Measuring New forms of employment **in Labour Force Survey in Mexico**

MEETING OF THE GROUP OF EXPERTS ON QUALITY OF EMPLOYMENT

14 - 16 May / 2024

INEGI

Background: National Survey of Occupation and Employment (ENOE)

The primary source of information on the Mexican labor market

- Provides monthly and quarterly data on the labour force,
- Characteristics of employment
- Unemployment
- Underemployment
- Informality

International Recommendations
13th, 14th, 15th, and 17th ICLS
Documents of the Paris Group and the Delhi Group
ILO Manual on the Informal Sector and Informal Employment (2013)

INEGI

Labour Force Survey (EFL) 2019

Experimental statistics to incorporate the latest ICLS resolutions (19th, 20th, and progress made on 21st).

Provides statistical data on:

- Forms of work and employment
- Labour underutilization
- Status in employment by type of authority and type of economic risk
- Informal employment

It allows measuring new forms of employment, dependent contractors, and digital platform work, aligned with international labor statistic resolutions.

INEGI

Conceptual and methodological design

It comes from six cognitive tests conducted over more than two years

▶ From April 2017 until the experimental exercise of November 2019.

▶ Aims to Implement the 19th and 20th ICLS resolutions on work, employment, labour underutilization, and work relationships.

▶ Incorporates emerging topics in labour markets such as employment on digital platforms, the quality of the work environment, initial and probationary training contracts, and training programs, among others.

▶ The ILO participated in planning and conducting the first of six cognitive tests. All were carried out with monitoring and feedback from the ILO. This process helped strengthen the development of items to measure labour phenomena discussed at international conferences.

INEGI

Units of analysis	Dwelling, household, the usual residents, and the selected person.
Target population	Population aged 15 and over (work age).
Data collection method	Face-to-face interview to direct informant Pen-and-Paper Personal Interview (PAPI)
Survey period	November 4th-29th, 2019.

Sample 11,998 dwellings

10,168 effective dwellings

The sampling was three-stage, probability-based, stratified, and clustered.
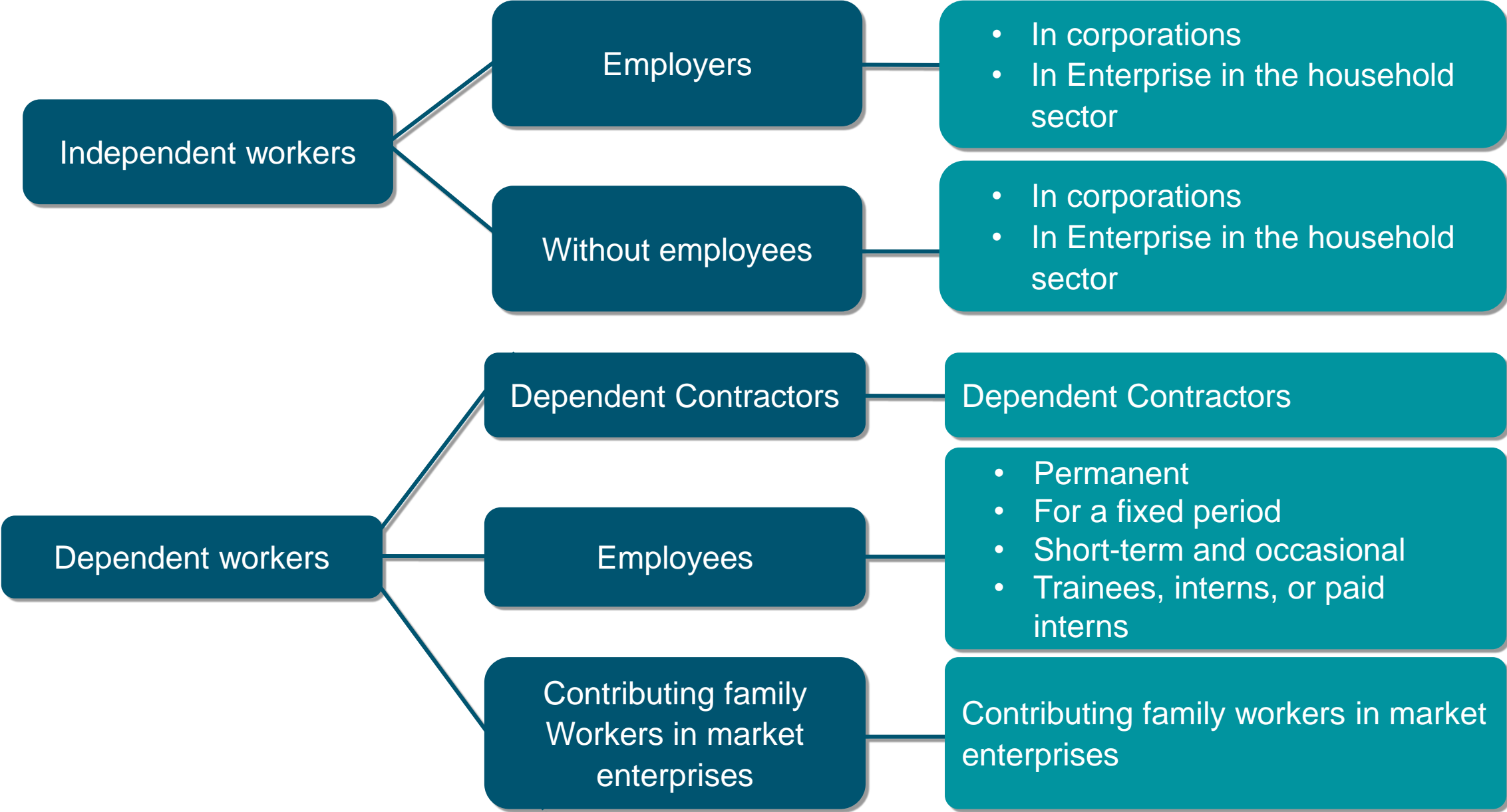
Geographical breakdown: National.

