United Nations Statistical Commission Fifty-third session 1–3 and 5 March 2022 Item 3 (t) of the provisional agenda Items for discussion and decision: Informal Economy Statistics

Document E/CN.3/2022/24 - Report of the Secretary-Informal Economy Statistics

Statement provided by:

Stats NZ

Overview:

The report of the International Labour Organization (ILO) on informal economy statistics. The report provides a summary of the background for the revision of the statistical standards of informality, as well as a presentation of the proposed new framework developed by the ILO working group established for that purpose. This includes an outline of the new structure, which includes introducing the underlying concept of informal productive activities as well as the overarching concepts of informal economy and informal market economy. The new framework, which potentially includes all activities within the System of National Accounts (SNA) general production boundary that can be considered informal, aligns statistics on the informal economy with SNA as well as with the resolution concerning statistics of work, employment and labour underutilization adopted by the nineteenth International Conference of Labour Statisticians. In the paper, the proposal to introduce new supporting statistical concepts relating to informality is presented, as are improved conceptual and operational definitions of already existing statistical concepts. The Commission is invited: (a) to take note of the development of the new standards; (b) to encourage countries to support the processes of developing a new set of standards for statistics on the informal economy to be discussed at the twentyfirst International Conference of Labour Statisticians, in 2023; (c) to provide guidance on the proposal to align the current statistical framework on informality to the SNA general production boundary; and (d) to provide guidance on the proposal to recommend that agriculture activities should be included in the scope of the informal sector.

Action Taken by the Statistical Commission: The Commission is invited to:

- (a) To take note of the work carried out by ILO and its working group for the revision of the standards for statistics on informality;
- (b) To encourage countries to support the processes of developing a new set of standards for statistics on the informal economy to be discussed at the twenty-first International Conference of Labour Statisticians, in 2023;
- (c) To provide guidance and views on the proposal to expand the current statistical framework on informality by recognizing that own-use production of goods and own-use provision of services can be considered informal productive activities within the informal economy;
- (d) To provide guidance and views on the proposal to recommend that agriculture activities should be included in the informal sector when these activities fulfil the conditions for being considered an informal market producing unit.

Statement:

StatsNZ commends the ILO on it work and takes note of the work carried out by ILO and its working group for the revision of the standards for statistics on informality.

StatsNZ has been involved in the updates around SNA and has consulted on the new framework, which potentially includes all activities within the System of National Accounts (SNA) general production boundary that can be considered informal, aligns statistics on the informal economy with SNA as well as with the resolution concerning statistics of work, employment and labour underutilization adopted by the nineteenth International Conference of Labour Statisticians.

Stats NZ has done some work with Inland Revenue looking at various estimates of the informal economy and their applicability for New Zealand. One of the challenges of using Inland Revenue data for measuring the informal economy is that a targeted approach is used and there it is a biased perspective that would need to be adjusted.

StatsNZ has looked into using administrative data to enable tracking of the digital economy. As part of this work, Stats NZ has developed estimates about AirBnB for New Zealand as part of our early efforts to understand the digital economy and aspects of the informal economy <u>here</u>.

StatsNZ supports the proposal to expand the current statistical framework on informality by recognizing that own-use production of goods and own-use provision of services can be considered informal productive activities within the informal economy; We see it as a good opportunity to consider what we could progress for these estimates including what is needed for measuring employment in the informal economy

Submitted on:

2/25/2021