

Statistical update on employment in the informal economy

ILO - Department of Statistics

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This document and detailed statistics are available at
http://laborsta.ilo.org/informal_economy_E.html



Preface

Informality in employment has always been a challenge for statistical measurement. In 2003, the International Conference of Labour Statisticians (ICLS) held in Geneva defined new concepts related to this topic. The main achievement was to develop guidelines for a new conceptual framework which distinguishes between informality from the perspective of production units as observation units on the one hand and that of jobs as observation units on the other. While the informal sector refers to informal enterprises, informal employment refers to informal jobs. Employment in the informal economy can be defined as the sum of employment in the informal sector and informal employment found outside the informal sector. This new conceptual framework is seen as a key advancement to allow the analysis of informality which can serve as input to support policy making at the national level.

Since the adoption of the new guidelines, the ILO Department of Statistics (STATISTICS) has been providing technical assistance to countries in order to support countries to introduce the new statistical measures in their national survey questionnaires. This has required a huge effort on the part of National Statistical Offices worldwide and also from ILO technical staff. Following this initial process, a project to compile and analyse the information was launched by STATISTICS and the Employment Policy Department (EMP/POLICY) in order to support the processing of statistics on employment in the informal economy and make it more widely available for data users and policy makers worldwide.

The present statistical update presents information compiled for 47 countries from different regions. The data collection represents a major achievement and effort carried out jointly by STATISTICS and the global research-policy network known as Women in Informal Employment Globalizing and Organizing (WIEGO). The set of countries will be expanded in the future and, from now on, the ILO will incorporate the statistics collected on this topic into its main databases and conduct regular updates.

This note is part of a set of efforts that the ILO Department of Statistics is undertaking to help in the statistical understanding and quantification of such a relevant topic. During 2012 two major publications will be launched by the ILO: *“Measuring Informality: a Statistical Manual on the Informal Sector and Informal Employment”* and *“Women and Men in the Informal Economy: a Statistical Picture 2011”*. The first one is a Statistical tool to guide a proper measurement, while the second one, will be published along with EMP/POLICY and WIEGO.

There are many offices and individuals whose efforts have made this work possible that I would like to acknowledge. First and foremost I would like to thank the National Statistical Offices which provided the statistics used in this document, having been open to changing their data collection instruments and processing in order to introduce the new variables and follow the latest ICLS recommendations.

Secondly, I want to thank Elisa Benes, Monica Castillo, Pablo Fleiss, Stefanie Garry, Ralf Hussmanns, Adriana Mata-Greenwood, Valentina Stoevska and Jean-Michel Pasteels for having contributed to this work. I also would like to thank the colleagues of ILO/SIALC who were responsible for collecting and processing the microdata files of the countries in Latin America. I would also like to thank Azita Berar Awad who joined efforts and helped the process and encouraged joint collaboration with our Department.

Rafael Diez de Medina, Director

ILO Department of Statistics

Main findings

In the first half of 2011, the ILO compiled statistics by sex on employment in the informal economy from 47 medium and low-income countries. The statistics relate to the number of persons who in their main (or only) job were employed in a **non-agricultural** informal sector unit (employment in the informal sector) and the number of persons whose main (or only) job was informal (informal employment). Employment in the informal sector and informal employment refer to different aspects of informality. Employment in the informal sector is an enterprise-based concept and covers persons working in units that have “informal” characteristics in relation to, e.g., the legal status, registration, size, the registration of the employees, their bookkeeping practices, etc. Informal employment is a job-based concept and encompasses those persons whose main jobs lack basic social or legal protections or employment benefits and may be found in the formal sector, informal sector or households. Almost all persons employed in the informal sector are in informal employment. However, not all those in informal employment belong to the informal sector: there may be persons working outside of the informal sector (i.e., either in the formal sector or in households producing for own final use) that have informal employment. For more information on the international definition of these two measures, and on the relationship between them, please see Annex 2 at the end of this document. All over this document, all figures are related to **non-agricultural** employment.

When putting aside China, for which data are limited to six main cities, six countries (India, Brazil, Mexico, Vietnam, Pakistan and the Philippines) concentrate three-fourths of the total informal employment estimated for the group of countries. In fifteen countries, informal employment represents at least two-thirds of non-agricultural employment. The lowest percentages of informal employment are observed in central and eastern European countries.

In all except two countries, the number of persons employed in the informal sector exceeds those in informal employment outside the informal sector, suggesting that the bulk of informal employment is concentrated in employment in the informal sector among the countries.

In 30 of the 41 countries for which data disaggregated by sex are available, the share of women in informal employment in non-agricultural activities outnumbered that of men. However, when looking at informal sector employment, the picture is different. The majority of the countries registered higher shares of men in informal sector employment as a share of non-agricultural employment as compared with women.

When looking at informal employment by sector in the largest developing countries, the share of women in informal employment in manufacturing activities is usually much higher than that of men. For example, in Brazil, 48.6% of women have an informal job in the manufacturing sector, as compared to 31.7% of men. In India, the share of women with an informal job in the manufacturing sector even reaches 94%.

