employee but is used for sequencing the questions. This is particularly relevant in countries where oral agreements are common or

when respondents perceives that there is no employment agreement for example due to that they are casual workers or day labours.

96. *The second step should include a question(s) identifying whether the employee has a guaranteed minimum amount of contractual/agreed hours or not. (See Annex 1.4.2 for examples).*
97. If the employee has an arrangement that provides employment for at least a certain number of hours per pay period then the employee does have a guaranteed minimum amount of contractual/agreed hours. If not then the employee has a no guaranteed minimum amount of hours and is defined in the sub-category *short-term and casual* employees, as can be seen in flowchart 3. The question can be integrated into a module measuring working time, in order to achieve a more natural context for the respondent. Countries that have national expressions that are commonly known by respondents and that reflects this key characteristic such as “zero-hours contracts” can use these expressions in the question.
98. *The second step includes a question(s) that identifies whether the employment agreement is time-limited or open-ended. (See Annex 1.4.3 for examples).*
99. If the employee has an open-ended employment arrangement and the employee is guaranteed a minimum amount of hours then the employee is defined as a *permanent employee*, as can be seen in flowchart 3.
100. *The third step includes a question(s) for the reason for non-permanence of the job. (See Annex 1.4.4 for examples).*
101. The question should as a minimum include the categories stated in the cross-cutting variable *reason for non-permanence of job*. If the reason is stated to be *trainee, apprenticeship or internship* then the respondent will be defined in the sub-category *paid apprentices, trainees and interns*. The sub-category *paid apprentices, trainees and interns* can also be identified by including this category directly in the self-identified status in employment question, as can be seen in flowchart 3.
102. *The fourth step includes a question(s) that measures the duration of the employment relationship. (See Annex 1.4.5 for examples).*
103. Employees with a time-limited employment arrangement with a duration of less than 3 months are defined as *short-term and casual employees* while employees with a time-limited employment arrangement with a duration of at least 3 months are defined as *fixed-term employees*, as can be seen in flow chart 3.
104. These four steps provide sufficient information to classify employees as respectively *permanent employees, fixed-term employees, short-term and casual employees* and *paid apprentices, trainees, interns* according to flowchart 3.

Flowchart 3. For 3rd level outcome of the sub-classification module for employees

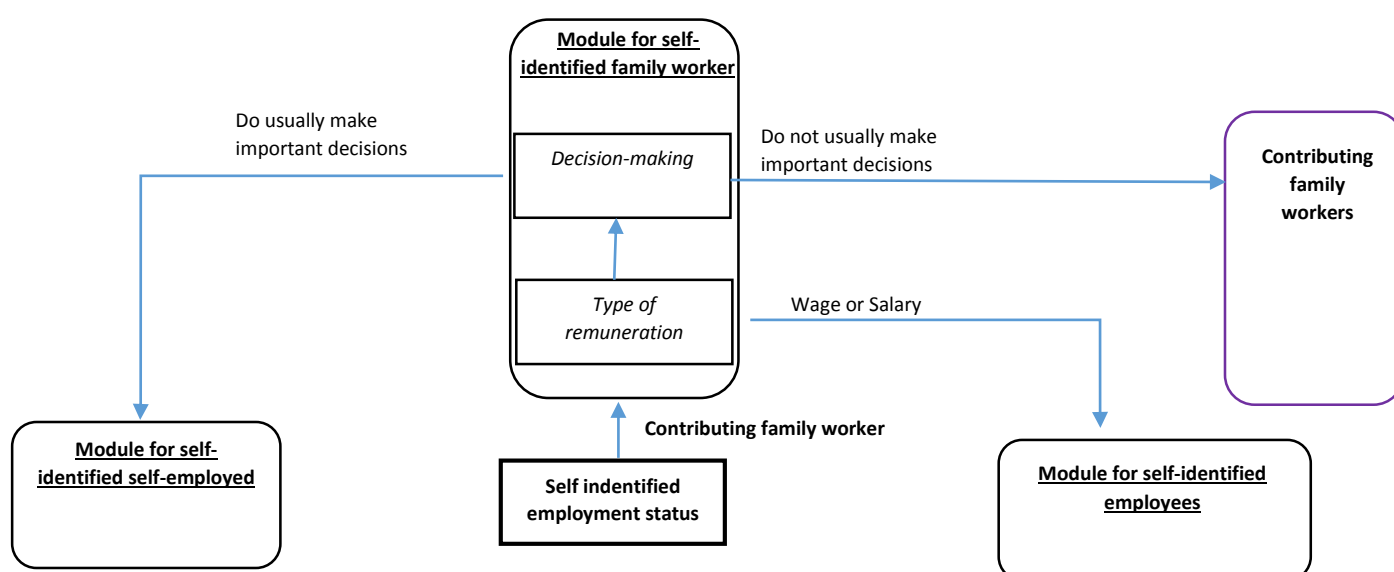


3.5 Classification module for self-identified contributing family workers

105. This module would be relevant for countries having a significant share of contributing family workers. For countries where this is not the situation contributing family workers can be defined on the basis of the self-identified status in employment question. The module establish boundaries between *contributing family workers* and *employees* as well as between *contributing family workers* and *independent workers* and *dependent contractors*. The boundary between *employees* and *contributing family workers* is established with the key characteristic of forms of remuneration while the boundary between *contributing family workers* and *independent workers* and *dependent contractors* is established by the key characteristic of decision making.
106. *The first step should include a question(s) that as a minimum verifies that they do not receive wage or salary (see Annex 1.5.1 for examples).*
107. A key characteristic for *contributing family workers* is that they are not paid a wage or salary for time worked. If a self-identified contributing family worker does receive wage or salary for time worked then the respondent is defined as an *employee* (see flowchart 4).

108. The second step should include a question(s) that establishes whether the respondent takes important decisions for the family business (see Annex 1.5.2 for examples)
109. If a self-identified contributing family worker does make important decisions, then the person is a co-operator and shares characteristics with other independent workers. The respondent is then filtered to the classification module for self-identified self-employed and would then, depending on the outcome, be defined as either, *employer*, *independent worker without employees* or *dependent contractor* (see flowchart 4).
110. The dimension of co-operators has been tested during the ILO-pilots which did identify a significant share of co-operators among contributing family workers. In the ILO-pilots three different options of operationalization were tested and it was concluded that making important decision was the best fitted operationalization (ILO, 2018c).

Flowchart 4. 2nd level outcome of the classification module for self-identified contributing family workers (with classification module)



3.6 Classification module for dependent contractors

111. There is no direct need for a classification module for dependent contractors. Such a need would arise if a country has included a category that targets dependent contractors (or a specific sub-category of dependent contractors) directly in the self-identification question. Otherwise dependent contractors will be classified based on the outcome of either the classification module for self-identified employees or classification module for self-identified self-employed.

Table 1. 2nd level outcome for classification of dependent contractor

Self-identified employment status	Receive wage/salary	Employment relationship (e.g. “employer” is <u>responsible</u> for insurance and income tax)	2nd level ICSE status
Employee	No	No	Dependent contractor

Self-identified employment status	Incorporated	Having employees	Is operationally and/or economically dependent on another economic unit that exercise control over his/her activities	2nd level ICSE status
Self-employed	No	No	Yes	Dependent contractor

Self-identified employment status*	Making important decisions	Incorporated	Having employees	Is operationally and/or economically dependent on another economic unit that exercise control over his/her activities	2nd level ICSE status
Contributing family worker	Yes	No	No	Yes	Dependent contractor

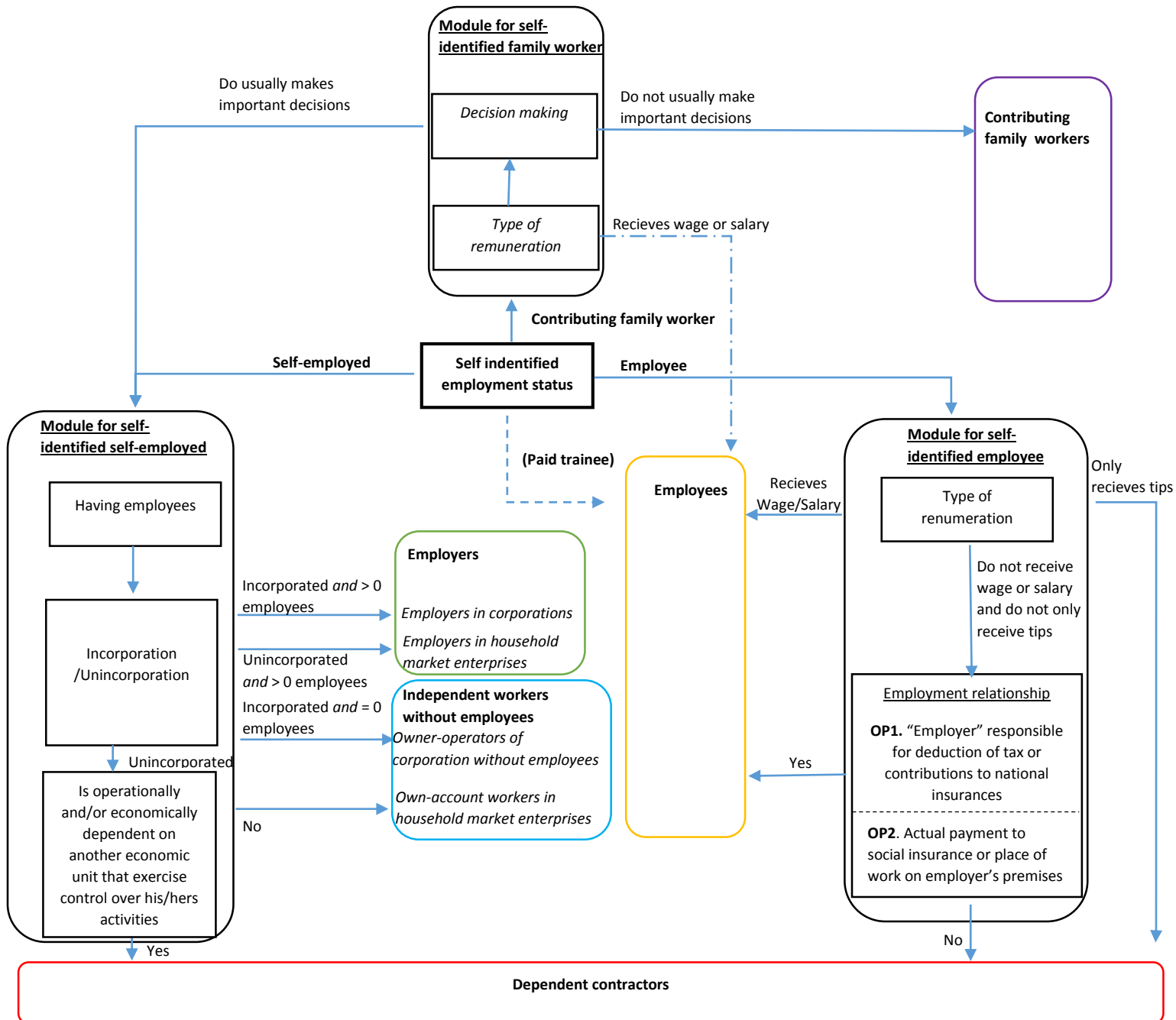
*The identification of dependent contractors among contributing family workers is only relevant if a country have the Classification module for self-identified contributing family workers

112. Dependent contractors do not have any 3rd level sub-categories so a sub-categorisation module for *dependent contractors* is redundant from the point of view of ICSE-18 categories. However, there might be a national need to further sub-classify dependent contractors in those that mainly provide their labour as input and those that have committed significant financial or material assets. This division could be done in a sub-classification module targeting *dependent contractors*.

