# DEVELOPMENT OF LABOUR MARKET INDICATORS: FROM INCEPTION TO INTERNATIONAL ENDORSEMENT

## The Creation of Labour Market Indicators for Statistical Analysis

1.1 For all organisations and governments which formulate labour-related strategies across the world, relevant data is needed to monitor and assess the latest situations faced by workers and employers. To better facilitate these data needs, the International Labour Organisation (ILO)[1] has created internationally agreed labour market indicators since its inception in 1919.

1.2 As a result, reputable statistical agencies of all countries and regions utilise the same collection of labour market indicators created by the ILO in their labour market analysis. These enable a common understanding of the most pressing labour issues, such as the labour force participation rate, hours of work, and status in employment of a population. However, the creation of labour market indicators is not a straightforward process, as each one needs to account for real experiences from labour markets in all regions, and be able to remain relevant even as labour markets evolve and transition over time. Detailed guidelines must be provided for analysis in tandem, as any labour market indicator interpreted in isolation will provide a limited view of the total labour market status, and may omit other elements of the labour market which are of equal significance or have yet to be quantified.

1.3 The ILO thus creates carefully stipulated guidelines for the conceptual and methodological parameters surrounding each labour market indicator, ensuring that the resultant analysis are robust and reliable. The process of creating these guidelines is often lengthy and thorough. Experiences from measurement and analysis are gathered from statisticians of all regions, following which the frameworks supporting each indicator can begin to be crafted. This careful process ensures that the resultant indicators remain pertinent for the many years to follow, even with a rapidly changing labour landscape.

## Case Study – Setting Standards in Digital Platform Employment

1.4 Leading up to the latest International Conference of Labour Statisticians (ICLS), MOM statisticians partnered with the International Labour Organisation (ILO) to advance statistical standards in the measurement of Digital Platform Employment (DPE), and to outline foundational work in the development of important conceptual and methodological frameworks. These presentations were met with overwhelmingly positive responses and endorsement from more than 20 ILO member states.[2]

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[1] The ILO is one of the first and oldest specialised agencies of the United Nations (UN), mandated by the UN to set international labour standards.

[2] More details from the conference can be obtained from the official press release here. https://www.mom.gov.sg/newsroom/press-releases/2023/1023-global-recognition-of-singapore

1.5 This special feature highlights Singapore's contributions to the international sphere of labour statistics, details MOM's collaboration with the ILO, and outlines upcoming improvements to these labour market indicators in the following years.

1.6 Although DPE has expanded rapidly across the world, there are no internationally agreed concepts, definitions, and data collection standards on this form of employment, and on the workers involved. As of 2023, the OECD has only just begun to define DPE as any productive activity performed by persons to produce goods or provide services through or on a digital platform, with important conditions such as the control exerted by the digital platform over essential work activities. Many conceptual and methodological issues persist, hampering the measurement and analysis of DPE.

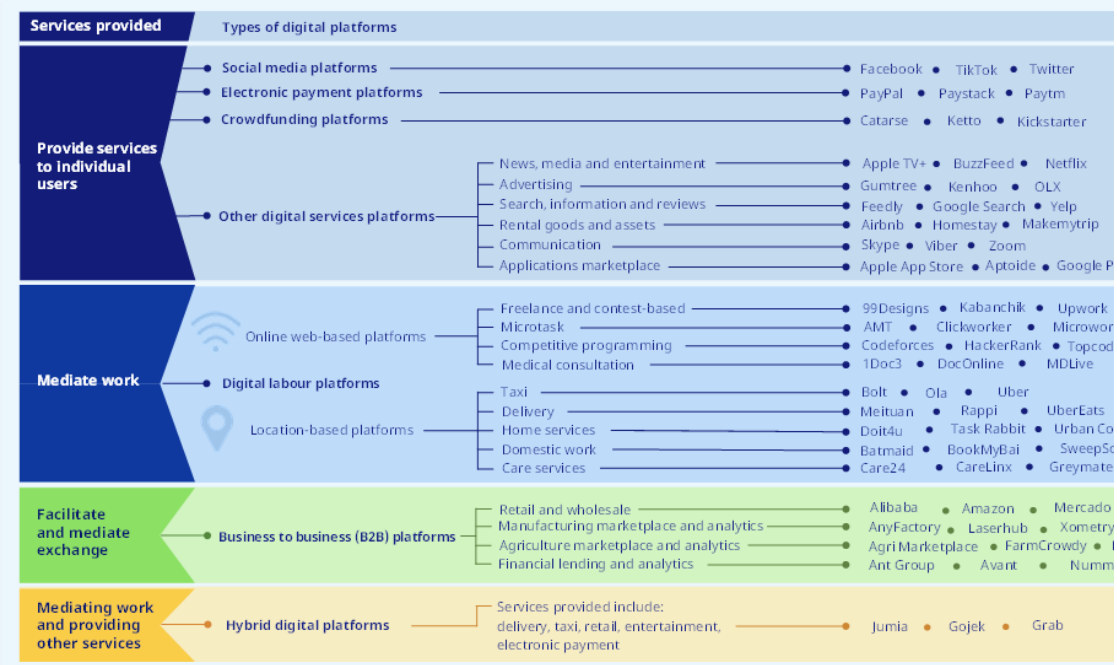



*Figure 1. Broad landscape of different types of digital platforms. Due to the constantly evolving landscape, boundary issues persist with the classification of platforms.*

*Source: ILO (2021[6]), World Employment and Social Outlook: Digital transformations of the world of work: The growing role of digital labour platforms, https://www.ilo.org/global/research/global-reports/weso/2021/WCMS_771749/lang--en/index.htm.*

1.7 Singapore's MOM is one of the global pioneers in measuring and publishing DPE statistics, releasing relevant information from as early as 2020[3] through the Labour Force in Singapore report, and especially during the COVID-19 pandemic when the digital platform economy expanded rapidly. Details published include the number of regular platform workers in Singapore, and the usage of digital platforms to advertise and obtain business. Statistical analysis is also published on the percentages of platform workers by age and level of education, which have highlighted important trends such as a higher share of older workers due to the increased recognition of digital literacy in recent years. Few other countries have been able to collect and publish DPE statistics.