Cross country data suggest that informal employment is paired with low income per capita and high poverty rates. There are many possible interpretations. People in extreme poverty may have no other option than informal employment. Also, they may not be aware of their rights to certain legal and social protections and worker benefits, or how to access such protections and benefits, when these actually exist in their respective countries.

TABLE I. Employment in the informal economy in non-agricultural activities by component, both sexes, latest year available, 47 Countries, (page 1/2)

Country (Year)	Persons in informal employment		Persons employed in the informal sector		Persons in informal employment outside the informal sector	
	Thousands	% of non-agricultural employment	Thousands	% of non-agricultural employment	Thousands	% of non-agricultural employment
Argentina (2009 IV Qtr.)	5,138	49.7	3,317	32.1	1,850	17.9
Armenia (2009)	138	19.8	71	10.2	67	9.6
Bolivia (2006)	2,069	75.1	1,436	52.1	647	23.5
Brazil (2009)	32,493	42.2	18,688	24.3	13,862	18.0
China ¹ (2010)	36,030	32.6	24,220	21.9	13,850	12.5
Colombia (2010 II Qtr.)	9,307	59.6	8,144	52.2	1,444	9.3
Costa Rica (2009 July)	754	43.8	638	37.0	193	11.2
Cote d'Ivoire (2008)	n.a.	n.a.	2,434	69.7	n.a.	n.a.
Dominican Rep. (2009)	1,484	48.5	898	29.4	593	19.4
Ecuador (2009 IV Qtr.)	2,691	60.9	1,646	37.3	1,062	24.0
Egypt (2009)	8,247	51.2	n.a.	n.a.	n.a.	n.a.
El Salvador (2009)	1,242	66.4	998	53.4	277	14.8
Ethiopia** (2004)	n.a.	n.a.	1,089	41.4	n.a.	n.a.
Honduras (2009)	1,454	73.9	1,146	58.3	334	17.0
India (2009/2010)	185,876	83.6	150,113	67.5	37,409	16.8
Indonesia (2009)	3,157	72.5	2,621	60.2	532	12.2
Kyrgyzstan (2009)	n.a.	n.a.	887	59.2	n.a.	n.a.
Lesotho (2008)	160	34.9	225	49.1	99	21.6
Liberia (2010)	343	60.0	284	49.5	62	10.8
Macedonia, FYR. (2010)	65	12.6	39	7.6	27	5.2
Madagascar (2005)	1,271	73.6	893	51.8	378	21.9
Mali (2004)	1,180	81.8	1,029	71.4	163	11.3
Mauritius (2009)	n.a.	n.a.	57	9.3	n.a.	n.a.
Mexico (2009 II Qtr.)	20,258	53.7	12,861	34.1	7,620	20.2

Sources: ILO, Department of Statistics; Country responses to ILO data request, special tabulations of labour force survey data, extracts from survey reports. For Latin American countries, ILO/SIALC household survey micro-data base.

Notes: Due to the possible existence of some formal wage employment in the informal sector, total informal employment may be slightly lower than the sum of informal sector employment and informal employment outside the informal sector. ¹Six cities. ** Urban Areas. n.a. Non Available.

For a detailed definition of the concepts, see the conceptual framework in Annex 2.

TABLE I. Employment in the informal economy in non-agricultural activities by component, both sexes, latest year available, (page 2/2)

Country (Year)	Persons in informal employment		Persons employed in the informal sector		Persons in informal employment outside the informal sector	
	Thousands	% of non-agricultural employment	Thousands	% of non-agricultural employment	Thousands	% of non-agricultural employment
Moldova, Rep. (2009)	136	15.9	62	7.3	73	8.6
Namibia (2008)	121	43.9	n.a.	n.a.	n.a.	n.a.
Nicaragua (2009)	1,024	65.7	847	54.4	234	15.0
Pakistan (2009/2010)	21,913	78.4	20,416	73.0	2,319	8.3
Panama (2009 Aug.)	517	43.8	327	27.7	192	16.3
Paraguay (2009)	1,473	70.7	790	37.9	683	32.8
Peru (2009)	7,458	69.9	5,223	49.0	2,313	21.7
Philippines (2008)	15,150	70.1	15,680	72.5	2,490	11.5
Russian Fed. (2010)	n.a.	n.a.	7,785	12.1	n.a.	n.a.
Serbia (2010)	113	6.1	66	3.5	57	3.0
South Africa (2010)	4,089	32.7	2,225	17.8	1,864	14.9
Sri Lanka (2009)	3,184	62.1	2,588	50.5	597	11.6
Tanzania (2005/2006)	3,467	76.2	2,353	51.7	1,137	25.0
Thailand (2010)	9,642	42.3	n.a.	n.a.	n.a.	n.a.
Turkey (2009)	4,903	30.6	n.a.	n.a.	n.a.	n.a.
Uganda (2010)	2,720	69.4	2,344	59.8	537	13.7
Ukraine (2009)	n.a.	n.a.	1,525	9.4	n.a.	n.a.
Uruguay (2009)	572	39.8	487	33.9	141	9.8
Venezuela BR (2009 I Qtr.)	5,131	47.5	3,920	36.3	1,275	11.8
Viet Nam (2009)	17,172	68.2	10,948	43.5	6,303	25.0
West Bank & Gaza (2010)	375	58.5	140	23.2	235	35.8
Zambia (2008)	920	69.5	854	64.6	155	11.7
Zimbabwe (2004)	909	51.6	698	39.6	n.a.	n.a.