INEGI

Main design issues addressed to incorporate the 19th ICLS:

a) Separate path: one for market-oriented jobs and another for non-market jobs.
A time-use section at the end of the questionnaire.

b) Questions about the desire and availability for work for both employed and unemployed individuals, accompanied by control questions.

c) Attention on multiple jobs, considering various forms, such as performing multiple trades, professions, or a blend of subordinated and independent work, particularly distinguishing the time dedicated to each activity.

d) Attention to avoid duplications in accounting for hours worked and overestimating time dedicated to activities without hindering the interview flow.

INEGI

Design issues to incorporate the 20th ICLS:

a) Question regarding the diversification of service markets and flexibility in labour relationships, including work through online apps and platforms.

b) Attention on access to social security and retirement schemes.

c) Four employee categories range from permanent, fixed-term to short-term and casual employees.

d) Separate paths: independent workers and employees. Emerging a new status in the employment category: Dependent contractors, workers set in the grey area between both independent workers and employees.

INEGI

Classifications of Employment Status. EFL 2019

Independent workers

- **Employers**
  - In corporations
  - In Enterprise in the household sector

- **Without employees**
  - In corporations
  - In Enterprise in the household sector

Dependent workers

- **Dependent Contractors**
  - Dependent Contractors

- **Employees**
  - Permanent
  - For a fixed period
  - Short-term and occasional
  - Trainees, interns, or paid interns

- **Contributing family Workers in market enterprises**
  - Contributing family workers in market enterprises

EFL conceptualizes and measures two sub-groups of dependent contractors

Employee analogs are workers who provide their labour to others but have contractual agreements similar to those of the self-employed.

Independent analogs: workers who own and operate their own business but do not have complete control or authority over their work. These are classified into:

Dependent on a single client.

A third entity provides the clients.

Dependent on a single brand or platform.

INEGI

Data collection operationalization for DC

Questions and sequences to determine the interviewees' time autonomy. **Decisions on work schedules** are critical in identifying dependent contractors.

Questions among those who own their time to determine **control over access to the market** (direct or indirect if provided by a third entity) and to detect to what extent they have **operational dependency** or autonomy.

Questions about access and contributions to **social protection coverage**. DC typically only enjoys a portion of the full range of job-dependent protections or benefits generally afforded to formal employees, including social security.

Questions among those working as dependents, admitting they are supervised, identifying the **type of workplace** (whether they are workers called or sent to provide services to other companies), and how and by what entity they are supervised.

INEGI

New Forms of Employment (NFE):

Includes **digital platform** work, **gig work**, and **other emerging employment types** that deviate from traditional employment norms.

- ICSE-18 defines status in employment based on work relationships, considering the individual's self-identified status. Based on this, specific characteristics, such as economic dependency, forms of remuneration, contribution to social protection, and decision-making authority within the enterprise, are considered.

- Economic authority (whether independent or dependent) and economic risk (pay or profit) are crucial factors in determining employment status.

