United Nations Statistical Commission
Fifty-third session
Item 3 (t) of the provisional agenda
Items for discussion and decision: informal economy statistics

Document E/CN.3/2022/24 – Report of the International Labour Organization on informal economy statistics

Statement provided by: Dr. Mohd Uzir Mahidin, Chief Statistician,   Department of Statistics, Malaysia (DOSM)
Statement:
(a)　　Malaysia welcomes the concise "Report of the International Labour Organization on informal economy statistics" which highlights the progress by the working group in the revisions of the statistical standard and development of a new framework for informality. Malaysia fully supports the development of a new set of standards for statistics on the informal economy which will be discussed at the 21st International Conference of Labour Statisticians (ICLS) in 2023.   (b)　　Malaysia expressed the gratitude to the International Labour Organisation (ILO) for the opportunity to participate as the member of the working group and three out of four subgroups. Through this platform, Malaysia highlighted and addressed the conceptual and operational issues of informality within the country which has become increasingly complex since the recent health crisis. While flexible working arrangement has been addressed through proposal to integrate dependent contractor into the informality framework, gig activity and its association with digitalization should also be explicitly addressed to facilitate increasing demand by various parties to the emergence of this activity. Currently, no global standard on gig has been developed and countries have varied definition and classification used according to the nature of the economy. Thus, it is suggested that a comprehensive standard on gig is developed to facilitate countries in identifying, classifying and measuring gig activity. Malaysia has initiated work to develop a definition for gig employment through experimental measure based on Labour Force Survey (LFS) data in 2020 with further review to strengthen the concept is underway.   (c)　　Malaysia also agrees with the recommendation to include Agriculture activities for the measurement of the informal sector taking into account the nature of these activities which are predominantly smallholders, unstructured and lack of social protection. Considering this, analysis on informal sector in Malaysia were also expanded by incorporating the Agriculture activities to gauge a comprehensive insight of informal sector employment.   (d)　　While Malaysia welcomes ongoing support from the ILO in improving the LFS questionnaire for strengthening the measurement of informality, the need of frequent reporting should be emphasized through other methods using administrative data and emerging data sources. Malaysia is confident that with a holistic view and focus to current scenario in the revision of the statistical standards for informality, more countries can also implement those standards effectively, whilst fulfilling frequent demand of labour market information.
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