TABLE II. 47 Countries: Employment in the informal economy in non-agricultural activities by component and sex, latest year available, (page 1/ 3)

Country (Year)	Sex	Persons in informal employment		Persons employed in the informal sector		Persons in informal employment outside the informal sector	
		Thousands	% of non-agricultural employment	Thousands	% of non-agricultural employment	Thousands	% of non-agricultural employment
Argentina (2009 IV Qtr.)	Female	2,189	49.6	1,131	25.7	1,071	24.3
	Male	2,949	49.8	2,186	36.9	779	13.2
Armenia (2009)	Female	37	12.7	15	5.2	22	7.5
	Male	101	24.8	56	13.7	45	11.1
Bolivia (2006)	Female	972	78.5	664	53.6	311	25.2
	Male	1,097	72.4	772	51.0	336	22.1
Brazil (2009)	Female	15,909	45.9	6,982	20.1	8,944	25.8
	Male	16,585	39.2	11,706	27.7	4,918	11.6
China ¹ (2010)	Female	17,230	35.7	11,150	23.1	7,100	14.7
	Male	18,794	30.1	13,062	20.9	6,761	10.8
Colombia (2010 II Qtr.)	Female	4,532	62.7	3,702	51.2	943	13.0
	Male	4,775	57.0	4,442	53.1	502	6.0
Costa Rica (2009 July)	Female	323	46.0	246	35.0	109	15.5
	Male	432	42.2	392	38.4	84	8.2
Cote d'Ivoire (2008)	Female	n.a.	n.a.	1,194	82.8	n.a.	n.a.
	Male	n.a.	n.a.	1,240	60.5	n.a.	n.a.
Dominican Rep. (2009)	Female	615	51.4	283	23.6	335	28.0
	Male	869	46.7	616	33.1	258	13.9
Ecuador (2009 IV Qtr.)	Female	1,214	63.7	682	35.8	537	28.2
	Male	1,477	58.8	964	38.4	525	20.9
Egypt (2009)	Female	572	23.1	n.a.	n.a.	n.a.	n.a.
	Male	7,675	56.3	n.a.	n.a.	n.a.	n.a.
El Salvador (2009)	Female	693	72.5	555	58.1	153	16.0
	Male	549	60.1	443	48.5	123	13.5
Ethiopia** (2004)	Female	n.a.	n.a.	561	47.9	n.a.	n.a.
	Male	n.a.	n.a.	528	36.3	n.a.	n.a.
Honduras (2009)	Female	724	74.8	580	59.9	158	16.3
	Male	729	73.0	566	56.6	176	17.6
India (2009/2010)	Female	34,921	84.7	24,475	59.4	10,793	26.2
	Male	150,955	83.3	125,639	69.4	26,615	14.7
Indonesia (2009)	Female	1,180	72.9	1,034	63.9	227	14.0
	Male	1,977	72.3	1,788	65.4	305	11.1

TABLE II. 47 Countries: Employment in the informal economy in non-agricultural activities by component and sex, latest year available, (page 2/ 3)

Country (Year)	Sex	Persons in informal employment		Persons employed in the informal sector		Persons in informal employment outside the informal sector	
		Thousands	% of non-agricultural employment	Thousands	% of non-agricultural employment	Thousands	% of non-agricultural employment
Kyrgyzstan (2009)	Female	n.a.	n.a.	321	50.7	n.a.	n.a.
	Male	n.a.	n.a.	566	65.4	n.a.	n.a.
Lesotho (2008)	Female	70	36.1	94	48.1	46	23.7
	Male	90	34.1	131	49.9	53	20.0
Liberia (2010)	Female	206	72.0	188	65.4	19	6.6
	Male	136	47.4	96	33.4	42	14.6
Macedonia, FYR. (2010)	Female	16	8.1	5	2.8	11	5.6
	Male	49	15.4	33	10.7	16	5.0
Madagascar (2005)	Female	671	81.0	528	63.8	143	17.2
	Male	600	66.8	365	40.7	235	26.2
Mali (2004)	Female	652	89.2	582	79.6	74	10.1
	Male	528	74.2	447	62.9	89	12.6
Mauritius (2009)	Female	n.a.	n.a.	14	6.7	n.a.	n.a.
	Male	n.a.	n.a.	43	10.6	n.a.	n.a.
Mexico (2009 II Qtr.)	Female	9,066	57.8	4,993	31.8	4,115	26.2
	Male	11,192	50.8	7,868	35.7	3,504	15.9
Moldova, Rep. (2009)	Female	50	11.4	11	2.6	39	8.8
	Male	85	20.8	51	12.4	35	8.4
Namibia (2008)	Female	62	47.0	n.a.	n.a.	n.a.	n.a.
	Male	59	41.1	n.a.	n.a.	n.a.	n.a.
Nicaragua (2009)	Female	505	66.6	400	52.7	130	17.2
	Male	519	64.9	447	55.9	104	13.0
Pakistan (2009/2010)	Female	2,079	75.7	1,979	72.1	219	8.0
	Male	19,834	78.7	18,437	73.1	2,100	8.3
Panama (2009 Aug.)	Female	232	46.5	130	26.0	103	20.6
	Male	285	41.8	197	28.9	90	13.2
Paraguay (2009)	Female	666	74.4	328	36.7	338	37.7
	Male	806	67.9	462	38.9	345	29.1
Peru (2009)	Female	3,691	75.7	2,650	54.3	1,081	22.2
	Male	3,767	65.1	2,572	44.4	1,232	21.3
Philippines (2008)	Female	6,854	70.2	6,618	67.8	1,646	16.9
	Male	8,296	69.9	9,062	76.4	843	7.1