- To describe the status of non-formal employment (NFE), one can assess the permanence and stability of the job, which helps to determine the level of security and formality of the job.

INEGI

Digital Platform Workers in EFL 2019

Using an **app** or a **website** to carry out activities such as **promotion, customer support, and monitoring,** among others, is considered platform work.

The EFL 2019 identifies digital platform workers by asking about their use of electronic means and whether they regularly use an app or a website to carry out activities such as promotion, customer support, and monitoring.

INEGI

Results

Total employment and distribution by status in employment

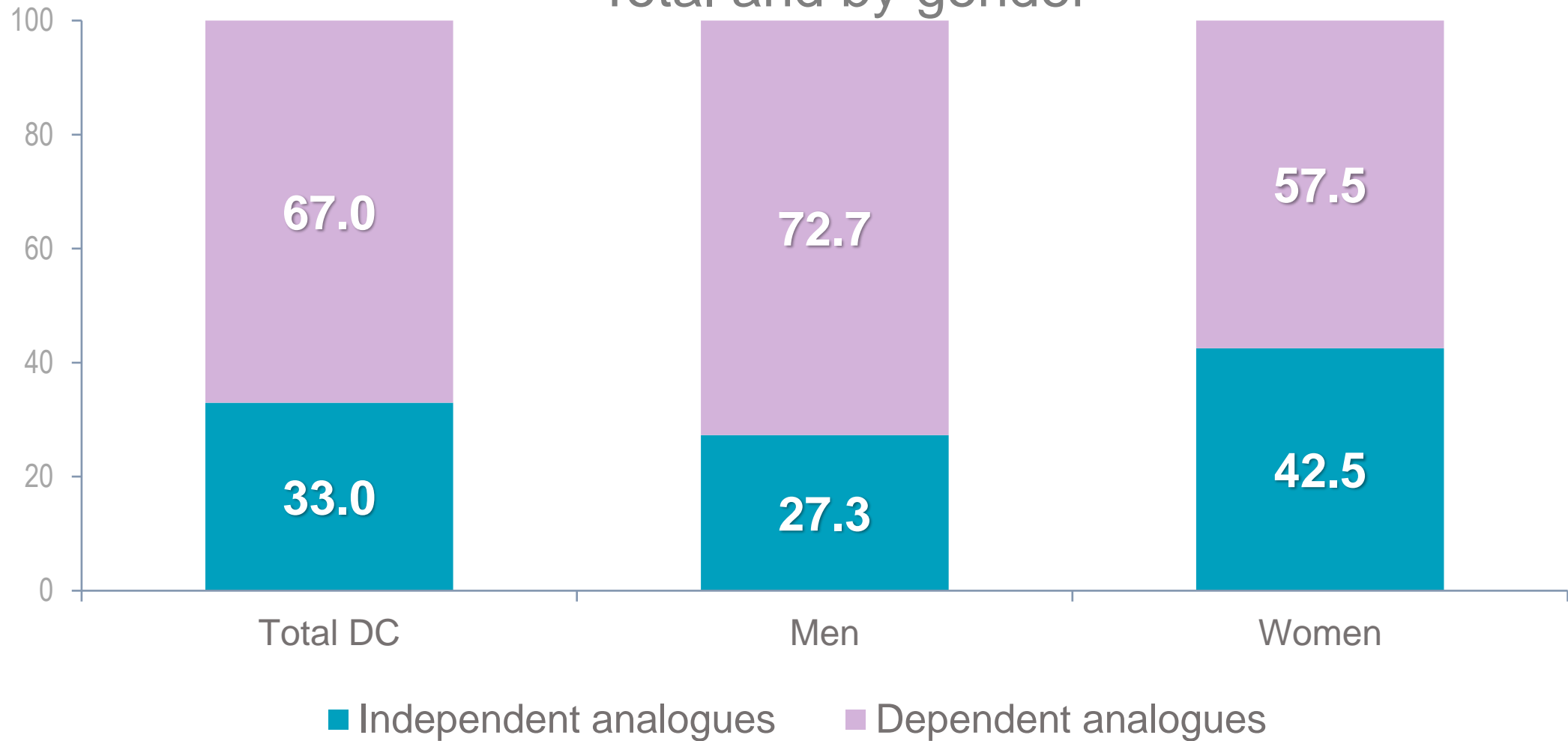| Status in employment	Total	%
Total	58 094 211	100.0
Independent workers	14 138 325	24.3
Employers	1 925 256	3.3
Without employees	12 213 069	21.0
Dependent workers	43 713 655	75.2
Dependent contractors	**6 621 145**	**11.4**
Employees	35 655 199	61.4
Contributing family workers	1 437 311	2.5
Unspecified	242 231	0.4