[3] MOM released top-line statistics from 2020 and 2021 in the Labour Force in Singapore report, published January 2022. More details and the downloadable report are available at https://stats.mom.gov.sg/

1.8 Based on Singapore's pioneering experience, MOM and the ILO collaborated to translate research on DPE into statistical and methodological recommendations. The process began with the renewal of an ongoing Partnership Agreement between ILO and MOM,[4] and involved over a year of discussions and collaborative work between MOM and ILO experts. Per the thorough procedures required for standard setting in labour statistics, methodological and conceptual frameworks were tabled and assessed for their ability to accurately depict the labour market situation.

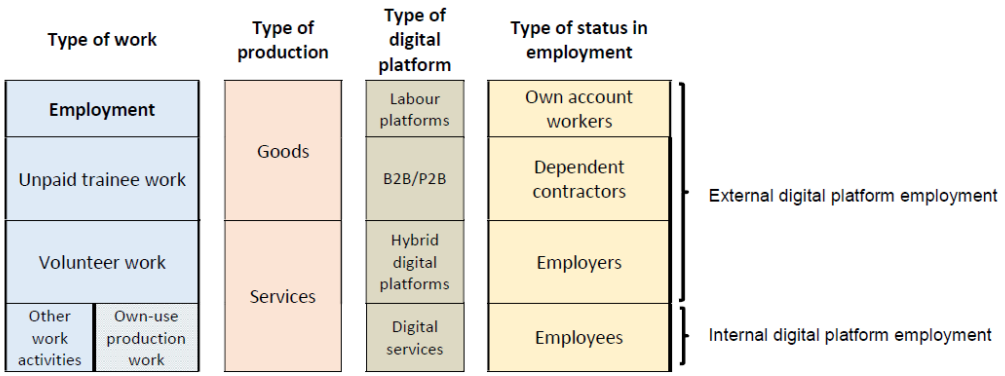



*Figure 2. One example of the frameworks assessed for their adequacy in representing Digital Platform Employment. As DPE is a newer phenomenon, statisticians are still in the process of finding a suitable and robust manner of measurement and conceptualisation. Source: OECD-ILO-Eurostat Handbook on Digital Platform Work, 2023.*

1.9 As DPE is a relatively new phenomenon within the field of labour statistics, most countries have not begun to measure relevant indicators, and measurement has largely taken place amongst higher-income countries. Based on our measurement experiences, MOM statisticians were able to steer discussions on the latest insights gathered and share these with the rest of the world through the conference proceedings.[5]

1.10 Amongst other contributions, MOM statisticians provided advice that DPE was often not accurately represented within the regular survey cycle due to its irregular and sporadic nature of work. The reference period utilised by specialised surveys may thus need to be longer, to cover digital platform work completed over the course of a year, instead of over a typical week. This longer reference period would enable the more accurate collection of the prevalence of digital platform work, and the experiences of digital platform workers. These findings are as emphasised in earlier segments of this report.

[4] More details from the Memorandum of Understanding (MOU) can be found here. https://www.mom.gov.sg/newsroom/press-releases/2021/1123-ilo-and-mom-renew-cooperation-agreement

[5] Documents from the conference proceedings can be accessed at https://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms_894369.pdf. The video presentation is available at https://stats.mom.gov.sg/Pages/Digital-Platform-Employment.aspx

1.11 MOM statisticians also curated the experiences of other pioneers, such as the US Bureau of Labour Statistics and Eurostat, extracting and detailing many such recommendations for the reliable measurement of DPE. At the conference plenary, government labour statisticians from various North American, Scandinavian, Southeast Asian, Latin American, and Middle Eastern countries expressed their endorsement for the work presented and committed to working towards improved standards in the following years.

1.12 Together with the ILO experts, MOM statisticians are now working to further formulate statistical standards on DPE, ensuring that these become and remain applicable to international arenas for years to come.

## Outcomes

1.13 The active participation of MOM statisticians in the 21st ICLS marks a momentous step forward in the study of DPE. Through the creation of internationally standardised measures, quality data can be produced to help with the formulation of policies to improve social protections and working conditions for this growing group of workers. The outcomes of Singapore's work will not only impact the production of data in Singapore but will influence the ILO's 184 member states in the coming years.

1.14 At the 21st International Conference of Labour Statisticians in October 2023, which was also the 100th anniversary edition of the conference, MOM statisticians also participated actively in other proceedings, including the presentation of innovative new methods to update occupational classifications through machine learning and natural language processing techniques. More details can be found in this press release –

https://www.mom.gov.sg/newsroom/press-releases/2023/1023-global-recognition-of-singapore