TABLE II. 47 Countries: Employment in the informal economy in non-agricultural activities by component and sex, latest year available, (page 3/ 3)

Country (Year)	Sex	Persons in informal employment		Persons employed in the informal sector		Persons in informal employment outside the informal sector	
		Thousands	% of non-agricultural employment	Thousands	% of non-agricultural employment	Thousands	% of non-agricultural employment
Russian Fed. (2010)	Female	n.a.	n.a.	3,536	10.9	n.a.	n.a.
	Male	n.a.	n.a.	4,249	13.3	n.a.	n.a.
Serbia (2010)	Female	35	4.3	17	2.1	21	2.6
	Male	79	7.5	48	4.6	35	3.3
South Africa (2010)	Female	2,018	36.8	922	16.8	1,096	20.0
	Male	2,071	29.5	1,303	18.6	768	10.9
Sri Lanka (2009)	Female	933	55.7	700	41.8	232	13.9
	Male	2,252	65.2	1,888	54.7	364	10.6
Tanzania (2005/2006)	Female	1,672	82.8	1,006	49.8	672	33.3
	Male	1,795	70.9	1,347	53.2	465	18.4
Thailand (2010)	Female	4,730	43.5	n.a.	n.a.	n.a.	n.a.
	Male	4,912	41.2	n.a.	n.a.	n.a.	n.a.
Turkey (2009)	Female	1,116	32.6	n.a.	n.a.	n.a.	n.a.
	Male	3,788	30.1	n.a.	n.a.	n.a.	n.a.
Uganda (2010)	Female	1,232	71.9	1,066	62.2	209	12.2
	Male	1,488	67.5	1,277	57.9	328	14.9
Ukraine (2009)	Female	n.a.	n.a.	518	6.4	n.a.	n.a.
	Male	n.a.	n.a.	1,006	12.4	n.a.	n.a.
Uruguay (2009)	Female	270	40.3	194	28.9	101	15.0
	Male	302	39.4	294	38.3	41	5.3
Venezuela BR (2009 I Qtr.)	Female	2,159	47.4	1,552	34.1	623	13.7
	Male	2,972	47.5	2,367	37.8	652	10.4
Viet Nam (2009)	Female	7,800	66.8	5,106	43.7	2,738	23.4
	Male	9,372	69.4	5,842	43.3	3,565	26.4
West Bank & Gaza (2010)	Female	42	42.0	14	14.0	28	28.0
	Male	333	59.9	126	22.7	207	37.2
Zambia (2008)	Female	407	80.1	357	70.3	63	12.4
	Male	513	62.9	497	60.9	92	11.3
Zimbabwe (2004)	Female	447	65.9	360	53.1	n.a.	n.a.
	Male	462	42.7	338	31.2	n.a.	n.a.

Sources: ILO, Department of Statistics; Country responses to ILO data request, special tabulations of labour force survey data, extracts from survey reports. For Latin American countries, ILO/SIALC household survey micro-data base.

Notes: Due to the possible existence of some formal wage employment in the informal sector, total informal employment may be slightly lower than the sum of components. ¹ Six cities. * Employees only. ** Urban Areas. n.a. Non Available.

