ADVANCES IN STATISTICS: OVERVIEW
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New Statistics on the Informal Economy

- More than 60% of total employment worldwide is informal.

- Nearly 70% of employment in developing and emerging countries is informal.
  - From 86% of employment in Africa to 30% in emerging economies of Eastern Europe and Central Asia.

- Self-employment represents 60% of informal employment globally and nearly 80% of informal employment in low-income countries.

- The share of self-employed in informal employment increases as national GDP levels decrease while the share of employees/wage workers in informal employment increases as national GDP levels increase.

Source: Prepared by Florence Bonnet (ILO) in 2017 based on ILO micro-data files for 118 countries, using harmonized criteria to identify informal employment with averages weighted by a country’s total employment.
Road to Progress in Development of Statistics on Informal Employment: Outline of Remarks

- Starting point: statistical definitions for informal sector, informal employment and the informal economy
- Progress in the development of concepts and methods: WIEGO’s role in bringing the voice of informal workers to the discussion of methods and classifications
- Improving the availability of statistics on informal employment and specific groups of informal workers: WIEGO’s role in putting statistics into the hands of researchers, policy makers and advocates
Informal Sector (enterprise based) - linked to SNA household sector) – Resolution of 15th ICLS (1993)

- Includes informal employment inside and outside the informal sector

Informal Economy – refers to all informal units, activities and workers so defined and the output from them (17th ICLS – 2003)
ICLS Definition: Informal Sector

- **Informal sector units** – criteria for determining (defined by absence of one or other of the following characteristics)
  - Are not constituted as a separate, legal entity but owned by persons/households
  - Do not have complete accounts
  - Are not registered at national level through
    -- factories/commercial acts
    -- tax/social security
    -- professional groups

- The characteristic of the unit is used to classify whether employers and own account workers are in informal employment
ICLS Definition: Informal Employment

- **Informal employment** expands the scope of informality beyond the informal sector

- Informal employment, so defined, includes:
  - Employers and own-account workers in informal sector units or household units
  - All contributing family workers
  - Employees whose employment relationship is not subject in law or practice to:
    - national labour legislation
    - income taxation
    - social protection
    - entitlement to certain benefits (severance pay, paid or sick leave, advance notice of dismissal)
WIEGO’s Strategy in Developing these Definitions and National Data

- 1997 to today – WIEGO is active member of the UN Statistical Commission’s Expert Group on Statistics on the Informal Economy (the Delhi Group) - both began in 1997

- 2008 to today – WIEGO launched efforts to apply the concept of informal employment to developed countries with a research conference at Harvard University in 2008; efforts continue through WIEGO membership in the UNECE Expert Group on Measurement of Quality of Employment where informal employment is an experimental indicator in the Q of E Framework

- 2013 – Publication of the ILO’s *Measuring Informality: A Statistical Manual on the Informal Sector and Informal Employment* – WIEGO was a member of the team preparing the manual

- 2013 to today – the concept of informal employment rests on the International Classification of Status in Employment (ICSE) and WIEGO is a member of the expert group revising the classification (Francoise Carre’s presentation)
WIEGO’s Strategy and Progress in Improving the Availability of Statistics on Informal Employment

- Present the most complete statistics on informal employment, the informal sector, contribution of the informal economy to GDP and categories of informal workers in publications easily accessed by a wide range of interested users - 3 publications:
  
  2 editions of *Women and Men in the Informal Economy: A Statistical Picture* with the ILO (2003 and 2013)
  

- Promote the development of a database on informal employment
  
  - 2011 ILO/WIEGO created Database on Statistics on the Informal Economy
  
  - 2015 ILO incorporated data on informal employment in main database ILOSTAT
  
  - 2017 ILO acquired micro-files of national data used to produce the new data presented in slide 2
WIEGO’s Strategy and Progress in Improving the Availability of Statistics on Informal Employment (continued)

- Develop methods, tabulations and publications on informal workers - domestic workers, home-based workers, street vendors and waste pickers - in the WIEGO publication series and on the WIEGO dashboard

- With ILO, developed SDG Indicator 8.3.1 – “identification of the share of informal employment in non-agricultural employment by sex” - as an indicator for SDG # 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work