



**Women in Informal Employment  
Globalizing and Organizing**

**6<sup>TH</sup> GLOBAL FORUM ON GENDER STATISTICS**  
**SESSION 1: MEASURING WOMEN'S ECONOMIC  
EMPOWERMENT**  
**II. WOMEN IN THE INFORMAL ECONOMY**

# WIEGO's Role in the Development of Statistics on Informal Employment

- WIEGO is a global research-policy action network that seeks to improve the status of the working poor, especially women
- From its beginning in 1997 WIEGO placed statistics at the forefront of its agenda, WIEGO Statistics Programme grew out of the Platform for Action of the Beijing Conference and the need for statistics on home-based workers in the campaign for Convention 177 on homeworkers
- WIEGO provides an informed voice needed to drive change in official statistics; WIEGO is an important user of statistics, making them more accessible to a wide set of advocates, development officials, researchers, and organizations of informal workers

# Main Points

- Definition and importance of informal employment
- Data on women and men in informal employment
- Progress in developing statistics in the field
- WIEGO's work to improve statistics on workers at the base of the economic pyramid includes
  - identification of categories of informal workers
  - the earnings gap in self-employment

# What is Informal Employment?

**Informal employment** refers to all workers not covered or insufficiently covered by formal arrangements through their work, including:

- **own account workers and employers** operating informal sector enterprises (i.e., unincorporated enterprises that may also be unregistered or small)
- **employees** who do not enjoy labour rights, such as those not receiving social insurance through their job, or who lack the right to vacation or sick leave, whether or not they work in informal enterprises, formal enterprises or households;
- **unpaid workers**, including family workers, own use producers, volunteers and trainees included in employment, whether or not the economic units they operate or work for are formal enterprises, informal enterprises or households.

Source: Statistical definition of the informal sector , 15<sup>th</sup> ICLS in 1993; statistical definition of informal employment, 17<sup>th</sup> ICLS in 2003.

# Importance of Data on Informal Employment

- **Developing Countries:** More than half of non-agricultural employment in most developing regions and an important source of employment for women
- **Developed Countries:** Growing presence of employment arrangements that fit the definition of informal employment, e.g. temporary agency work, short-term hires, some forms of sub-contracted work and digitally mediated on demand work; important sources of employment for women
- Progress in the development and use of statistics on informal employment—more countries with data, SNA, new SDG indicator ...

# **Informal Employment = more than half of non-agricultural employment in most developing countries**

## **South Asia: 82%**

range: 62% in Sri Lanka to 84% in India

## **Sub-Saharan Africa: 66%**

range: 52 % in Zimbabwe to 82% in Mali

## **East and Southeast Asia: 65%**

range: 42% in Thailand to 73% in Indonesia

## **Latin America: 51%**

range: 40% in Uruguay to 75% in Bolivia

## **Middle East and North Africa: 45%**

range: 31% in Turkey to 57% in West Bank & Gaza

## **Eastern Europe & Central Asia: 10%**

range: 6% in Serbia to 16% in Moldova

Source: WIEGO Working Paper No. 2, *Statistics on the Informal Economy: Definitions, Regional Estimates & Challenges*

# Women and Men in Non-Agricultural Informal Employment

- **In 3 (out of 6) regions + urban China informal employment is a greater source of employment (non-agric.) for women than for men**

## **South Asia**

83% women, 82% men

## **Sub-Saharan Africa**

74% women, 61% men

## **Latin America and the Caribbean**

54% women, 48% men

## **Urban China**

36% women, 30% men

- **In all regions men comprise a greater share of informal employment (non-agric.) due to relatively low female labour force participation rates**

# “Informal Employment” in Developed Countries

Non-standard arrangements—short term, temporary, part time, casual work— not covered or only partially covered by key formal regulations (labor standard and social protection) are forms of informal employment

- Includes limited duration hires, temporary agency work, some sub-contracted work, freelance and digitally mediated on-demand work (self-employed but working on assigned tasks)
- Difficult to compare statistics across developed countries: different regulations and definitions of what is non-standard affect statistical categories
- In most OECD countries these arrangements are growing and their share in women’s employment is higher than the corresponding share for men
- In the US these arrangements amounted to 16 percent of the workforce in 2015 up from 10 percent in 2005 (Katz and Krueger 2016)
- Growing recognition that concept of informal employment needs to be applied to developed countries: WIEGO/ILO launched effort in 2008: work continues in Quality of Employment Expert Group, revision of ICSE