TABLE III. 47 Countries: Selected Indicators, Latest Annual Data, (page 1/ 2)

Country	Persons in informal employment	Persons employed in the informal sector	Labour force participation rate	Unemployment rate	Gross Domestic Product per capita	Poverty
	% of non-agricultural employment	% of non-agricultural employment	% of Working age population	% of Economically active population	In current US\$ (year 2010)	% of population living below national poverty line
Argentina	49.7	32.1	46.0	7.7	9,138	n.a.
Armenia	19.8	10.2	59.2	18.7	2,846	26.5
Bolivia	75.1	52.1	56.9	7.9	1,858	60.1
Brazil	42.2	24.3	62.0	7.1	10,816	21.4
China ¹	32.6	21.9	70.1	4.1	4,382	2.8
Colombia	59.6	52.2	62.7	11.8	6,273	45.5
Costa Rica	43.8	37.0	60.5	7.8	7,843	21.7
Cote d'Ivoire	n.a.	69.7	40.7	22.6	1,036	42.7
Dominican Rep.	48.5	29.4	64.3	14.3	5,228	50.5
Ecuador	60.9	37.3	65.3	6.5	3,984	36.0
Egypt	51.2	n.a.	33.0	9.0	2,789	22.0
El Salvador	66.4	53.4	42.4	6.4	3,701	37.8
Ethiopia**	n.a.	41.4	46.0	16.7	350	38.9
Honduras	73.9	58.3	37.9	2.9	2,016	60.0
India	83.6	67.5	39.1	4.3	1,265	27.5
Indonesia	72.5	60.2	67.8	7.3	3,015	13.3
Kyrgyzstan	n.a.	59.2	64.4	8.4	864	43.1
Lesotho	34.9	49.1	42.3	25.3	837	56.6
Liberia	60.0	49.5	62.8	3.7	226	63.8
Macedonia, FYR.	12.6	7.6	55.7	32.0	4,431	19.0
Madagascar	73.6	51.8	86.9	2.3	392	68.7
Mali	81.8	71.4	49.4	8.8	692	47.4
Mauritius	n.a.	9.3	59.8	7.7	7,593	n.a.
Mexico	53.7	34.1	58.7	5.5	9,566	47.4

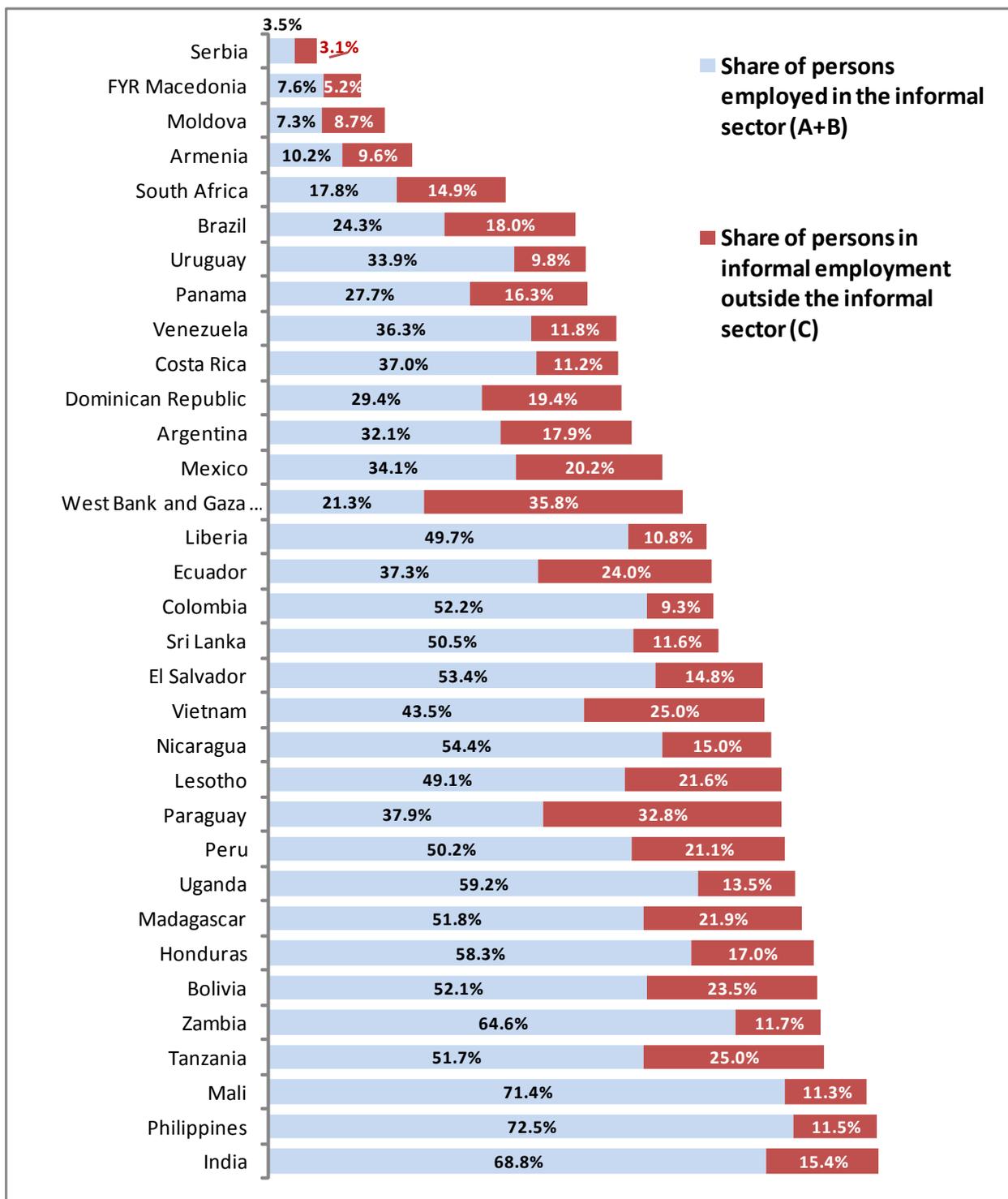
TABLE III. 47 Countries: Selected Indicators, Latest Annual Data, (page 2/ 2)

