

Global Conference on Measuring New Forms of Employment

Brussels, 4 - 5 July 2024



#MeasuringEmployment

Experiences with measuring ICSE-18 in the Netherlands

Session 2

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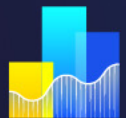


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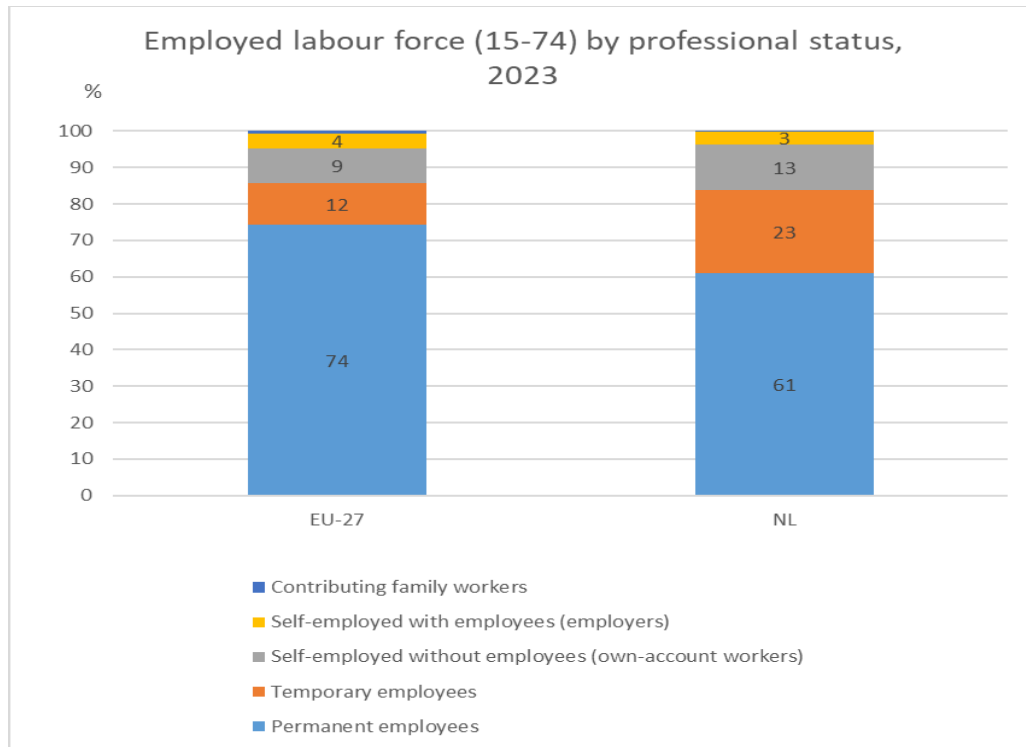
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Experiences with measuring ICSE-18 in the Netherlands



Current measurement of employment relations vs. ICSE-18



Source: Eurostat database

ICSE-18

- 11 – Employers **in corporations**
- 12 – Employers **in household market enterprises**
- 21 – Owner-operators **of corporations** without employees
- 22 – Own-account workers **in household market enterprises** without employees
- 30 – **Dependent contractors**
- 41 – Permanent employees
- 42 – Fixed-term employees
- 43 – Short-term and casual employees
- 44 – **Paid apprentices, trainees and interns**
- 51 – Contributing family workers



Focus of first test round for ICSE-18 (under Eurostat grant for LFS 2023)

ICSE-18

11 – Employers **in corporations**

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Focus first test round: distinction Corp vs. HME and dependent contractors

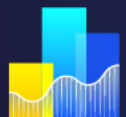
Design of first test round:

1. **Focusgroup** with various labour market experts (feb 2023)

Aim: gather information on the ICSE-18 groups, i.e. relevant criteria to measure, common language and likely professions/industries

2. **Cognitive interviews** (17 test respondents, recruited via own network, interviewed Feb/March 2023)

Aim: evaluate how the ICSE-18 groups can be measured via a questionnaire



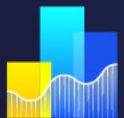
Main findings of first test round

Focusgroup

- Criteria for Corp vs. HME: legal form of the company
- Criteria for dependent contractors: number of clients, autonomy, embeddedness in organisation (f.e. tools), acquisition activities/lack thereof, determine own prices
- Legally dependent contractors do not exist in NL. Statistically however, the phenomenon exists, which is what should be measured. There is however a high risk of dishonest/socially desirable answers

Cognitive interviews

- Question regarding legal form of the company works well to distinguish Corp vs. HME
- Distinguishing between own-account worker in HME and dependent contractor is problematic: (1) because of issues with choosing the right client perspective, specifically when an intermediary is involved; (2) as a result, respondents also have trouble with answering questions regarding dependency on the client for work organisation, pricing etc.