3.7 Overall structure

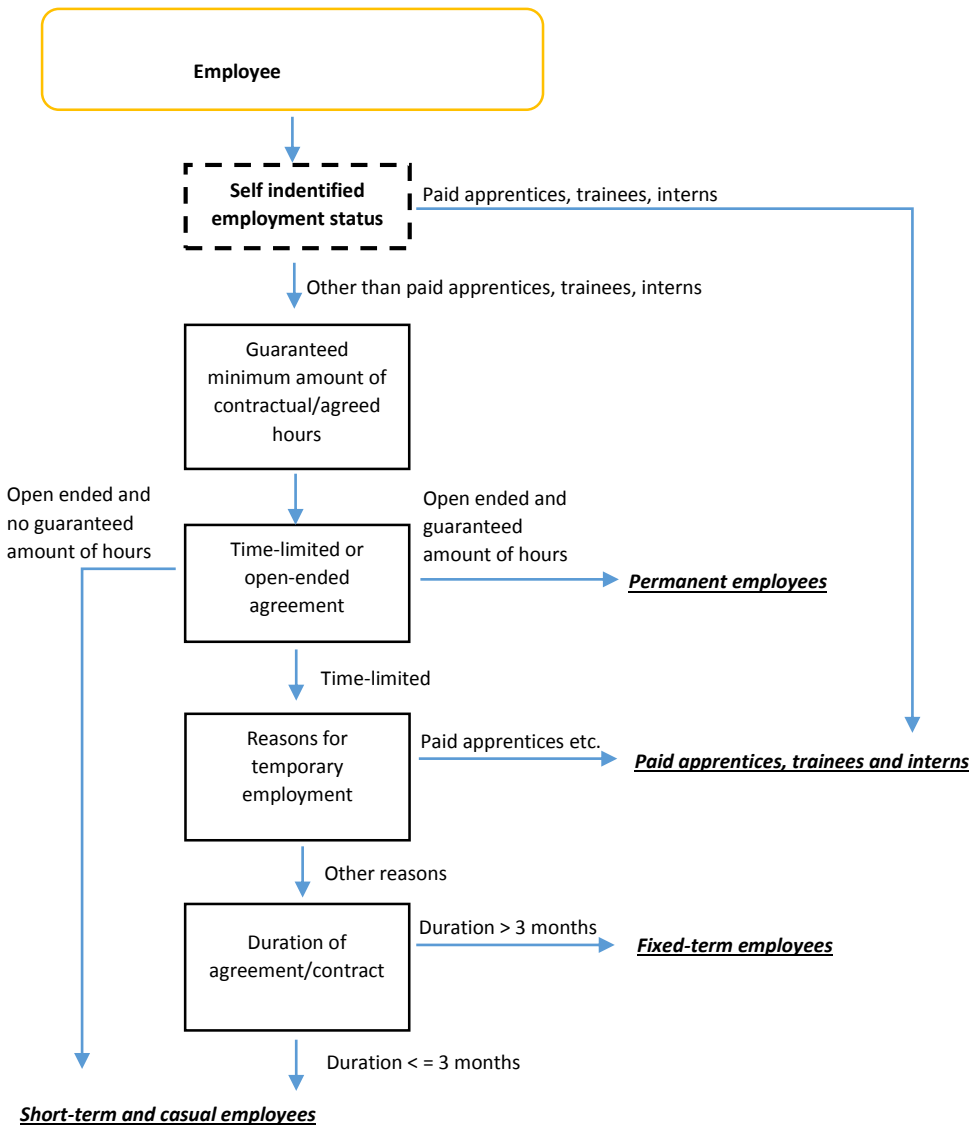
113. The structure of the self-identification module and the different classification modules that identifies the 2nd level categories: *employers, independent workers without employees, dependent contractors, contributing family workers, employees* and the 3rd level categories: *employers in corporations, employers in household market enterprise, owner-operators of corporation without employees and own-account workers in household market enterprise* can be seen in the following flowchart.

Flowchart 5 for self-identification module and classifications modules



The structure of the sub-classification module for employees that identifies the 3rd level sub-categories *permanent employees, fixed-term employees, short-term and casual employees* and *paid apprentices, trainees and interns* can be seen in the following flowchart.

Flowchart 6 for sub-classification module for employees.



4 Approach for collecting ICSE-18 using administrative sources

114. The Classification of Status in Employment according to type of economic risk (ICSE-18-R) is a conceptual framework that is more closely related to economic statistics (e.g. SNA) and business statistics than the structure based on type of authority. This classification can therefore be used as a bridge between economic/business statistics and labour market statistics, where relevant labour markets statistics can be fed into e.g. SNA.
115. Economic risk operationalized by remuneration, is information that can be accessible in administrative sources, which makes the hierarchy based on economic risk more aligned with the possibilities and restrictions that are inherent in the use of administrative data for deriving status in employment. It would also typically be possible to create an administrative based socio-economic classification that uses the structure of the hierarchy according to type of economic risk as a starting point and that takes the specific possibilities and limitations within the countries administrative sources in to account. This would enrich the possibilities of carrying out register based labour market analysis in general. Both ICSE-18-R and ICSE-18-A can be created if all 3rd level categories can be defined and collected within a source or by combining sources. This would typically not be possible when using administrative sources
116. ICSE-18-R creates a dichotomy between workers employed for profit and workers employed for pay. The two 1st level categories consists of five 2nd level categories and ten 3rd level categories as follows:

Box 2. Classification of Status in Employment according to type of economic risk (ISCE-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 – Short-term and casual employees

44 – Paid apprentices, trainees and interns

117. The 1st level category of **workers in employment for profit** has four different 3rd level categories:
- Employers in household market enterprises
 - Own-account workers in household market enterprises without employees
 - (Dependent contractors)
 - (Contributing family workers)
118. **Incorporated/Unincorporated:** *employers in household market enterprises* and *own-account workers in household market enterprises without employees* share the characteristics that they operate and control an unincorporated enterprise for profit. The identification of unincorporated enterprises could be made in administrative sources e.g. business register. Unregistered enterprises in the informal sector would not be identified, however.
119. **Having employees:** having regular employees is a key characteristic that creates the boundary between *employers in household market enterprises* and *own-account workers in household market enterprises without employees*. *Employers in household market enterprises* do have regular employees while *own-account workers in household market enterprises without employees* do not have regular employees. Information regarding the number of employees and for what period they worked, might be available in administrative sources e.g. business register and employment register.
120. **Type of remuneration:** *employers in household market enterprises* and *own-account workers in household market enterprises without employees* share the characteristic of receiving profit for their work. This information might be available in e.g. an income register or a tax register.
121. **Dependent contractors:** the key characteristic that separates *dependent contractors* from *own-account workers in household market enterprises without employees* is operational and/or economic dependency on another economic unit that exercise control over the activities. To find an operationalization that allows the identification of dependent contractors in administrative sources would be problematic. *Dependent contractors* would therefore typically not be identified but would be included in the category *own-account workers in household market enterprises without employees* due to similarities in key characteristics. This difference would however, not impact on the aggregated level of *workers in employment for profit*, since both categories of *own-account workers in household market enterprises without employees* and *dependent contractors* are workers for profit.
122. **Contributing family workers:** it would typically not be possible to identify this category using administrative sources. Contributing family workers are unpaid workers that might benefit from intra household transfers. These types of transfers would typically not be registered and the work of contributing family workers would therefore not be part of administrative sources. This would have an impact on the aggregated level of *workers employed for profit*.

The first level category of **workers in employment for pay** has two 2nd level categories:

- *Owner-operators of corporations*
 - *Employees*
123. **Own and control the enterprise:** *owner-operators of corporations* have the key-characteristic of holding controlling ownership of the enterprise either alone, or together with other members of their families and/or one or a few partners and have the authority to act on behalf of the enterprise or cooperative as regards contracts with other organizations and the hiring and dismissal of employees. *Employees* do not hold controlling ownership of the economic unit in which they are employed. Ownership over the economic unit could be part of an administrative source e.g. a business register or a register over owners and co-owners. However, it would be necessary to operationally define what the threshold should be for having “controlling” ownership.
124. **Incorporated/Unincorporated:** *owner-operators of corporations* operate and control an incorporated enterprise. The identification of incorporated enterprises could typically be identified in administrative sources e.g. business register.

125. **Forms of remuneration:** *owner-operators of corporations* and *employees* share the characteristic of receiving pay for their work. The pay would typically be in the form of wage or salary related to hours worked but could also be in the form of payment by the piece or commission for sales. This information might be available in e.g. an income register or a tax register. Both owner-operators of corporations and employees who hold shares in the corporation may also be remunerated in other forms such as dividends from profits. Some owner-operators of corporations may choose not to receive a wage or salary and only be remunerated in the form of dividends which needs to be taken into account.

Owner-operators of corporations have two 3rd level categories:

- I. *Employers in corporations*
- II. *Owner-operators of corporations without employees*

126. **Having employees:** having employees in the reference period is a key characteristic that creates the boundary between *employers in corporations* and *Owner-operators of corporations without employees*. The information regarding employees would typically be possible to identify in administrative sources e.g. business register, employment register. Owner-operators of corporations who are registered as employees of the corporation would need to be identified separately from employees, so that those owner-operators whose only employees are themselves are not classified as employers.

Employees have four different 3rd level categories:

- I. Permanent employees
- II. Fixed-term employees
- III. Short-term and casual employees
- IV. Paid apprentices, trainees and interns

127. The different key characteristics that create the boundaries between the three sub-categories of employees are all related to characteristics of the contract or agreement of employment. These aspects would typically not be possible to identify in administrative sources. Paid apprentices, trainees and interns might be possible to identify by using a combination of an education register, income register and business registers. The inability to define the sub-classification of employees would however, not impact on the aggregate number of employees.

128. With the exception of *dependent contractors*, *contributing family workers* and the sub-categories of employees it would be possible to measure and define the different statuses in employment using different administrative sources depending on the specific possibilities within the country. An overview over key characteristics that would be necessary to identify by using different administrative sources can be seen in table 2.