Country	Persons in informal employment	Persons employed in the informal sector	Labour force participation rate	Unemployment rate	Gross Domestic Product per capita	Poverty
	% of non-agricultural employment	% of non-agricultural employment	% of Working age population	% of Economically active population	In current US\$ (year 2010)	% of population living below national poverty line
Moldova, Rep.	15.9	7.3	41.9	7.4	1,630	29.0
Namibia	43.9	n.a.	28.6	21.9	5,652	38.0
Nicaragua	65.7	54.4	39.7	4.9	1,127	46.2
Pakistan	78.4	73.0	32.2	5.2	1,050	22.3
Panama	43.8	27.7	63.7	6.4	7,593	32.7
Paraguay	70.7	37.9	62.9	6.4	2,886	35.1
Peru	69.9	49.0	70.0	7.9	5,172	34.8
Philippines	70.1	72.5	64.1	7.3	2,007	26.5
Russian Fed.	n.a.	12.1	67.7	7.5	10,437	11.1
Serbia	6.1	3.5	43.4	13.6	5,233	6.6
South Africa	32.7	17.8	54.3	24.9	7,158	23.0
Sri Lanka	62.1	50.5	49.2	5.7	2,435	15.2
Tanzania	76.2	51.7	n.a.	n.a.	548	33.4
Thailand	42.3	n.a.	71.9	1.0	4,992	8.1
Turkey	30.6	n.a.	48.8	11.9	10,399	18.1
Uganda	69.4	59.8	38.1	3.2	501	24.5
Ukraine	n.a.	9.4	65.9	8.1	3,000	7.9
Uruguay	39.8	33.9	62.9	6.9	11,998	20.5
Venezuela, RB	47.5	36.3	64.7	8.5	9,960	29.0
Viet Nam	68.2	43.5	71.4	2.1	1,174	14.5
West Bank & Gaza	58.5	23.2	39.5	24.6	n.a.	21.9
Zambia	69.5	64.6	55.7	12.9	1,221	59.3
Zimbabwe	51.6	39.6	71.1	6.0	594	72.0

Sources: ILO, Department of Statistics; Country responses to ILO data request, special tabulations of labour force survey data, extracts from survey reports. For Latin American countries, ILO/SIALC household survey micro-data base. ILO Laborsta and Short term indicators database (Labour Force Participation & Unemployment rate), IMF (GDP for year 2010) and World Bank (Poverty).

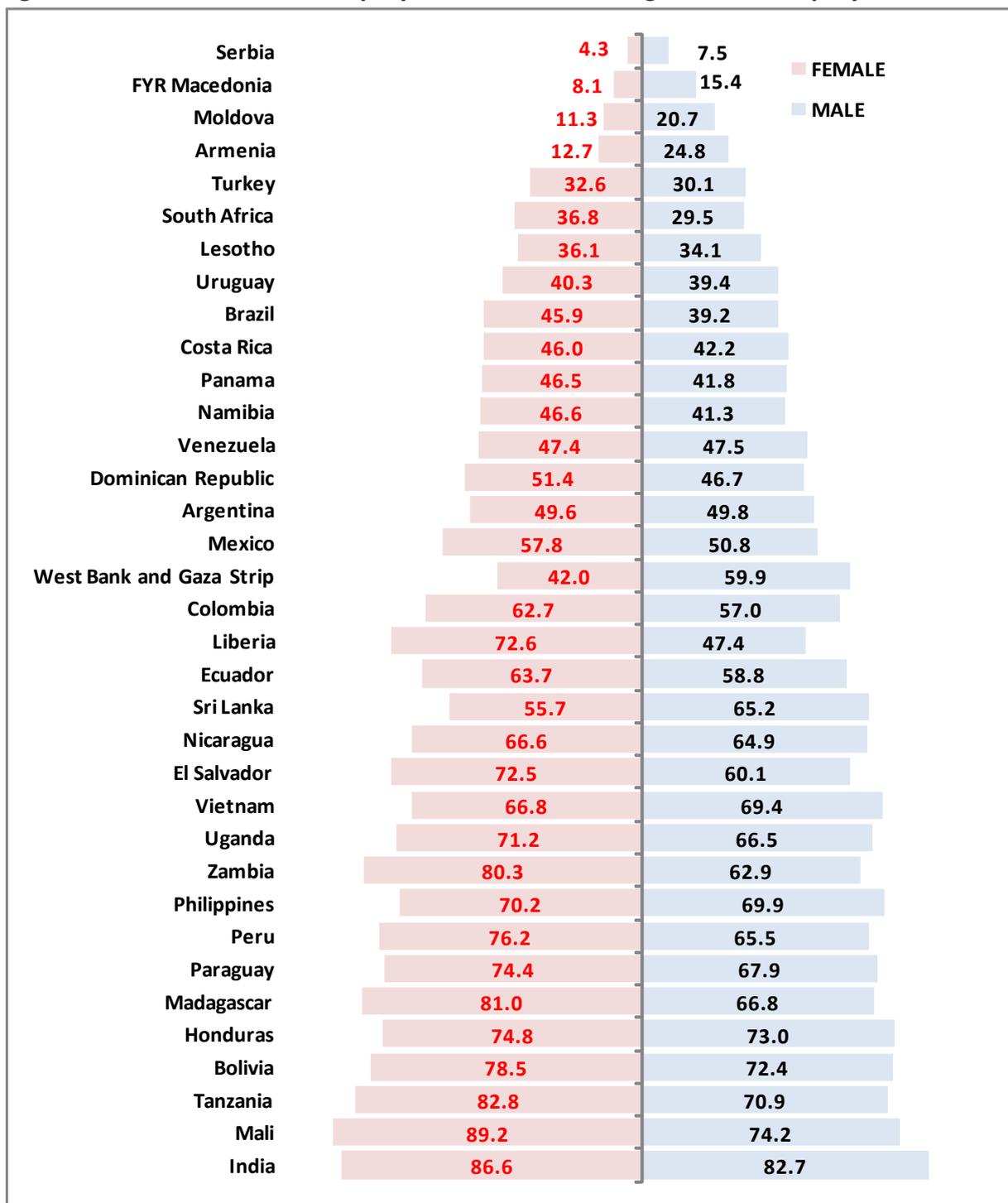
Notes: ¹ Six cities. ** Urban Areas (data for employment in the informal economy). n.a. Non Available.