Source: INEGI (2023). Labour Force Survey (EFL) 2019

- DC includes 1.07 million IW without employees working for a single client (16.1%)
- 62.6% DC are men (167 males to 100 females)

INEGI

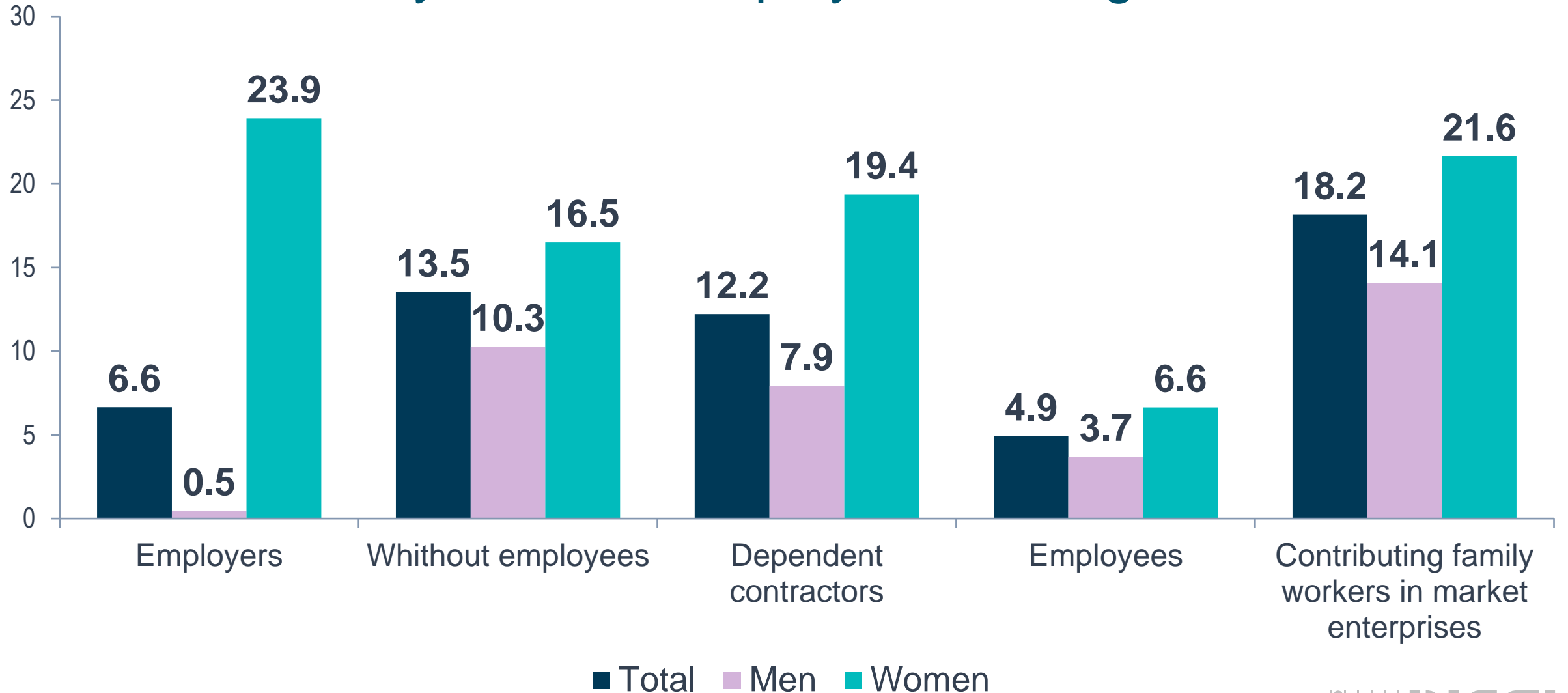# DC distribution by Subcategory
Total and by gender

	Independent analogues	Dependent analogues
Total DC	33.0	67.0
Men	27.3	72.7
Women	42.5	57.5

■ Independent analogues   ■ Dependent analogues

INEGI

Time-related underemployment rate
by status in employment and gender

	Employers	Whithout employees	Dependent contractors	Employees	Contributing family workers in market enterprises
Total	6.6	13.5	12.2	4.9	18.2
Men	0.5	10.3	7.9	3.7	14.1
Women	23.9	16.5	19.4	6.6	21.6