Table 2. Key-characteristics for deriving ICSE-18 when using administrative sources

Status in employment	Type of remuneration	Incorporated	Own and controls the enterprise	Having employees
Workers in employment for profit				
<i>Independent workers in household market enterprises</i>	Profit	No	Yes	-
Employers in household market enterprises	Profit	No	Yes	Yes
Own-account workers in household market enterprises without employees	Profit	No	Yes	No
<i>(Dependent contractors)</i>	-	-	-	-
<i>(Contributing family workers)</i>	-	-	-	-
Workers in employment for pay				
<i>Owner-operators of corporations</i>	Pay	Yes	Yes	-
Employers in corporations	Pay	Yes	Yes	Yes
Owner-operators of corporations without employees	Pay	Yes	Yes	No
<i>Employees</i>	Pay	NA	No	NA
<i>Permanent employees</i>	-	-	-	-
<i>Fixed-term employees</i>	-	-	-	-
<i>Casual and short-term employees</i>	-	-	-	-
<i>Paid apprentices, trainees and interns</i>				

Might be possible to identify by using education register and tax register/income register

5 Approach for collecting ICSE-18 using establishment surveys

129. Establishment surveys also provide an alternative method for providing information about the various aspects of the labour market, including statistics on employment and wages at a point in time. Although most of a country's total employed population may be covered by the enterprises included in the establishment surveys, in many countries such coverage may be insufficient. Establishment surveys generally tend to a) cover only enterprise above a certain size, or enterprise which are registered under the national legislation of a country; and b) cover only employees in these enterprise. Users need to be aware of sample design and coverage issues related to establishment surveys to help in interpreting the statistical outputs. For example, establishment surveys exclude households as employers, and national enterprises operating abroad. A few also exclude unincorporated enterprises and public sector institutions.
130. Establishment survey statistics are collected via a sample survey, which means data are collected from a selection of enterprises instead of all enterprises in a country. Depending on the sample design and coverage of the establishment survey in question, this influences what ICSE-18 categories can be measured. At the aggregate level, employment related information is usually an important output, as a consequence, establishment surveys tend to cover mainly the total payments made to employees (or the total wage bill) during the relevant reference period, as well as the total number of paid employees at a particular reference period.
131. Using a two-stage sample selection methodology, establishment surveys would allow either the ICSE-18 2nd or 3rd level category to be measured at the detailed level by adding the various classification of interest directly to the survey questionnaire and expanding the scope of the sample design as required (for example, including enterprises without employees). Using this method, information is collected from a sample of employers about characteristics of both the employers and their employees. This information will provide comprehensive statistics for various groups of employees. For example, can determine whether the enterprise is incorporated or not for the employer and independent workers without employees categories, by asking a specific question on the employer form type relating to if the enterprise is incorporated or not on the survey questionnaire. If the enterprise is incorporated then the *employers* and *independent workers without employees* would be classified as *employers in corporations* and *owner operators of corporations without employees* respectively. A question relating to if the employee is employed on a permanent, or fixed term, or short term or on a paid apprentices, trainees and interns basis can also be asked for analysis purposes using the second-stage sample methodology.

6 Data sources

132. The data collection of ICSE-18 can be carried out using different statistical sources. All sources that are used to collect data regarding employment are also potential sources when collecting the more detailed information on status in employment. Different statistical sources have their advantages as well as disadvantages and can be seen as complementary to each other. The inclusion or not of status in employment should be based on the national need to collect the information in that specific statistical source and the possibilities and limitations that are embedded in the statistical source in question.
133. Household-based surveys are an important source of labour market statistics. In particular, the Labour force survey is commonly used to measure employment. The advantage of the LFS is that it covers a lot of different aspects of the labour market in depth. The LFS therefore becomes a natural vehicle for measuring status in employment. The measurement of employment can also be part of general or multi-purpose household surveys, as well as specialized household surveys such as those concerned with living standards, household income and expenditure, household budget, time-use, education and training and child labour. If the measurement of employment is included in a general or a more specialised household survey, then it would be relevant to include status in employment as an explanatory variable.

134. In a source like the LFS that focuses on employment, a high degree of detail regarding status in employment is necessary, which would require the measurement of both the 2nd and 3rd level categories. However, in a survey where employment more has the characteristic of being an explanatory variable it could be sufficient to only collect the 2nd level categories or even less information (for example 2nd level categories but excluding dependent contractors).
135. The population census can also be an important source for measuring employment. If employment is measured within a census then status in employment would also be relevant. The advantage with a population census is that it makes it possible to produce estimates for small geographic areas as well as for small groups. A short question or module that collects the same concept but with less detail and less precision may be an appropriate solution in a population census.
136. Establishment surveys aim at covering the number and characteristics of the economic units. Employment is usually an important aspect covered by establishment surveys. However, establishment surveys do typically focus on employees and any further sub-categories of employees is unusual.
137. Administrative records, developed for statistical purposes, might also be an important input for the production of employment figures. The administrative records could for example be based on tax systems, employment services, pension schemes or social security registers. If a country is using administrative records in order to produce employment figures then it would be relevant to also define status in employment. The possibilities to do so would depend on the structure and content of the country specific administrative sources.

6.1 Labour force survey

138. Labour Force Surveys are in many countries the main source of labour market statistics for describing and monitoring the labour market. LFS covers a lot of different topics related to the labour market such as different forms of work, characteristics of the job, labour underutilization, characteristics of people outside the labour force to mention a few. Status in employment is essential in this context both as important information in itself but also as an explanatory variable.

6.1.1 Current practice

139. The 15th ICLS resolution concerning the International Classification of Status in Employment (ICSE-93) is typically collected in a straight forward way by simply asking one or two questions that capture the status in employment. The questions and categories used by countries are usually very closely linked to four out of the six different status in employment categories as specified in ICSE-93. The exact wording of the question(s) and the categories differ but the structure is mainly the same. Some countries do also add specific categories of national interest. An overview over the collection of ICSE-93 shows that out of 136 countries 80 countries use a question that has categories directly linked to ICSE-93. An additional 17 countries uses categories that are similar to the categories in ICSE-93 or/and have added categories of national interest.⁴
140. The initial question typically includes the categories *employee*, *unpaid family worker* or *contributing family worker*, *self-employed* or *employer* and *own account worker*. Few countries have also included *members of producers' cooperatives* or/and a category *other* which are the final two categories in ICSE-93.
141. Those countries that have the category *self-employed* in the initial question (and do not separate directly between *employer/own account worker*) typically have a second following up question in order to categorize the *self-employed* as either being *employers* or *own account workers*.
142. This type of structure can be exemplified by the following archetypical questions⁵:

⁴ Eberlein Friederike, Country Practices database 20-09-2016

⁵ Eberlein Friederike, Country Practices database 20-09-2016

A) The case when one question is deemed sufficient:

Do you work as?

- Employee
- Employer
- Own-account worker
- Unpaid family worker

B) The case when two questions are used:

Do you work as?

- Employee
- Self-employed
- Unpaid family worker

(If self-employed): Do you have employees?

- Yes
- No

143. Both examples are sufficient to identify the employed persons as respectively *employees*, *employers*, *own-account workers* and *contributing family workers* according to ICSE-93. However, the approach builds on the assumption that the respondents and the interviewers have a clear understanding of the different concepts, for example between employers and own-account workers. In many cases this will also be the situation however, there will always be cases on the borderline that are in risk of being misclassified due to that the respondents understanding of the concepts do not reflect the statistical definitions. Without validation questions this could lead to a misclassification.
144. There are some deviations from the approach of using one or two self-identification questions. Some countries uses questions such as ownership or whether the respondent works for someone else. However, the structure described above is clearly the dominating structure.

6.1.2 Other national categories of interest.

145. Some countries have included additional national categories that are of policy interest for the country. One such category that is relatively common is *Apprentices, trainees, interns*. This is a category of high policy interest and the importance of the group is recognised by ICSE-18 where paid apprentices, trainees, interns is a sub-category of employees. *Domestic worker* is another example of a relatively frequently used category that is of high policy interests.

6.2 Current practice in relation to the ICSE-18

146. The LFS is well suited to collect status in employment and the proposed measurement approach for household surveys would fit well into the structure of the LFS. The approach is built around a self-identification module, which for most countries is the current approach to identify the ICSE-93 status. It would therefore be relatively easy to integrate the approach in most LFS's. The different modules would in an LFS typically target the main job but could also be used in relation to secondary jobs. The level of detail collected regarding secondary jobs would dependent on the national needs. However, the classification modules would to some extent be required also for secondary jobs to allow a correct identification of the status in employment in secondary jobs.
147. The implementation of the classification and sub-classification modules would all in all increase respondent burden. However, the questions are highly relevant from a LFS perspective and would fit well into the LFS framework. The information needed for defining the ICSE-18 categories is also relevant labour market

information per se. Information regarding for example type of remuneration or incorporation are useful and relevant both from an analytical perspective and from a policy making perspective. The increase of burden would depend on to what extent some of the key characteristics are already covered in the national LFS.

6.2.1 Self-identified status in employment module.

148. The introduction of a self-identified status in employment module would in most cases not impact the design of the LFS questionnaires. As described above the most common practice is to measure status in employment with one single (or two) questions. This practice is also the starting point for the proposed measurement approach for surveys. The difference is that this practice is no longer sufficient in order to classify status in employment according to ICSE-18. The self-identified status in employment module should therefore rather be viewed as a starting point for the classification, which is used to filter the respondents to the relevant classification module. The changed aim with the question implies that the answer modalities should focus on being respondent friendly rather than trying to measure the ICSE categories per se.

6.2.2 Classifications and sub-classification modules

149. The classification modules are essential to define the 2nd level categories and would need to be implemented in the LFS. The implementation of the classification modules would for most countries result in an increase in the number of questions. Some of the questions such as whether the enterprise has employees or not and type of remuneration are already relatively common. However, other questions for example in relation to the identification of dependent contractors would be new questions to introduce for most countries.
150. The classification module for *contributing family workers* would mainly be relevant for those countries that have a high share of contributing family workers. For those countries it would be important to verify the self-identified status in order to improve the measurement of contributing family workers. This would imply an increased respondent burden for this group but it would at the same time improve the quality of the measurement.
151. The classification module for *employees* will increase the respondent burden. However, the target group, for the additional questions would be limited (i.e. self-identified employees without wage or salary). Forms of remuneration would be the only question that would be asked to all self-identified employees.
152. The sub-classification module for employees is based on the characteristics of the contract/agreement. This is an aspect that is usually already included in the LFS. Duration of contract and if the contract is open-ended or of limited time are already relatively common questions. The key characteristic of a guaranteed minimum amount of hours (zero-hours contract) would however, in most countries require the introduction of a new question.
153. In general the frequency of the measurement of the different classification and sub-classification modules is something that should be based on the national context and need. However, the 2nd level and 3rd level categories are essential labour market information and should be measured with some regularity for example quarterly or yearly in a continuous quarterly LFS. It would also be possible to measure the 2nd level and 3rd levels categories with different frequency. The 3rd level categories have a more structural nature and are typical less subject to short-term changes and could therefore be measured less frequently. In a quarterly LFS this could for example imply that the 2nd level categories could be collected quarterly while the 3rd level categories could be collected on a yearly basis. LFS's conducted with less frequent intervals (e.g. annually, biannually, sporadic) should include the different modules in every round.

6.3 Other sources

6.3.1 Other household surveys

154. General or multi-purpose household surveys, as well as specialized household surveys such as those concerned with living standards, household income and expenditure or household budget, time-use,

education and training and child labour can, and to some extent do, include the measurement of employment. If employment is included in a given survey then it might also be relevant to include the measurement of status in employment.

155. The level of detail that needs be collected would depend on whether the aim is to measure employment per se (for example in the absence of other labour market sources) or if employment is measured to be used as an explanatory variable. The first situation would require a more detailed data collection than the latter.

6.3.1.1 *Self-identified status in employment module.*

156. Those household surveys that do include measurement of status in employment typically do this by including one single question. This practice would still be possible within the described measurement approach, by including the module *self-identified status in employment module*. The inclusion of the module would enable a measurement of self-identified *employers, independent workers without employees, employees and contributing family workers*.