Figure 1. Share of persons employed in the informal economy, latest year available



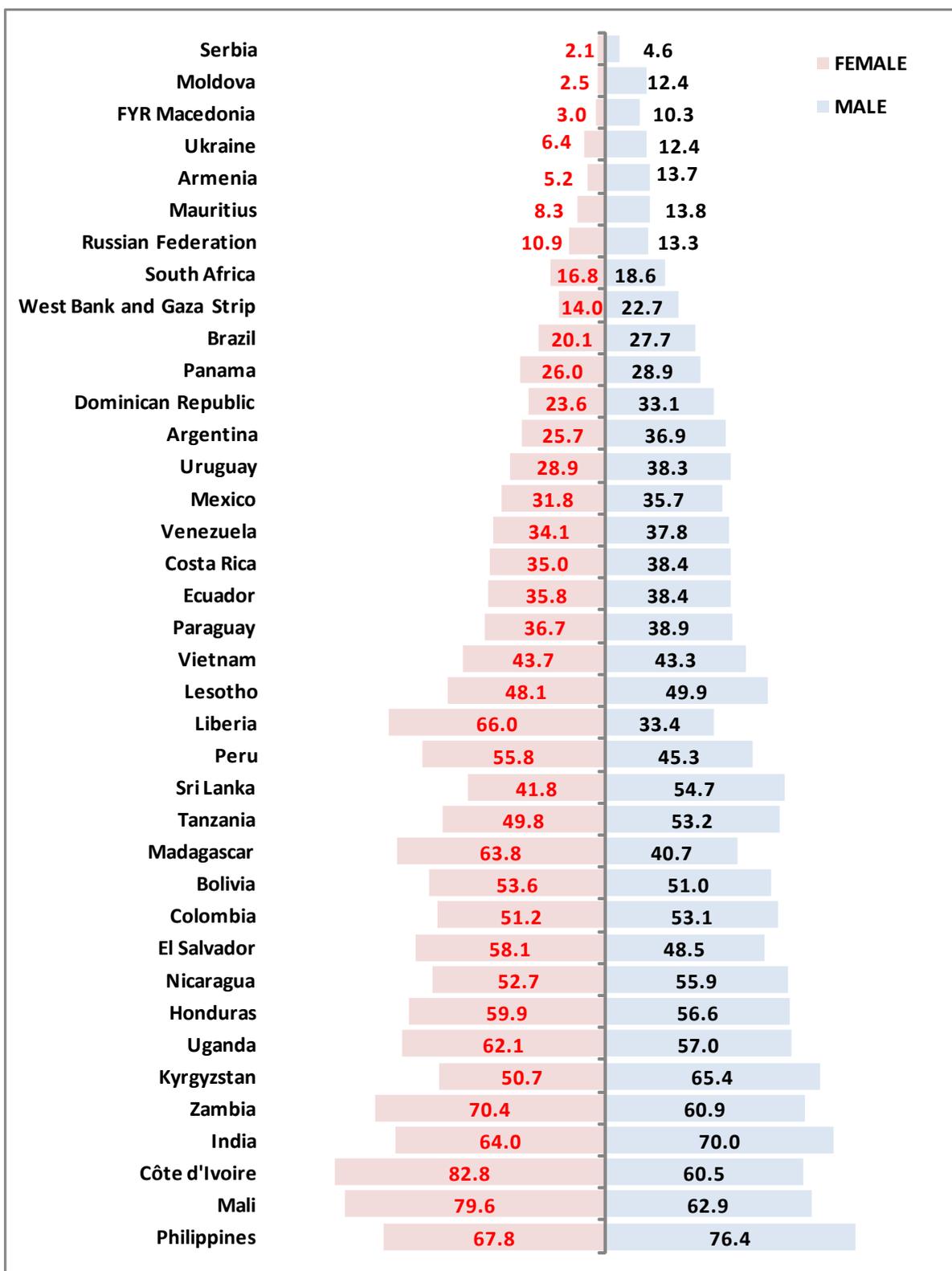
Note: The data refer to non-agricultural employment and the latest year available for each country.