■ Total ■ Men ■ Women

INEGI

Informality rate of dependent workers
by status in employment and gender

Dependent contractors: Total 65.7, Men 71.1, Women 56.7
Employees: Total 40.6, Men 38.9, Women 43.2
Contributing family workers in market enterprises: Total 99.0, Men 99.2, Women 98.8

■ Total ■ Men ■ Women
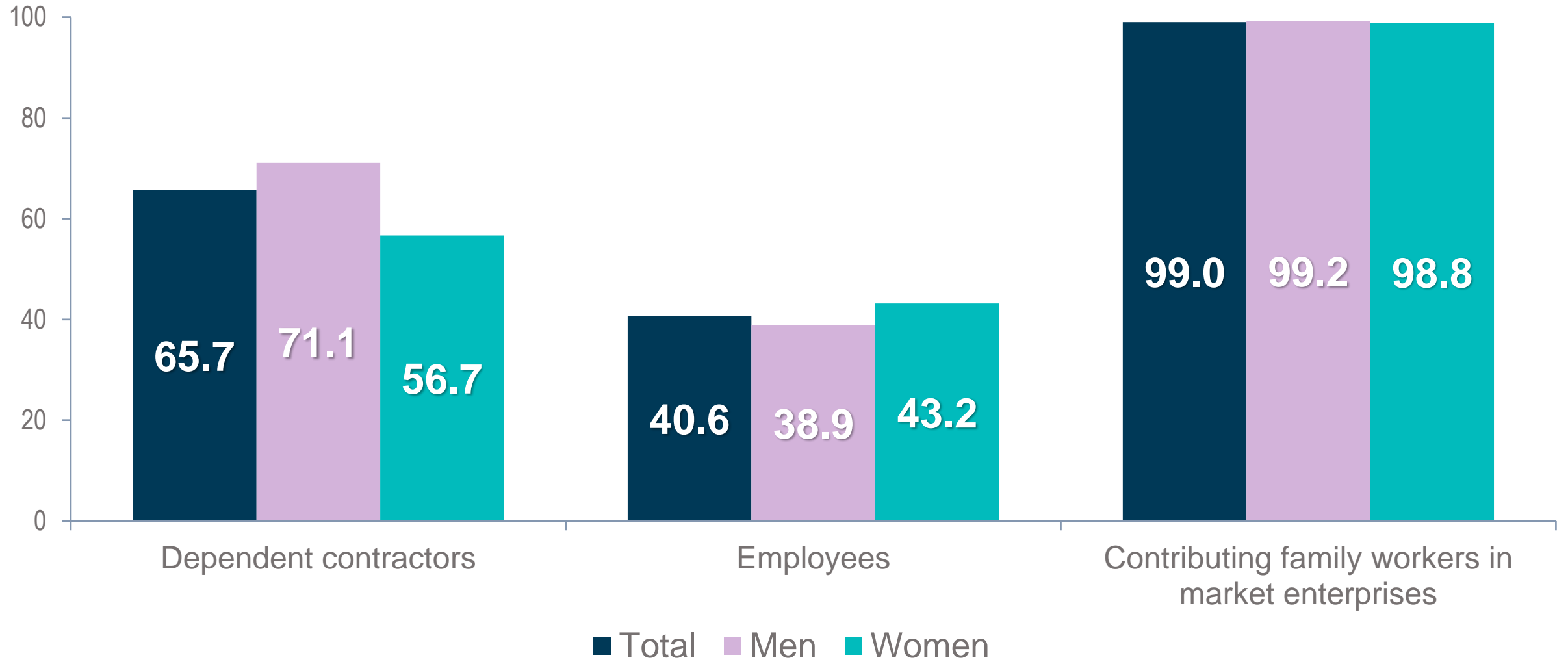
INEGI

Platform work rate
by status in employment and gender

Total	Men	Women
3.7	3.3	4.2

Employers
- Total: 14.9
- Men: 16.3
- Women: 11.0

Whithout employees
- Total: 8.6
- Men: 8.5
- Women: 8.6

Dependent contractors
- Total: 12.0
- Men: 8.4
- Women: 18.0

Legend: ■ Total ■ Men ■ Women

Source: INEGI (2023). Labour Force Survey (EFL) 2019.

INEGI

Thank you!

Adriana Pérez Amador

adriana.amador@inegi.org.mx