157. Due to *dependent contractors* the definition of the categories would not be in line with the 2nd level categories as defined in ICSE-18. The categorisation would instead solely rely on the self-identified status. Figures for *independent workers without employees* and for *employees* would thus be overestimated. But the difference might in reality be marginal depending on the size of the category *dependent contractors*. A degree of error to estimates of all the other categories would also be introduced, since the classification modules are also used to verify the validity of the initial self-identified responses. If status in employment is included with the aim of being an explanatory variable then the difference might be of less importance.

158. The difference between the self-identified status and the 2nd level categories in ICSE-18 could be measured and thereby explained and made visible for users. If the household survey in question is a continuous survey then the different classification modules could be included with less frequency in order to quantify the misclassification.

159. The difference could also be explained by creating ratios at a national level in a household survey (for example a LFS) that do include the necessary classification modules. The proportion of responses reclassified based on the classification modules could also be calculated. The ratios can then be applied to estimate the number of respondents that should have been classified as dependent contractors as well as in the other categories. This assumes that the question and categories are the same in both surveys. The limitation of such approach would be that whilst it explains the difference, and allows estimates to be produced for each status category, the adjustment cannot be made at unit level.

6.3.1.2 *Classification modules and sub-classification modules*

160. The inclusion or not of the classification modules and sub-classification module would depend on the national need for an identification of *dependent contractors* as well as the need for statistics on the sub-categories of employees. If the aim is to measure employment per se and to be able to classify the employed at a 3rd level categorisation then all classification modules and sub-classification modules would have to be implemented in the survey, however, if the aim is to categorise the 2nd level categories only (including *dependent contractors*) then it would be sufficient to only implement the classification modules. It would also be possible to only classify 3rd level categories of a specific group for example employees by only including the specific sub-classification module for employees.

161. To what extent the different modules should be implemented in a household survey that does not have labour market as its primary focus would ultimately depend on the specific national needs and the demand from users. The structure of the approach for the measurement of status in employment makes it possible to adjust the framework in order to meet the different needs.

6.3.2 Census

162. Introduction of new questions in a census creates a relatively large increase in respondent burden. Taking this into account it might be sufficient to only include the Self-identified status in employment module and by that include one single question similar to the examples in Annex 1.1 in order to minimize the respondent burden. This approach would allow the identification of *employers*, *independent workers without employees*, *employees* and *contributing family workers* based on the respondent's self-assessment. This would create less precision compared to when the classification modules are used but it could be sufficient for the purpose of the census. As described earlier *dependent contractors* would not be measured however, the effect of this could be estimated in a source that does include the classification modules. If more detailed information is required, then the 2nd level categories could be collected using a minimum number of questions.

6.3.3 Establishment surveys

163. Establishment surveys such as structural earnings surveys or labour cost surveys do include the measurement of employment⁶ with a focus on the number of jobs. Some specific statuses in employment are relevant, for example to quantify the aggregated number of employees by industry in the establishment. The information can be used to monitor employment and earnings trends and to assist in developing and reviewing earnings and labour market policies.
164. Establishment surveys are characterised by the information typically being collected from a person representing the economic unit. This method is reflected in the design of the questionnaire. The advantage with this method is that the person representing the economic unit is well positioned to answer technical questions regarding the employees of the economic unit. The disadvantage is that the inclusion of extra questions regarding the employees carries additional respondent burden for the economic unit. To ensure respondent burden is kept to a minimum, most, establishment based survey questionnaires have few questions when compared to household surveys.
165. The scope of establishment surveys is also a factor that impacts on the possibilities of measuring the ICSE-18 categories. It is a common practice to delimit the sample by only including establishments above a certain size, defined in terms of number of employees.⁷ Such a threshold would not allow the measurement of establishments without employees. Different approaches are taken, however, in surveys targeting informal sector establishments.
166. The measurement approach as described for the LFS and other household surveys would not be feasible in establishment surveys due to the differences in methods and survey design. Instead it would be necessary to include the possibility for the classification directly in the questionnaire.

6.3.4 Administrative sources

167. Administrative sources based on e.g. tax systems, employment services, pension schemes and social security administration are used in some countries to measure employment. An advantage with administrative sources is that they enable reliable breakdowns at a detailed level, which might be of great use for monitoring and analysing the labour market. At the same time administrative sources are typically not created for deriving labour market statistics but for administrative purposes. It might therefore be a challenge to transform the administrative sources to meet the international standards.
168. The possibility to create the ICSE-18 categories based on administrative sources would very much depend on the possibilities within the specific administrative sources in a given country. In most cases it would be necessary to combine several administrative sources in order to create coherent data that could be used to derive the different statuses in employment. It might also be necessary to deviate from the definitions in

⁶ Wieser Christina, 2011, Establishment Surveys That Measure Employment and Wages, 2011 ILO Survey of Country Practices

⁷ Wieser Christina, 2011, Establishment Surveys That Measure Employment and Wages, 2011 ILO Survey of Country Practices

ICSE-18. In these cases it would be important to be transparent with any deviations and to estimate their impact.

169. When using administrative sources there would be some limitations on the possibilities of deriving status in employment. It would typically not be possible to create a boundary between *dependent contractors* and *own-account workers in household market enterprises*. *Dependent contractors* would instead be within the category of *own-account workers in household market enterprises* due to similarities in key characteristics. The impact of this would differ depending on which hierarchy is used. In the hierarchy based on economic risk the 1st level categories of *workers in employment for profit* and *workers in employment for pay* would not be affected. *Dependent contractors* as well as *own-account workers in household market enterprises without employees* are both employed for profit.
170. In the classification of Status in Employment according to type of authority the problem with identifying *dependent contractors* in administrative sources would have an impact on the 1st level categories of *independent workers* and *dependent workers*. *Own-account workers in household market enterprises without employees* are defined as *independent workers* while *dependent contractors* are defined as *dependent workers*. It would therefore be problematic to create the exact dichotomy between *independent workers* and *dependent workers* based on administrative sources.
171. *Contributing family workers* can typically not be measured based on administrative sources, which would have an impact on the 1st level aggregates in both hierarchies. However, when comparing with e.g. household surveys that include *contributing family workers*, the category can be separately identified within the household survey and taken in to account when explaining differences in levels.
172. The sub-categories of *employees* would typically not be possible when using administrative sources because the sub-categories are based on contractual characteristics. The types of characteristics, (open-ended /time-limited contract, duration of contract and guaranteed amount of hours) would typically not be available information within administrative sources.

7 Collecting the cross-cutting variables

173. ICSE-18 are complemented by a set of cross-cutting variables to provide more detailed information on the characteristics of the work-relationship regarding e.g. stability, permanence and economic risk. The cross-cutting variables can be combined with different statuses in employment to construct relevant outputs on a national as well as an international level and by that providing a better understanding of the labour market. The definitions of the different cross-cutting variables as well as definitions of the output categories and explanatory notes referring to the variables and output categories, can be found in the Conceptual framework for statistics on work relationships. (ILO, 2018d).

Box 3. Cross-cutting variables

(a) **Required for ICSE-18:**

- Duration of work agreement
- Type of employment agreement
- Contractual hours of work
- Forms of remuneration

(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
- Place of work
- 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

Source: ILO, 2018d

174. There are three different types of cross-cutting variables: required, essential and recommended. The required cross-cutting variables provides information regarding the work relationship that is relevant information for analytical outputs as well as for measuring some of the key-characteristics needed for defining status in employment. The dual purpose of each variable, implies that the scope of the variables are broader than the strict need to measure a given key characteristic. For example, dependent contractors have the key-characteristic that they do not receive a wage or salary. For the purpose of identifying dependent contractors it would be enough to just establish the key characteristic of whether the self-identified employee receives a wage/salary or not, however, the cross-cutting variable *forms of*

remuneration goes beyond that and identifies all forms of remuneration that the employed person receives. *Forms of remuneration* is thereby part of the key-characteristic for identifying dependent contractors as well as a variable in its own right.

175. The dual purpose of the required cross-cutting variables also has an impact on the target groups for the variables. Some cross-cutting variables are only required to create a boundary between two specific statuses in employment. At the same time it might be relevant to expand the target group for the cross cutting variables to also include other statuses in employment so as to provide additional information for analytical purposes. For example duration of work agreement is required for identifying the sub-categories of employees, however, the variable might also provide relevant information regarding the duration of the agreement between dependent contractors and the entity of whom they are dependent. In order to collect this information the target group would need to be expanded to not only target employees but also dependent contractors. The relevance of some of the required cross-cutting variables might also go beyond persons in employment and include persons in the different forms of unpaid work which, however, is outside the scope of these guidelines and therefore not addressed.
176. The essential cross-cutting variables provide information required for the compilation of coherent labour market statistics. These variables contribute to a contextualisation of the work relationship and to the creation of essential national and international statistical output, but are not required for the derivation of the categories in ICSE-18. The essential cross-cutting variables should be measured with some regularity for all statuses in employment and are also to some extent relevant for statuses at work in unpaid forms of work. Some of the essential variables can be used for identifying dependent contractors however, this would depend on the specific measurement approach used for identifying dependent contractors.
177. The recommended cross-cutting variables can be used to provide statistical output on important characteristics of the work relationship that may be relevant in certain contexts only. These variables are not required for the definition of status in employment and status at work and the need for statistics about them at the international level is less strong compared to the essential variables.
178. The cross-cutting variables are described in the Conceptual framework for statistics on work relationships. (ILO, 2018d). This includes definitions as well as explanatory notes that are essential for data collection and which should be taken into account when designing the questions and for the development of explanatory notes, instructions to interviewers etc. at a national level. The following chapter is a complement to the Conceptual framework for statistics on work relationships and points at how these question can be integrated in a household survey including examples of questions that could be used. In addition it also discuss how the information can be collected based on administrative sources.

7.1 Cross-cutting variables in a household survey

179. The required variables are necessary for identifying the status in employment and are already integrated in the classification modules and the sub-classification module. This information will therefore be collected in relation to the classification of status in employment and no further questions are needed. The required cross-cutting variables are marked in red to indicate that they already have been addressed in the approach for measuring ICSE-18 as previous described.
180. Some of the cross-cutting variables can be asked in a sequence or in relation to each other and in some cases a cross cutting variable can be derived based on information collected from another variable. These links can be used to organise the cross-cutting variables in different clusters to allow for a more natural integration in a questionnaire. The cross-cutting variables within a cluster could be asked in sequence or in relation to each other, for example within the same module or section of a questionnaire.
181. It is important to stress however, that the different clusters should be viewed as an indication of a relationship between the variables. There might still be good reason for a country to include the variables within the same cluster in different parts of the questionnaire if this is deemed necessary to create a more efficient and respondent friendly flow. The exact placement and integration of the questions will in the end depend on the current structure of the specific questionnaire.

182. The different categories for each cross-cutting variable in the resolution should be regarded as output categories for international comparison and not necessary answer modalities. There might be a national need to use more detailed answer modalities or to add complementary answer modalities. It would be essential however, that the categories, as defined in the resolution, can be derived in order to ensure international comparability.

7.1.1 Cluster 1: Contract/agreement

183. This cluster relates to the characteristics of the employment agreement/contract. The questions, with the exception of seasonal work, are asked of respondents that have been defined as employees. The cluster includes the following variables:

- **Type of employment agreement** (Required)
- **Duration of work agreement** (Required)
- **Reasons for non-permanence of the job** (Essential)
- **Preference or not for a non-permanent job** (Essential)
- **Seasonal work** (Essential)

The cluster of questions could be placed in, or in relation to, the sub-classification module for employees. Duration of contract and reasons for non-permanent employment are already part of the sub-classification module for employees.