# Progress in Development and Use of Statistics on Informal Employment

- Statistics on informal employment are part of main ILO database ILOSTAT and not a separate database
- In current update 59 countries supplied data on informal employment, up from 46 in last update two years ago; additional countries have these data but have not completed the questionnaire which ILO uses to compile data from countries
- Indicator for SDG 8 on promoting sustained inclusive and sustainable economic growth , full and productive employment and decent work for all: Proportion of informal employment in non-agricultural employment by sex
- Mexico - the Gold Standard in the collection, tabulation, publication and use of these data: included as a key economic indicator available quarterly on website by sex, by state, etc. and preparation of national accounts on contribution of both informal sector and informal employment to GVA

# Improving Statistics on Specific Categories of Informal Workers

- Domestic workers, home-based workers, street vendors/ market traders and waste pickers: largely informal and important jobs for women
- Demand for statistics from organized groups of these workers for advocacy and planning/ WIEGO's response: develop both methods and the needed tabulations
  - e.g. Peru: Statistics involved in negotiation to improve livelihood of informal workers
- Only one of the 4 categories is routinely identified in official national statistics –domestic workers but often not well measured, e.g. detailed analysis in India showed 1 million more domestic workers than in official tabulations to total 5.2 million
- Issue is not counting these workers but identifying and tabulating workers in the specific job

# Categories of Informal Workers - continued

## FOUR GROUPS OF URBAN INFORMAL WORKERS - INDIA 2011-12

### % of Urban Employment

Total      Male      Female

Domestic Workers	5	2	13
Home-Based Workers	14	10	32
Street Vendors	4	4	3
Waste Pickers	1	1	2
<b>ALL FOUR</b>	<b>24</b>	<b>17</b>	<b>50</b>

### % of Urban Informal Employment

**29**      **21**      **62**

Source: Tabulations prepared by G. Raveendran, the former Additional Director General of the Central Statistical Organization of India.

# Categories of Informal Workers—continued

## Issues in Developing Data on Informal Workers from Official Sources

- **Data collection:** a labour force survey to see these workers in terms of total employment (and not an ad hoc effort on the group itself)
- **Data availability and quality** caught up with survey cost reducing efforts
  - Capturing these workers often involves 3<sup>rd</sup> and 4<sup>th</sup> levels of classifications of industry and occupation; lower data quality at these levels with substitution of contract firm interviewers for staff
  - Tabulations at this detailed level-except for domestic workers - not part of main tabulation plan
  - Need a question on place of work and need sample size large enough to allow for cross tabulations
- Positive development: growing availability of **public use files** allows tabulations e.g. WIEGO statistical briefs on Home-based workers in Bangladesh, India, Nepal, Pakistan; Street vendors and market traders in Peru; domestic workers in Latin America and waste-pickers in Brazil

# Earnings of the Self-Employed

## Owner-Operated Enterprises in the Informal Sector in India, 2010-11

	<u>Women</u>	<u>Men</u>
Number of proprietary enterprises	9,977,499	44,795,605
% of enterprises that are own account	96%	83%
Average number of workers per enterprise	1.3	1.7
Average Entrepreneurial income per enterprise per year	Rs. 30,737	Rs.82,031
Average fixed assets per enterprise at current prices	Rs. 147,279	Rs. 304,196
Average number of hour owner operator worked per day	6.4	8.5

Source: Tabulations prepared by G. Raveendran, the former Additional Director General of the Central Statistical Organization of India.

# Earnings of the Self-Employed - continued

## Industry Sector and Earnings Gap

- In 23 of the 25 industry sectors, average earnings of enterprises owned by men are higher than those of women's; in one of the remaining categories –Miscellaneous – the earnings of women and men owned enterprises are roughly comparable.
- In 8 industry categories, earnings of men-owned enterprises are over Rs.100,000—five times or more than women owned enterprises in six categories; however in one industry category – Human Health and Social Work – earnings of women-owned enterprises are over Rs. 100,000 per year and somewhat more than men-owned enterprises
- Women- owned enterprises are concentrated in traditional sectors: manufacture of tobacco, textiles and wearing apparel (54 % of women-owned enterprises but only 8% of men's): in these sectors earnings in men owned enterprises are twice those in women-owned enterprises
- Men-owned enterprises are more widely dispersed across industry; the major concentration of men is in retail trade (except motor vehicles) 36% of men's enterprises are in this sector compared to 18% of women's; in this sector the earning of men owners are almost twice that of women's

Source: Tabulations prepared by G. Raveendran, the former Additional Director General of the Central Statistical Organization of India.