Example of first test round

The respondent works as a self-employed (HME) and helps companies re-integrating their employees in a (new) job. He offers his services to a reintegration office. The reintegration office (his main client) contracts him for work per case. When asked about the number of clients and whether there is a main one, the respondent thinks of the employees he is helping to reintegrate. He doesn't think of the reintegration office as a client. The questions on work organization and pricing confuse him completely, he doesn't know whether to relate this to the employees he is helping, to the companies or to the reintegration office. The ICSE classification here is diffuse, based on his answers he was ICSE 22, but he should have been ICSE 30. Questions need improving.

**Example:
Reintegration consultant,
male, 52 years**

i: Re-integration is an effort a company is required to perform if an employee is no longer able to do his normal duties in the company, for instance, due to an accident. For this, most businesses turn to specialized re-integration companies.



Focus of second test round for ICSE-18 (under Eurostat grant for LFS 2024)

ICSE-18

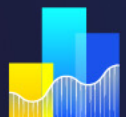
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Focus second test round: distinction ICSE 22 vs ICSE 30 with special focus on improving the questions for self-employed who work through intermediaries

Design of second test round:

Cognitive interviews (25 test respondents, recruited via own network, interviews are currently taking place)

Aim: improve the questions to distinguish between ICSE 22 and 30, specifically determining whether the own-account worker has a main client/intermediary and whether he/she is dependent on this client/intermediary for work organisation and pricing. We used the ILO model questions as a starting point.



Test questions for ICSE 22 vs ICSE 30

Test round 1

Determine main client/intermediary:

- How many customers or clients do you have?
- In the last twelve months, was 75% of your income coming from
- (Do you work directly for your clients or via an agency or intermediary?)

Determine dependency on main client

- Can you decide on the pricing of your goods or services?
- Who or what mainly decides the price of your goods or services
- To what extent can you determine your own start and end times?
- +extra items regarding tools etc.

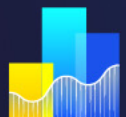
Test round 2

Determine main client/intermediary:

- To get clients or assignment, have you ever used in the past 12 months: 1. An online platform, e.g. Werkspot, Thuisbezorgd or YoungOnes, 2. An intermediary or middleman 3. Another intermediary company 4. None of these?
- Did it involve one or more (\$1: online platforms \$2: intermediaries or middleman \$3: other intermediary companies)?
- What part of your income <WKR[i].TXT_Worker name> came from clients or assignments you got (\$1: through this platform \$2: through this intermediary or middleman \$3: through this other intermediary company)? Please assume the past 12 months.
- Did more than half of your income <TXT_WorkName[i]> come from clients or assignments you got through one (\$1: online platform)(\$4: or)(\$2: intermediary or middleman)(\$5: or)(\$3: intermediary company)? Please assume the past 12 months.
- (\$1/\$2/\$3: The following question is only about clients or assignments you have obtained without the help of a (\$1: online platform)(\$4: or)(\$2: intermediary or middleman)(\$5: or)(\$3: intermediary company). In the past 12 months, did more than half of your income<WKR[i].TXT_Worker name> come from one client or customer?

Determine dependency on main client

- (\$6: Does this customer or client \$7: Does (\$1: this online platform)(\$4: or)(\$2: this middleman or intermediary)(\$5: or)(\$3: this other intermediary company) determine the price of your products or services?
- (\$6: Does this customer or client \$7: Does (\$1: this online platform)(\$4: or)(\$2: this intermediary or middleman)(\$5: or)(\$3: this other intermediary company) determine where, when and/or how you operate?



First preliminary findings of second test round

- The new questions seem to work and tackle the issue of the client perspective for people working with intermediaries
- It also worked for platformworkers, the examples in our question can however also be framing, if f.e. you use less known platforms and are not familiar with the term platform, you don't recognize yourself in the response category
- Setting prices for example is always something you negotiate. We have not heard anyone say that they are fully capable of determining their hourly rate or their price themselves. That is always done by 'negotiation' at best. For determining whether someone is a dependent contractor you need to know whether the main client is setting the price. We think this is best determined by using the direct question (as in the test) and not by asking who is determining the price.
- Distinguishing ICSE 30 from ICSE 22 is not easy, and answering 'socially desirable' remains



Conclusion

We're getting there!





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Thank you



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