184. *Type of employment agreement, (Required)*: the variable can be measured with one question that is part of the sub-classification module for employees (See Annex1 1.4.1 for examples).
185. *Duration of work agreement, (Required)*: the duration of the work agreement would typically be measured using two different questions. The questions are part of the sub-classification module for employees. (See Annex1 1.4.3 and Annex1 1.4.5 for examples).
186. *Reasons for non-permanence of job (Essential)*: the variable can be measured with one question. (See Annex1 1.4.4 for examples). The question might be part of the identification of paid apprentices, trainees and interns in the sub-classification module for employees and can also be used for partly deriving the variable seasonal work.
187. *Preference or not for a non-permanent job (Essential)*: can be measured with one question that targets those that have a preference for a non-permanent job. (See Annex2 2. for examples).
188. *Seasonal work (Essential)*: the crosscutting variable targets all employed persons. For employees it can be derived from the question regarding *Reasons for non-permanence of the job*. Employees in temporary employment that states that the reason for the non-permanence is seasonal work can be coded as having seasonal work. For dependent contractors and independent workers an additional question would be required. (See Annex2 2.1 for examples).

7.1.2 Cluster 2: The economic unit

189. This cluster refers to the characteristics of the economic unit and targets all employed persons. The clusters include the following variables:

- **Duration of employment in the current economic unit (Essential)**
- **Number of employees in the economic unit (Recommended)**

190. The variables are relatively independent and the questions do not need to be integrated in a specific sequence or module. They could be included in relation to for example questions that ask about the economic unit (for example for defining the industry) or to the measurement of the key characteristic having employees, for self-perceived self-employed.

191. *Duration of employment in the current economic unit (Essential)*: the duration can be calculated as time elapsed since the respondent started working for a particular enterprise or started the business to the end of reference period or the date of the interview. (See Annex2 2.2 for examples). Alternatively the duration can be asked directly.

192. *Number of employees in the enterprise in which the worker is employed (Recommended)*: the information can be collected with one single question. (See Annex2 2.3 for examples).

7.1.3 Cluster 3: Remuneration

193. The cluster refers to remuneration. The variables target all employed persons. Forms of remuneration is a required variable for creating the boundary between employees and dependent contractors.

- **Forms of remuneration** (Required)
- **Main form of remuneration** (Recommended)

194. *Forms of remuneration (Required)*: is part of the classification module for employees. For non-employees it can either be measured by expanding the filter for the question in the classification module for employees or by adding an additional question targeting non-employees. (See Annex1 1.3.1 for examples)

195. *Main form of remuneration (Recommended)*: the information can be provided using a single question following the question measuring forms of remuneration (See Annex2 2.4 for examples).

7.1.4 Cluster 4: Working hours

196. The cluster includes the cross-cutting variables relating to working hours that with the exception of contractual hours target all employed. Contractual hours would mainly be relevant for employees.

- Contractual hours of work
- Hours usually worked
- Full-time/part-time status

The measurement of working time in a household survey is complex. It requires respondent friendly questions that takes absences, overtime, public holidays etc. into account while ensuring that the international standards as defined in the 18th ICLS resolution concerning the measurement of working time (ILO, 2013) are met. Typically, a sequence of questions needs to be asked which is outside the scope of these guidelines. ILO has undertaken a programme of pilot studies which, among other topics, assessed the impact of different approaches to the measurement of working time in employment. A report has been published which presents the findings and related recommendations, and model questionnaires and related tools are being developed based on these findings. (See Measuring Working time and Time-related underemployment in Labour Force Surveys: Main findings from the ILO LFS pilot studies, ILO, 2018e)

7.1.5 Cluster 5 Interlinks

197. The cluster includes variables that provide information regarding the relationship between the worker, the economic unit for which the work is performed and the client(s). The variables target all employed persons.

- **Type of workplace** (Essential)
- **Home-based workers** (Essential)
- **Multiparty relationships** (Essential)
- **Domestic workers** (Essential)

198. *Type of workplace (Required)*: provides information about the type of location where the work is usually performed. The information can also be used as input to derive information regarding home-based workers, domestic workers and be useful for the identification of multiparty relationships. It is a required variable for the identification of dependent contractors among self-perceived employees in countries using payment of social insurance combined with place of work as operationalization and would then be part of the

classification module for employees. The information can be collected by using one question (See Annex1 1.3.2.2.b for examples).

199. *Home-based workers (Essential)*: the variable can be derived from type of workplace and includes all employed persons working in their own home. The variable does not require any additional questions.
200. *Multi-party work relationships (Essential)*: there is a strong need to further explore how to measure multi-party work relationships in household surveys. Some data collection guidelines based on country practices can be provided for multiparty relationships among employees however, further testing are needed to identify best practices.
201. Multiparty relationships among employees include:

- a) Labour hire employees: (labour broker, labour hire agencies, temporary employment agencies) to carry out short term work at the clients business/homes. This type of multiparty relationship could be identified by a direct question asking about whether the employee are hired by an employment agency, or by adding categories to type of employment agreement. (See Annex2 2.5.1 for examples).
- b) Employees providing outsourced services: (nursing agencies, domestic or office cleaning, security service providers) to carry out long term work at the clients business/homes. This type of multiparty relationship could be identified by a direct question using expressions for service provision agencies (See Annex2 2.5.2 for examples).

Another approach for collecting information regarding groups a) and b) would be to identify these types of multiparty relationship using a single question that establish the source of the remuneration. If the payment to the employee is made by a temporary agency or a service provision agency then the employee can be defined as having a multiparty relationship. (See Annex2 2.5.3 for examples). This would require that the terms used in the question are understood by the broad population.

- c) Employees that participate in employment promotion programmes (partly) financed by government agencies. This group can be identified using reasons for non-permanence of the job. Employees that states the reason “employment promotion program” would be coded as being in a multiparty relationship.

The variable type of workplace can be used to reduce the respondent burden. Employees working at the employer’s workplace or site do not have a multiparty relationship and would thereby not require any further questions.

202. *Domestic workers (Essential)*: the variable targets all employed persons. Two different approaches can be applied to collect this information.

- a) **Direct question approach**: the information is collected by including a set of questions targeting those where the place of work is employers/clients home. The aim with the question is to establish whether the person is either an employee of the household providing services to the household or is providing domestic services for a household in some other type of work relationship (See Annex2 2.6). The impact of using direct questions needs to be further tested and explored.
- b) **Industry based approach**: domestic workers are identified by deriving the information from the industry, occupation and type of workplace. 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”⁸. Other domestic workers can be

⁸ In most countries data on employment classified at 1-digit level to ISIC Rev 4. Section T, or to its equivalent in ISIC revisions 3 and 3.1, Section P, will be sufficient to uniquely identify domestic employees.

identified based on occupation and place of work. Domestic workers employed by agencies are identified by a combination of industry, place of work 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 periodically.

203. Independently of the method used for identifying domestic workers the information once collected/derived can be combined with information regarding multi-party relationship, status in employment and place of residence in order to derive the different sub-categories of domestic workers. See table 3.

Table 3: Sub-categories of domestic workers.

Status in employment	Multiparty relationship	Place of residence	Domestic work category
Employee	No	Same as employer	Live-in domestic employees
		Other than employer	Live-out domestic employees
	Yes	NA	Domestic workers employed by service providers
Non-employee	NA	NA	Domestic Service providers non-employees

7.1.6 Cluster 6 Social protection

204. The cluster relates to the social protection of the worker and the degree of economic risk to which they are exposed in case of absence from work. The variables might be relevant when measuring informal employment among employees and for creating a boundary between employees and dependent contractors when using job-dependent social protection and place of work as operationalization.

- [Job-dependent social protection](#) (Essential)
- [Access to paid annual leave](#) (Essential)
- [Access to paid sick leave](#) (Essential)

205. *Job-dependent social protection (Essential)*: the variable targets employees but can be extended to other statuses in employment depending on the national context. The information can be provided by using one single question. (See Annex1 1.3.2.2 for examples). It is essential to adjust the question to national contexts and that it should refer to a specific social insurance scheme e.g. contribution to pension fund, unemployment insurance, health insurance or occupational injury insurance. The exact choice will depend on national context and labour laws/rights.

206. *Access to paid annual leave (Essential)*: the variable can be collected with one single question that targets employees. The question can be sequenced in relation to job-dependent social protection but can also be placed separately. The formulation of the question should reflect that it is not sufficient to have a legal right to paid annual leave if the worker does not have access in practice. The right to compensation of unused leave can be regarded as having access to paid annual leave depending on national context. (See Annex2, 2.7 for examples). The number of paid days is not relevant for the cross-cutting variable but can be collected as secondary information if needed.

207. *Access to paid sick leave (Essential)*: the variable can be collected with one single question that targets employees. The question can be sequenced in relation to access to paid annual leave. The formulation of the question should reflect that it is not sufficient to have a legal right to paid sick leave if the worker do not have access in practice. (See Annex1. 2.8 for examples). The number of paid sick days is not relevant for the cross-cutting variable but can be collected as secondary information if needed.

7.2 Cross-cutting variables in administrative sources

208. The possibilities to create the cross-cutting variables based on administrative sources would to a large extent depend on the feasibility of the specific administrative sources in the given country. Some of the variables might be derived with a high level of precision when based on administrative sources (e.g. number of employees in the economic unit) while others would be difficult to derive e.g. reasons for non-permanent employment.
209. The cluster approach used as a structure for the description of how the cross-cutting variables can be collected in a household survey is also useful for a discussion of how it can be collected by using administrative sources. The different variables within a cluster are to a certain degree linked with each other and would in some cases require the use of similar administrative sources.

7.2.1 Cluster 1: Contract/agreement

210. Administrative sources would typically not provide the information needed for deriving the variables in the cluster.
- **Type of employment agreement** (Required)
 - **Duration of employment agreement** (Required)
 - **Reasons for non-permanence of job** (Essential)
 - **Preference or not for a non-permanent job** (Essential)
 - **Seasonal work** (Essential)

7.2.2 Cluster 2: The economic unit

211. The cluster of variables refers to the characteristics of the economic unit. The variables target all employed persons. The clusters include the following variables:
- **Duration of employment in the current economic unit** (Essential)
 - **Number of employees in the economic unit** (Recommended)
212. Information regarding characteristics of the economic unit can typically be provided by administrative resources. *Duration of employment in the current economic unit* can be identified for independent workers by using e.g. a business register and for employees by using e.g. an employment register. *Number of employees in the economic unit* would be information that is usually part of a business register.

7.2.3 Cluster 3: Remuneration

213. The cluster contains the cross-cutting variables relating to remuneration. The variables target all employed persons.
- **Form of remuneration** (Required)
 - **Main form of remuneration** (Recommended)
214. It would typically be possible to identify whether the remuneration is for time worked (wage or salary) or for profit by using information from for example an income register or tax register. The division between paid by piece, commission, fee for service, tips from clients would typically not be possible. Instead these forms of remuneration would be regarded as either wage/salary or for profit.

