

The treatment of the informal sector

Summary conclusion

Context

Questions

- (a) Does the AEG confirm that there are strong reasons why guidance on the treatment of the informal sector should be added to the updated *1993 SNA*?
- (b) Does the AEG agree that there seems to be a substantial body of methodological literature and of practical experience available to serve as a foundation on which to prepare guidance on the treatment of the informal sector within the national accounts framework?
- (c) Does the AEG recommend any other sources to be consulted, or do they commend any in particular of those mentioned?

Outcomes

- (a) The AEG agreed.
- (b) The AEG agreed.
- (c) Several suggestions were made, including Women in Informal Employment Globalizing and Organizing (WIEGO).

Definitions

Questions

- (d) Should the different meanings of “sector,” “informal,” “households,” and “formal” be clarified and explained in the updated *SNA*?
- (e) Does the AEG agree that the updated SNA should describe the differences between the ICLS and SNA definitions of the types of production units and where possible reconcile the differences?
- (f) Does the AEG agree that there are advantages to the ICLS “some or all” criterion in identifying market producers? If so, could it be developed as an application for analytical and policy oriented purposes? Which option is preferred — in the core household production account or in a supplementary presentation?
- (g) AEG views are sought on the question of comparability? Should further attempts be made ... to identify groupings of household enterprises, including the informal sector, in the SNA household production account that have a greater degree of international comparability, especially to facilitate the preparation of macroeconomic indicators on household production that are internationally comparable and consistent with the SNA?

- (h) Should a bridge table be developed, in coordination with the ILO and Delhi Group, between the informal sector special cases and their SNA counterparts for inclusion in the updated SNA?

Outcomes

- (d) The AEG agreed.
- (e) The AEG agreed that the differences between the ICLS and SNA definitions of the types of production units should be reconciled via bridge tables.
- (f) This referred again to the question of the market/non-market distinction raised under “Consistency” and will be considered in that context.
- (g) The AEG considered that the issues underlying this question need to be refined further, in consultation with agencies that have an interest in the issue.
- (h) The AEG agreed.

Draft outline for a chapter in the updated SNA

Questions

- (i) Are there relevant topics that are missing from the outline?
- (j) What are the AEG’s views about the approach of tracing with broad brush strokes the evolution of the subject as a frame within which to explain differences in terminology and differing analytical needs?
- (k) What are the AEG’s views about the balance struck between being too much and too little?

Outcomes

- (i) The AEG suggested that a section on issues associated with international comparability be added.
- (j) The AEG did not express a view on this topic.
- (k) The AEG noted the need for the chapter to provide a good introduction to the subject without attempting to reproduce all the material of a Handbook.

Work plan

Questions

- (l) Are there AEG members who would like to volunteer for the sub-group to be set up to provide advice and review progress on the development of a recommendation on the informal sector?

- (m) Are there forums - groups or meetings - in addition to the Delhi Group whose views should be sought or that can be used to test preliminary proposals?

Outcomes

- (l) Mr Peter Pariag (Trinidad and Tobago, Chair), Mr Omar Hakouz (Jordan), Mr Akhilesh C. Kulshreshtha (India), Mr Jacques Magniez (France), Mr Roberto Ramos (Brazil) and Ms Lidia Bratanova (UNECE) volunteered.
- (m) The Joint National Accounts meeting to be held at the UNECE in Geneva in April 2006 was mentioned as a possibility.