THE INFORMAL ECONOMY: A GLOBAL PERSPECTIVE
THE INFORMAL WORKFORCE
Around the world, the informal workforce includes those who work:

On Streets or In Open Spaces:
- street vendors
- push-cart vendors
- waste pickers
- barbers
- construction workers
- jitney drivers

In Fields, Pastures, Forests; On Waterways:
- small farmers
- agricultural labourers
- shepherds
- forest gatherers
- fisherfolk

In Small Workshops/Factories:
- scrap metal recyclers
- shoe makers
- weavers
- garment makers
- paper-bag makers
- mechanics

At Home:
- garment makers
- embroiderers
- shoemakers
- artisans or craft producers
- assemblers of electronic parts
DEFINITION OF INFORMAL EMPLOYMENT

- **Self-Employment in Informal Enterprises**: self-employed in small unregistered or unincorporated enterprises, including:
  - *employers*
  - *own account operators*
  - *unpaid family workers*

- **Wage Employment in Informal Jobs**: wage workers without legal or social protection who work for formal or informal firms, for households, or for no fixed employer, including:
  - *employees of informal enterprises*
  - informal wage workers such as:
    - casual or day labourers
    - contract workers
    - domestic workers
  - industrial outworkers (also called homeworkers)

Note: The international definition of the “informal sector” that was adopted by the 1993 International Conference of Labour Statisticians included only those who work in informal enterprises (shown in *italics* above). The newly expanded definition of “informal employment” has been endorsed by the 2002 International Labour Conference and the 2003 International Conference of Labour Statisticians.
### Size of the Informal Economy: Share of Non-Agricultural Employment

<table>
<thead>
<tr>
<th>Region</th>
<th>%</th>
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<tbody>
<tr>
<td>North Africa</td>
<td>48%</td>
</tr>
<tr>
<td>Latin America</td>
<td>51%</td>
</tr>
<tr>
<td>Asia</td>
<td>65%</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>72%</td>
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</tbody>
</table>
CONTRIBUTION OF “INFORMAL SECTOR” TO GDP: SHARE OF NON-AGRICULTURAL GDP

North Africa  27 %

Latin America  29 %

Asia  31 %

Sub-Saharan Africa  41 %
SEGMENTATION OF THE INFORMAL ECONOMY: 
BY SEX, AVERAGE EARNINGS, AND POVERTY RISK

<table>
<thead>
<tr>
<th>Poverty Risk</th>
<th>Average Earnings</th>
<th>Segmentation by Sex</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>High</td>
<td>Predominantly Men</td>
</tr>
<tr>
<td>High</td>
<td>Low</td>
<td>Men and Women</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Predominantly Women</td>
</tr>
</tbody>
</table>

- Employers
- Informal Wage Workers: “Regular”
- Own Account Operators
- Informal Wage Workers: Casual
- Industrial Outworkers/Homeworkers
- Unpaid Family Workers