7.2.4 Cluster 4: Working hours

215. The cluster includes the cross-cutting variables relating to working hours and with the exception of contractual hours targets all employed persons. Contractual hours would mainly be relevant for employees.
- Number of contractual hours
 - Number of usual hours

- Halftime/full time

216. Working hours, when based on administrative sources, would typically only cover paid working hours for employees. This information could be provided from for example an employment register, income register or tax register. Paid working hours could be used to derive usual paid hours (e.g. the average over a period of time where no absences of work have occurred such as holidays, leaves, strikes etc.) and to define whether the employment relationship is part time or full time.

7.2.5 Cluster 5 Interlinks

217. The cluster includes variables that provides information regarding the relationship between the worker, the economic unit for which the work is performed and the client(s).

- Type of workplace (Essential)
- Home-based workers (Essential)
- Multiparty relationships (Essential)
- Domestic workers (Essential)

218. *Type of workplace* and *home-based workers* would typically not be possible to identify based on administrative source.

219. *Multiparty relationships* among employees could to some extent be identified using administrative sources.

- a) Labour hire employees: (labour broker, labour hire agencies, temporary employment agencies) to carry out short term work at the clients business/homes. The group can be identified in specialised administrative records targeting employment agencies or under some circumstances in more general sources such as a business registers.
- b) Employees providing outsourced services: (nursing agencies, domestic or office cleaning, security service providers) to carry out long term work at the clients business/homes. The group would typically not be possible to identify by using administrative sources.
- c) Employees that participate in employment promotion programmes (partly) financed by government agencies. The group can be identified in administrative sources covering social benefits and/or employment creation programs.

220. *Domestic workers* among employees could to some extent be derived by using administrative sources. The sub-group of *domestic employees of households* could be identified when the economic activity of their employer is equivalent to ISIC Rev.4 Division 97, activities of households as employers of domestic personnel. Due to the high incidence of informal employment of domestic employees in many countries, however, it is likely that data derived from administrative records may significantly underestimate the total number of domestic employees. The other two sub-groups of domestic employees would be more problematic to identify in administrative sources due to the problem of identifying place of work.

7.2.6 Cluster 6 Social protection

221. The cluster includes variables that relate to the social protection of the worker and the degree of economic risk to which the worker is exposed in case of absence from work.

- Job-dependent social protection (Essential)
- Access to paid annual leave (Essential)
- Access to paid sick leave (Essential)

222. The usefulness of providing the information with administrative sources would be limited. Administrative sources do not capture informal employment and hence cannot provide additional information regarding access to social protection other than what can be derived based on status in employment and the legal framework in the specific country.

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9 Annex 1

1.1 Self-identified status in employment module

Examples of questions that could be used in order to collect the self-identified status in employment

Do you work...?⁹

- 1) *In your own business activity*
- 2) *In a business operated by a household or family member*
- 3) *As an employee for someone else*
- 4) *As an apprentice, trainee, intern*
- 5) *Additional categories of specific interests*

Comment: The wording creates a question that is slightly more objective compared to other versions.

Do you work as an:

- 1) *Employee*
- 2) *Self Employed*
- 3) *Unpaid family Worker*
- 4) *Paid apprentice, intern*
- 5) *Additional categories of specific interests*

Comment: The question can be viewed as an example that contains a minimum set of answer modalities with the addition of *Paid apprentice, intern* which would only be relevant if a sub-categorisation of employees is carried out.

Do you work in your own business?

- 1) *Yes*
- 2) *No*

(If no)

Do you work as an employee for someone else?

- 1) *Yes*
- 2) *No*

(If no)

Do you work as a family worker?

- 1) *Yes*
- 2) *No*

(If no)

Do you work as a paid apprentice, intern?

- 1) *Yes*
- 2) *No*

⁹ Based on; ILO, Model questionnaire CAPI: Main job part 1

Comment: To use separate questions might create a clearer structure, which have some advantages. The disadvantage is that the respondent are not necessary aware of all the different possible statuses when answering and a situation where the respondent answers no to all question would need to be addressed.

1.2 Classification module for self-identified owners of businesses/self-employed

1.2.1 Key characteristic: *Having employees*

Examples of questions that measures the key characteristic of having employees.

Did you have any employees in the week of XXXX to YYYY? ¹⁰

- 1) *Yes*
- 2) *Yes but the employee(s) were temporarily absent*
- 3) *No*

Comment: The inclusion of the category *Yes but the employee(s) were temporarily absent* enables self-employed with employees that were absent in the reference week to be correctly categorised as employers. The necessity of the answer category needs to be tested.

(If yes)

Did you have any employees in at least three of the last four weeks?

- 1) *Yes*
- 2) *Yes but the employee(s) were temporarily absent*
- 3) *No*

Comment: The question aims at distinguish whether the employer is a regular employer or only hired an employee occasionally in the reference week.

Do you have regular employees?

- 1) *Yes*
- 2) *No*

Comment: The aim with the question is to identify those employers that is clearly regular employers to reduce the respondent burden. The impact of this set up needs to be further tested.

(If no)

Did you have any employees in the week of XXXX to YYYY? ¹¹

- 1) *Yes*
- 2) *Yes but the employee(s) were temporarily absent*
- 3) *No*

Comment: A probing question that identifies those that had some employees (that might be defined as regular) but do not recognise themselves as having regular employees.

(If yes)

Did you have any employees in at least three of the last four weeks?

- 1) *Yes*
- 2) *Yes but the employee(s) were temporarily absent*
- 3) *No*

Comment: The question aims at distinguish whether the employer is a regular employer or only hired an employee occasionally in the reference week.

¹⁰ Based on; Based on; ILO, Model questionnaire CAPI: Main job part 1

¹¹ Based on; Based on; ILO, Model questionnaire CAPI: Main job part 1

1.2.2 Key characteristic: *Incorporated/unincorporated*

Examples of questions that identifies whether the enterprise is incorporated or not. Incorporation is a legal status and hence depends on the legal framework in the country. It is therefore essential that the question is adapted to the national context. This question as all questions in this module is only asked to respondents self-identified as self-employed.

*Is your business/enterprise a limited company, trading partnership, limited partnership?*¹²

- 1) *Yes*
- 2) *No*

Comment: The question should include examples of national expressions/concepts for incorporated enterprises.

*Is this business incorporated?*¹³

- 1) *Yes*
- 2) *No*

Comment: The question can be used if the term incorporated is widely understood and used in the given country.

*What is the type of ownership of your business/farm?*¹⁴

- 1) *Individual owner (or with other household members)*
- 2) *Partnership with members of other households*
- 3) *Incorporated enterprise (Private Limited Co., Public Limited Co. Inc.)*
- 4) *Other (specify)*

Comment: The different categories allows a measurement of different forms of ownership. The category incorporated enterprise should be exemplified with different national used concepts. It would be essential to test whether respondents understands the differences between the answer modalities.

¹² Based on; ILO, Model questionnaire CAPI: Main job part 2

¹³ Bureau of Labour Statistics, USA, 2014, US labour force

¹⁴ Leslie Kirsty, 2015b, Proposal for the revision of the International Classification of Status in Employment –Owner Managers of Incorporated Enterprises, Paragraph 88, examples from Gambia, Uganda, Malawi,

1.2.3 Key characteristic: *Operational and/or economic dependency on another economic unit*

223. The key characteristic aims at creating a boundary between *own account workers in household enterprises without employees* and *dependent contractors* by establishing whether the respondent is operational and/or economic dependent on another entity that controls their activities. The questions should be asked to respondents that have identified themselves as being self-employed and do not have an incorporated enterprise and no regular employees.

Possible operationalization includes:

- *Control over setting the price for goods or services produced.*
- *If the client or intermediary provides the material input (raw materials, capital items or clients).*
- *Exercise of operational authority over the work by one single separate entity*

In addition to the above alternatives *sharing profit with a third party* have also been discussed and tested. Findings suggest that this is a highly problematic operationalization due to its complexity and that respondents have severe difficulties answering question relating to this operationalization. A number of countries have been testing the operationalization of the boundary between *own account workers in household enterprises without employees* and *dependent contractors*. The results from these tests can be viewed in Room document 10 - Testing of proposals for a revised International Classification of Status in Employment (ILO, 2018b).

1.2.3.1 Option: *Control over setting the price for goods or services produced*

Independent workers are characterised by having the authority to organise their own work and to have some extent of bargain power to price their goods and services. However, if the prices for their goods or services are set by the client(s) or a third party then this would indicate economic dependency due to a lack of authority to impact the price setting.

Q1) Can you primarily price the products or services you offer yourself?

- 1) *Yes*
- 2) *No*

If Q1=2

Q2) Why can you not price them yourself? Is it because..

- 1) *Another enterprise, client or agent defines the prices?*
- 2) *Prices are typically determined by the customer?*
- 3) *Prices are defined by law?*
- 4) *Prices are negotiated with the customer?*
- 5) *The prices are set to a market price*
- 6) *Other*

Comment: Respondent that perceives that they do have some flexibility to influence their prices but have to take the market price in consideration should either be coded 1 in question 1 or 5 in question 2 and would then not be considered dependent contractors. Answering 1 or 2 in Q2 would indicate restricted access to market, due to the limited possibilities for the person to control the price setting.

1.2.3.2 Option: One single client

To have one single (dominant) client is not a sufficient criteria in order to define a limited access to the market. However, this option in combination with other dimensions (for example operational authority over the work could be an option for identifying dependency. The information regarding the number of clients might also be an important information to provide a context for the different operationalization.

Q1) *How many clients have you had during the last year?*

- 1) No one
- 2) 1
- 3) 2-9
- 4) 10-100
- 5) 100+

Q1=3-5

Q2) *Did at least 75 % of your revenue in the last 12 months come from one client?*

- 1) Yes
- 2) No
- 3) I do not know

Comment: Similar questions was included in the European Ad hoc module 2017. The questions are in the European Ad hoc module 2017 combined with *exercise of operational authority over work* to establish restrictions in the decision making. This question can also be combined with other options in order to create a context that can be used for the assessment of a given option.

1.2.3.3 Option: Exercise of operational authority over the work

Independent workers are characterised by that they typically have a large degree of authority to organise their own work. A restriction of this authority by a client or a third party could indicate dependency and by that be used as identifying dependent contractors among self-perceived self-employed.

Q3) Can you (typically) decide when to start and finish your workday?

- 1) Yes*
- 2) No*

If Q1=2

Q4) Is that because..

- 1) Your workday is regulated by the client(s)?*
- 2) Your workday is regulated by another company, agency?*
- 3) Other reasons*

Comment: Similar questions to Q3-Q4 was included in the European Ad hoc module 2017. Q3=2 and Q4=1, 2 in combination with Q1=1 or Q2=2 (one single client or one dominant client) would indicate restrictions in operational decision making.

1.2.3.4 Option: If the client or intermediary provides the material input

In a standard relationship the entrepreneur buys his materials from an economical unit and produce the services/products and sells it to another unit with the aim of creating a profit. However, there might be cases where this structure is different and where the provider of the materials also directly benefits from the production of the services/goods, which could indicate dependency. In order to establish this it would be necessary to clarify the relationship between the respondent's business, the clients and a potential intermediary. The next step is to establish if the unit that benefits from the production (clients, intermediary) also provides the raw material for the production. The following structure assumes that there is no dependency if the clients are private consumers which directly pays for the services/products produced.

Q1) Are the users of the services or products you produce mainly private consumers or other companies/agencies?

- 1) Private consumers*
- 2) Other companies or public communities*
- 3) Other*

Q2) Are you paid for your work:

- 1) Directly by the users of the services or products*
- 2) By some third agency or company*
- 3) By other means?*

If Q1=2 and Q2=1

Q3.A) Does the agency /company that uses your services/products also provide you with materials for the production of your services/products (e.g.)?

- 1) Yes, always*
- 2) Yes, sometimes*
- 3) No?*

If Q3=2

Q3.B) Does the agency /company that pays you also provide you with the materials for the production of your services/products

- 1) Yes, always*
- 2) Yes, sometimes*
- 3) No?*

Comment: The two first questions aims at establishing the relationship between the respondents business and the clients. It creates the necessary context for establishing if the clients do provide the raw materials and in that case if this is dependency. The assumption is that there are no dependency if the clients are the general population and that the respondent receives the payment directly from the clients without intermediary. It is not clear which categories that should define dependent contractors, but it could be argued that at least Q3A=1 and Q3B=1 would indicate restrictions in the operational decision making. The questions can also be used to further contextualise the situation of dependent contractors if another operationalization is used.

1.2.3.5 Option: Alternative way multi question option of more than one dimension

In order to ease the respondent burden and the complexity of the filtering it would be possible to, in a test phase, integrate the different options for the operationalization of restricted access to the market in multi-answer questions. The measurement of the different options would be less precise however, it would still

be valuable input for an assessment of how the different options relate to each other. When using a multi question option it would be necessary to establish a context that clarifies the relationship between the respondents business, his/her clients and the users of the products.

(Intro text e.g. -Now we are going to ask you some questions regarding your business.)

Q1. How many clients have you had in your current business during the last 12 months?

- 1) *No one*
- 2) *1*
- 3) *2-9*
- 4) *10-100*
- 5) *100+*

Comment: The question is used to create a context.

Q2) Are your clients mainly private consumers or other companies/ agencies?

- 1) *Private consumers*
- 2) *Other companies or public organizations*
- 3) *Other*

Comment: The question is used to create a context and will contribute to establish the relationship between the respondent and his/her clients, once the information is combined with the other questions

Q3) Who pays you for your products/services? Are you..

- 1) *Paid by your client(s)*
- 2) *Paid by another company, agency*
- 3) *Other*

Q4) Who typically...	You yourself	Your client(s)	Negotiated between you and your client(s)	Another Company or agent	Not applicable
Decides on your work schedule?					
Sets the price of your products /services					
Provides you with the material for your production of your services/products			NA		

Comment: The multi option question together with Q3 could be used in order to assess the different options for operationalization

1.3 Classification module for self-identified employees

1.3.1 Key characteristic: *Remuneration*

Examples to measure the first key characteristic *remuneration*. The question do also measure the crosscutting variable *forms of remuneration*.

Are you paid a wage or salary for this work?

- 1) *Yes*
- 2) *No*

If not receiving wage or salary

A. Do you receive any other form of payment? (Mark all that apply)

If receiving wage or salary

B. Do you receive any additional form of payment? (Mark all that apply)

- 1) *Paid by piece*
- 2) *Receives commissions or tips*
- 3) *Charge a fee for the service*
- 4) *Profit*
- 5) *Other*

Comment: The first question is sufficient to identify those that are self-identified employees without wage and salary. The second question includes the categories necessary to derive the cross cutting variable *forms of remuneration*.

For this work are you paid..¹⁵ (Mark all that apply)

- 1) *A wage, salary*
- 2) *By piece*
- 3) *Commissions, tips*
- 4) *Fee for services*
- 5) *Profit*
- 6) *Unpaid*
- 7) *Other*

Comment: The question is an example of a single question capturing the different forms of payment. The categories can be adjusted in order to fit the national context and needs as long as the categories in the crosscutting variable forms of remuneration can be derived.

¹⁵ Based on the categories that are identified in the cross cutting variable *type of remuneration*

1.3.2.1 Key characteristic: Option 1 Responsibility for insurance and/or income taxes

Examples to measure the second key characteristic *responsibility for insurances and income taxes*. These questions have to be adjusted to the national context and labour laws. The aim with the question is not to determine whether deductions are actually made as part of establishing informal employment but to distinguish whether the relationship can be defined as an employment relationship or a commercial relationship.

Is your employer responsible for contributing to your [name relevant social insurance e.g. pension fund, health insurance]?

- 1) *Employer is responsible*
- 2) *I am responsible for that*

or

Is your employer responsible for deducting any taxes on your income or is that your responsibility?

- 1) *Employer is responsible*
- 2) *I am responsible for that*

Comment: The choice of operationalization (question 1 or 2) would depend on national circumstances and would need to be adapted to the national context. Question 1 might be problematic to use when measuring informal employment. Question 2 might be sensitive to ask depending on national context.

Is your employer responsible for deducting (income tax) from your salary or wage?

- 1) *Yes my employer is responsible for that*
- 2) *No, I am (or name) responsible for that*
- 3) *No, I earn less than XXX per YY*

If No, I earn less than XXX per YY

If your income would exceed XXX would it then be your employer's responsibility to deduct the (income tax) from your salary or wage?

- 1) *Yes my employer would be responsible for that*
- 2) *No, I (or name) would be responsible for that*

Comment: The above example would only be relevant in countries where there is a threshold for when a person is obliged to pay income tax. However, the respondent friendliness of this setup would need to be carefully tested.

Are you responsible for paying your own National Insurance and Tax or is this a responsibility of the organization(s) you work(s) for, for example, your client, employer, agency etc.?¹⁶

- 1) *Responsible for paying your own National Insurance and Tax*
- 2) *Responsible for paying your own National Insurance or Tax but not both*
- 3) *-National Insurance and tax deducted are a responsibility of the organization(s) you work for example, your client, employer, agency, etc.*

¹⁶ Based on; Office for National Statistics, 2014, UK, Labour Force Survey, User Guide Vol 2, Version 4, February 2014

Comment: The question is an example of where the two aspects tax and social contributions are combined in one question. The question is also an example of a question that is adjusted to the national context, in this case UK.

1.3.2.2 Key characteristic: Option 2 Payment of social insurance combined with place of work

The responsibility for paying tax or social insurance might be a problematic key-characteristic in countries with a high share of informality. For those countries the actual payment of social insurance in combination with place of work could be an option for creating a boundary between employees and dependent contractors. The actual payment of social insurance would indicate that there is a clear employment relationship. The absence of social contribution by the perceived employer in combination with that the respondent is an outworker (i.e. do not work at employers or clients premises) would indicate that the respondent is a dependent contractor. The question also captures the cross-cutting variable *job-dependent social protection*.

Does your employer pay contributions to (e.g. pension fund) for you?

- 1) *Yes*
- 2) *No*
- 3) *Don't know*

Comment: The question is already a common question in LFS's that measures employees in informal employment. It should therefore be possible to draw on countries experiences of using these questions. The question also measures the cross cutting variable *job-dependent social protection* and should therefore be collected independently if option 2 is used or not.

1.3.2.2.b Key characteristic: Place of work

The aim is to set a boundary between self-identified employees working in the employers or the clients premises and those that don't and hence are defined as outworkers. The combination of that the perceived employer do not contribute to social security and that the employee do not work within the employers or clients premises (an outworker) would indicate that the self-identified employee is a dependent contractor. The question also measures the cross-cutting variable *place of work*.

Where do you usually work?

- 1) *Employer's business premises*
- 2) *Client's workplace*
- 3) *Client's /employers home*
- 4) *Own business premises*
- 5) *Own home*
- 6) *Street or Market place*
- 7) *In a vehicle (e.g. taxi, lorry, bus)*
- 8) *At the street*
- 9) *At a market place*
- 10) *No fixed location*

Comment: The question is already a common question in LFS's. However, it would be important to assess how well option 2 reflects the situation of a dependent contractor. The question is also a cross cutting variable and should therefore be collected independently if option 2 is used or not. Additional categories of national interest can be added as long as the categories defined in the cross-cutting variable can be derived.

1.4 Sub-Classification module for employees

1.4.1 Cross-Cutting variable: *Type of employment agreement*

Examples of measuring the type of employment agreement. The variable is not directly necessary for identifying the sub-category of employees but would typically be required for sequencing the questions regarding the characteristics of the work agreement/contract and measures the cross-cutting variable *type of employment agreement*.

Do you have a written contract or oral agreement with your employer?

- 1) *Yes, written contract*
- 2) *Yes, oral agreement*
- 3) *No written contract/verbal agreement*

Comment: The third category can be included to deal with for example day labourers that feel that they do not have an agreement of employment due to the short duration of the employment relationship. The category should be recoded to having an oral agreement for international output.

1.4.2 Key characteristic: *Guaranteed minimum amount of hours*

Examples of measuring if a minimum amount of hours is guaranteed. The key characteristic can be integrated in relation to questions regarding contractual/agreed hours.

Is your employment contract a so-called zero-hour contract where the agreed number of working hours is at the minimum zero hours?¹⁷

- 1) *Yes*
- 2) *No*

Comment: The question assumes that the respondent is familiar with the concept of zero hours contract or at least understands the explanation. This would require that the term is widely understood among the respondents.

Do you only work when called to work?¹⁸

- 1) *Yes*
- 2) *No*

Comment: The question might be relevant for identifying employees with no guaranteed minimum amount of hours. Employees that only works when called to would not have any minimum guaranteed amount of hours.

Some people have special working hour's arrangements that vary daily or weekly.

In your (main) job is your agreed working arrangement any of the following...¹⁹

- 1) *Flexitime (flexible working hours)*
- 2) *Zero hours contract*
- 3) *On-call working*
- 4) *None of the above*

¹⁷ Statistics Finland, Finland, 2014, LFS

¹⁸ Statistics Finland, Finland, 2014, LFS

¹⁹ Based on; Office for National Statistics, UK, 2014, Labour Force Survey, User Guide Vol 2, Version 4, February 2014

Comment: The question integrates zero-hours contract with other forms of working time arrangements. The other categories can be adjusted to national need and context. There is a risk of a confusion between the two categories on-call working and zero-hours contract. It also assumes that the concept of zero-hours contract is widely used and understood in the country.

Does your contract or agreement specify a minimum amount of hours that you are supposed to work?

- 1) *Yes*
- 2) *No, contacted when needed/contact when you want to work*
- 3) *No, it specifies the completion of a task or tasks*
- 4) *None of the above*

Comment: The question avoids the term zero hours contract and instead uses the terms *called when needed/call when you want to work*. It needs to be cognitively tested if this captures the concept of zero hour's contract. The question do also include the category *No, it specifies the completion of a task or tasks* in order to avoid that respondents that have the type of agreement "working until task is finished" uses the second category.

1.4.3 Key characteristic: *Time-limited employment arrangement*

Examples of questions measuring whether the contract or agreement have a fixed date or is an open ended contract/agreement. The question also partly captures the cross-cutting variable *duration of work contract*.

Is your contract or agreement of²⁰:

- 1) *Limited duration*
- 2) *Unlimited duration*

Comment: The question capture the aspects that a job relation can both be in the form of a contract but also have the less formalised form of an agreement. The respondents understanding of the categories limited/unlimited duration should be cognitively tested.

Do you have a fixed-term working contract/agreement?²¹

(An apprenticeship or training contract is considered as a fixed-term contract.)

- 1) *Yes, fixed-term contract*
- 2) *No, open-ended contract*

Comment: The terms fixed-term and open-ended is used instead of limited and unlimited. The advantages of using one set of categories before another should be cognitively tested. The question do also include a supporting text that targets paid apprentices, trainees and interns to ensure that they are defined as having a non-permanent job. This might be important especially if the category is not included in the self-perceived status in employment question.

Is your contract/agreement...²²

- 1) *Of limited time duration*
- 2) *Permanent or without limit of time*
- 3) *For the completion of a task or tasks*

²⁰ Based on; National Statistical Office of Malawi, Malawi, , 2013, Labour Force Survey 2013

²¹ DESTATIS, Germany, 2013, Labour Force Survey, English version.

²² Based on: ILO, 2016, Wave 2, Model questionnaire 5 Section: Characteristics of main job (Version B)

Comment: The question also includes the alternative for the completion of a task or tasks. Which is another approach of targeting a potential problematic group.

1.4.4 Key characteristic: *Reason for non-permanence of job*

Example of questions measuring reason for why the job is non-permanent. The information is part of the identification of Paid apprentices, interns and trainees as well as for providing information on the cross-cutting variable *reasons for temporary employment*. The question could be followed up with a question that measures whether the temporary employment is voluntarily or not.

Are your job temporary/fixed term because...²³

- 1) *You are undergoing training/education (apprentice, trainee, research assistant, etc.)*
- 2) *It is required before a permanent contract is granted*
- 3) *It is seasonal work*
- 4) *It is part of an employment creation program*
- 5) *It is substitute work*
- 6) *It terminates once a specific task(s) is finished*
- 7) *Other reasons*

Comment: The question needs to be adjusted to the question regarding whether the contract/agreement is open ended or fixed. The most optimal sequence of the categories and wording/terms used should be adjusted to national context.

1.4.5 Key characteristic: *Duration of work contract*

Example of a question that identifies short term contracts/agreement (less than three months) and measures the cross-cutting variable *duration of work contract*.

What is your total duration of your contract or agreement?²⁴

- 1) *Daily contract/agreement*
- 2) *Less than one month*
- 3) *One to less than three months;*
- 4) *Three to less than six months;*
- 5) *Six to less than 12 months;*
- 6) *12 to less than 18 months;*
- 7) *18 to less than 24 months;*
- 8) *24 to less than 36 months;*
- 9) *three years or more;*
- 10) *“without stated limit of time”.*

Comment: The answer modalities can be alternated if deemed necessary as long as the categories as defined in the cross-cutting variable can be derived. An example of that is category 1 and 2 that overlaps and would be compiled.

What is your total duration of your contract or agreement?

(if less than a month please mark 0)

_____ *Month(s)*

²³ Based on: ILO Model questionnaire Module: MAIN JOB part2, 2017

²⁴ Based on; National Statistical Office of Malawi, Malawi, , 2013, Labour Force Survey 2013

Comment: The respondent states the exact number of months which creates the flexibility to create relevant categories after data have been collected.

1.5 Classification module for self-identified contributing family workers

1.5.1 Key characteristic: *Type of remuneration*

Contributing family workers can benefit from intra-household transfers but do per definition not receive a wage or salary for time worked. The question therefore creates a boundary between contributing family workers and employees. The question also measures the cross-cutting variable *forms of remuneration*

For this work are you paid..²⁵ (Mark all that apply)

- 1) *A wage, salary*
- 2) *By piece*
- 3) *Commissions, tips*
- 4) *Fee for services*
- 5) *Profit*
- 6) *Unpaid*
- 7) *Other*

Comment: The question is an example of a single question capturing different forms of payment. The categories can be adjusted in order to fit the national context and needs as long as the categories in the crosscutting variable forms of remuneration can be derived.

1.5.2 Key characteristic: *Decision making*

The key characteristic sets a boundary between contributing family workers and independent workers/dependent contractors. If a self-identify contributing family worker does make important decisions then the respondent is to be considered as a co-operator of the enterprise and be defined as an employer, independent worker without employees or dependent contractor depending on the other characteristics of the work relationship.

Who usually makes decisions about the running of the business?

- 1) *I do that*
- 2) *Me together with my family*
- 3) *Another family member(s)*
- 4) *Another (non-family) person*

Comment: Answer modalities 1 and 2 defines the respondent as co-operator and the respondent is to be filtered into the classification module of self-identified self-employed. Answering modalities 3 and 4 defines the person as contributing family helper if the respondent do not receive a wage or salary for time worked.

²⁵ Based on the categories that are identified in the cross cutting variable *type of remuneration* but category unpaid is added

9.1 Annex2 Additional cross-cutting variables

2. Preference for non-permanence of job

Asked to employees that have a non-permanent job

*Which do you prefer: employment of a limited duration or permanent employment?*²⁶

- 1) *Temporary*
- 2) *Permanent*

Comment: The question is a purely subjective questions that directly asks about the respondent's preference for preferring a temporary or permanent job.

*Why did you take a temporary job? Did you take a temporary job because you do not want a permanent job or because you did not find a permanent job?*²⁷

- 1) *Do not want a permanent job*
- 2) *Did not find a permanent job*

Comment: The question has a more indirect approach where the answer modality did not find a permanent job can be interpreted as the respondent prefers a permanent job but could not/cannot find a permanent job.

2.1 Seasonal work

The cross-cutting variable can be derived for employees based on reasons for temporary employment. An additional question(s) would be necessary for other statuses in employment.

Does your/the business operate all year round or only during a certain season?

- 1) *It operates all year round*
- 2) *It only operates during season*

Comment: The question would target entrepreneurs and dependent contractors that are self-identified as own-account workers and could potentially also target contributing family workers.

Is your work seasonal work?

- 1) *Yes*
- 2) *No*

Comment: The question would target dependent contractors that is self-identified as employees and contributing family workers.

2.2 Duration of employment in current economic unit

The variable can be collected by asking for year and month of when the person started to work for the business/organization/household and use that information to calculate the duration.

For self-identified employees and contributing family workers

²⁶ Based on the Swedish LFS

²⁷ Based on the LFS Italy

A. Which year did you begin working for (NAME OF BUSINESS/business/organization/household?)

For self-identified self-employed

B. Which year did you start your business?

Year with 4 digits:

And which month?

- 1) January
 - 2) February
 - 3) March
 - 4) April
 - 5) May
 - 6) June
 - 7) July
 - 8) August
 - 9) September
 - 10) October
 - 11) November
 - 12) December
-

2.3 Number of employees in the economic unit

Example of questions that measures the number of employees in the business.

How many employees usually works at your place of work?

(If in doubt give an approximation)

-----Employees

Comment: The question asks for the exact number of employees that might be difficult to answer for example for employees in large enterprises/organization.

How many employees usually works at your place of work?

- 1) 1
- 2) 2-4
- 3) 5-9
- 4) 10-19
- 5) 20-49
- 6) 50+

Comment: The use of bands might create a more respondent friendly question. The bands needs to be adjusted to national context and would typically be more detailed at the lower levels to enable the identification of small and medium sized enterprises/organizations.

2.4 Main form of remuneration

The question identifies the main form of remuneration in case the employed person receives multiple forms of remuneration.

And which is the main form of payment?

- 1) *A wage, salary*
- 2) *By piece*
- 3) *Commissions, tips*
- 4) *Fee for services*
- 5) *Profit*
- 6) *Unpaid*
- 7) *Other*

Comment: The question would follow question 1.3.1 *forms of remuneration*. The answer modalities should be the same as used in the question measuring *forms of remuneration*.

2.5 Multiparty relationship

Examples of questions that measures multiparty relationships among employees. The identification of multiparty relationships needs further testing.

2.5.1 Private employment agencies

Aims at identify employees that are hired by employment agencies for short term work. The target group is employees that works on client´s workplace or clients/employers homes.

Are you working for a private employment agency?

- 1) *Yes*
- 2) *No*

Comment: The term private employment agency should be adapted to national concepts.

2.5.2 Service provider

Aims at identify employees that are hired by service providers for long term work for providing work at clients workplace by using a direct question. The target group is employees that works at client´s workplace or clients/employers homes

Are you working for a service provision agency (e.g. nursing agencies, cleaning agency, security providers)?

- 1) *Yes*
- 2) *No*

Comment: The question would target those that work at client´s premises business. The term private employment agency should be adapted to national concepts. The question assumes that respondents are familiar with the term used, in this example the term service provision agency. The examples given in the question should be based on typical types of service provision agencies in the country.

2.5.3 Source of remuneration

An alternative to 2.5.1 and 2.5.2 is to establish a multiparty relationship by identifying if the source of the remuneration is an employment agency or a service provider. The target group would be employees that works at client´s workplace or clients/employers homes

Were you being paid for that work...

- 1) *By an employment agency*
- 2) *By a service provider (e.g. nursing agencies, cleaning agency, security service providers)*
- 3) *Directly from the household/business where the work take place*
- 4) *Other*

Comment: The answer categories needs to be adjusted to national context. Additional categories capturing different possible multiparty relationship can be added.

2.6 Domestic workers

The identification of domestic workers can be carried out by using different sequences and types of question. The exact measurement needs to take the structure of the specific questionnaire into account. The below example is one approached that can be used.

Are you employed by

- 1) *The government or a state owned enterprise*
- 2) *A farm*
- 3) *A private business (non-farm)*
- 4) *A household(s)*
- 5) *An international organization or a foreign embassy*
- 6) *An NGO, non-profit institution, church*

Comment: The question is used to identify those whose place of work is employers/clients household and that are employed by a household or by a private company. The question is also useful to identify employees with formal jobs.

Filter: For persons that work in a household and are employed by the household

Is the household (you/NAME) work for operating a business? (E.g. making goods or providing services for sale)

- 1) *Yes*
- 2) *No*
- 3) *Don´t know*

Comment: The question aims at ensure that the employee is not working in the employers business. If the person states that the household do not have a business or don´t know if the household have the business then the person can be defined as a domestic employee, providing services for the business.

Filter: For persons that work in a household and are employed by the household and where the household operates a business.

Is (your/NAME) main work in the household business?

- 1) *Yes*
- 2) *No*

Comment: Creates a boundary between domestic employees and employees in a household enterprises. The employee would be a domestic employee if the main work is not related to the business operated by the household

Filter: All persons where place of work is employers/clients home and when the employer is not a private household

Do (you/NAME) provide domestic services for the household (e.g. driving, security, cleaning, child care, personal care, cooking, gardening...)?

- 1) *Yes*
- 2) *No*

Comment: The person would be a domestic worker if the person do carry out domestic services in clients households.

2.7 Access to paid annual leave

Examples of measuring access to paid annual leave targeting employees

Do you get paid annual leave?

1. *Yes*
2. *No*

Comment: A don't know category can be included if there is a high share of respondents that are expected to have difficulties answering the question.

Filter: Employees answering that they do not get paid annual leave

Do you get compensation for unused leave?

1. *Yes*
2. *No*

Comment: The question can be used to complement the first question in countries where compensation for unused leave would be a relevant part of the cross-cutting variable access to paid annual leave. The filter can also be extended to all employees if relevant.

2.8 Access to paid sick leave

Example of measuring access to paid sick leave targeting employees.

Would you get paid sick leave in case of illness or injury?

1. *Yes*
2. *No*

Comment: A don't know category can be included if there is a high share of respondents that are expected to have difficulties answering the question.