Figure 2. Share of informal employment in total non-agricultural employment



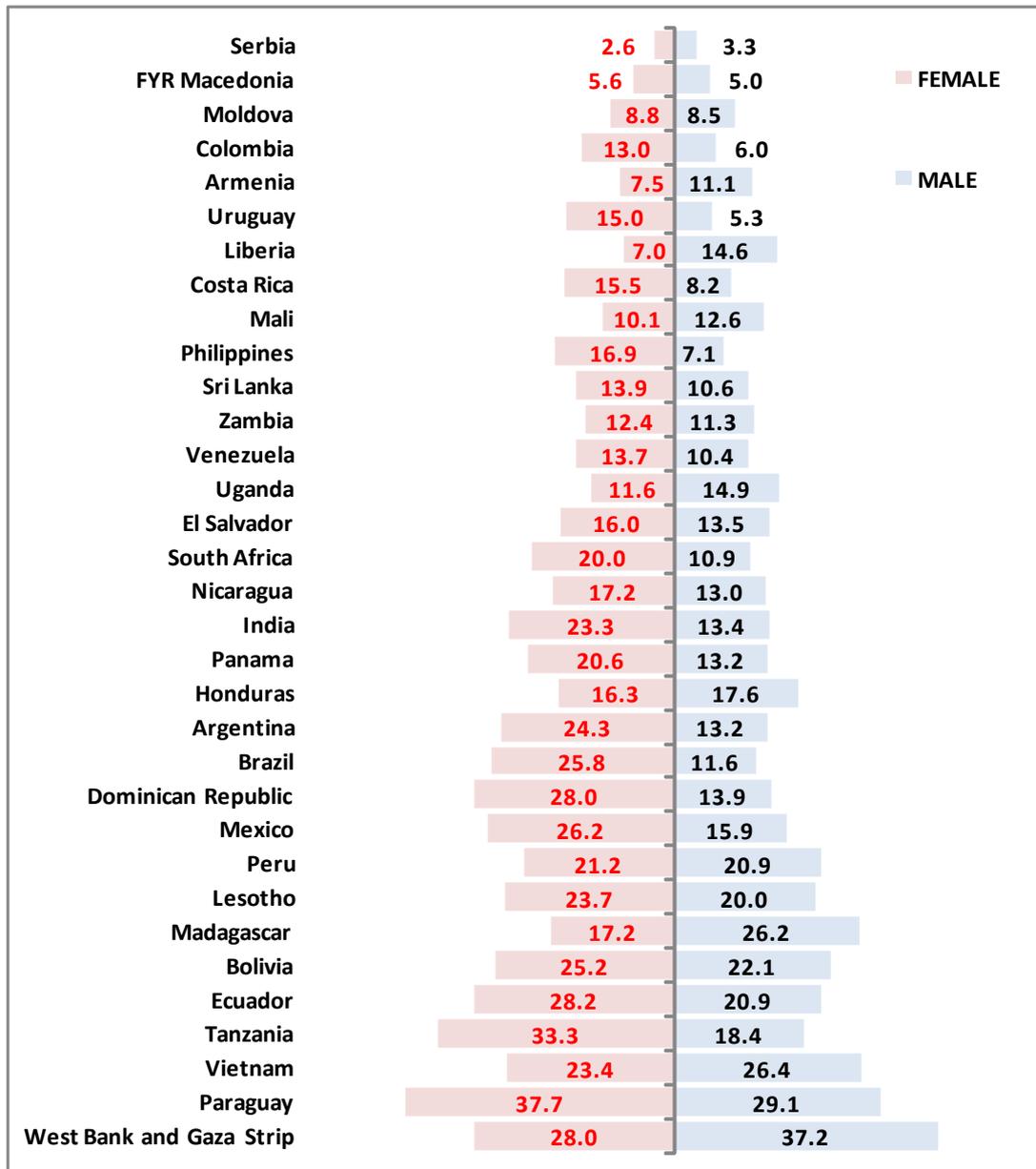
Note: The data refer to non-agricultural employment and the latest year available for each country.

Figure 3. Share of persons employed in the informal sector



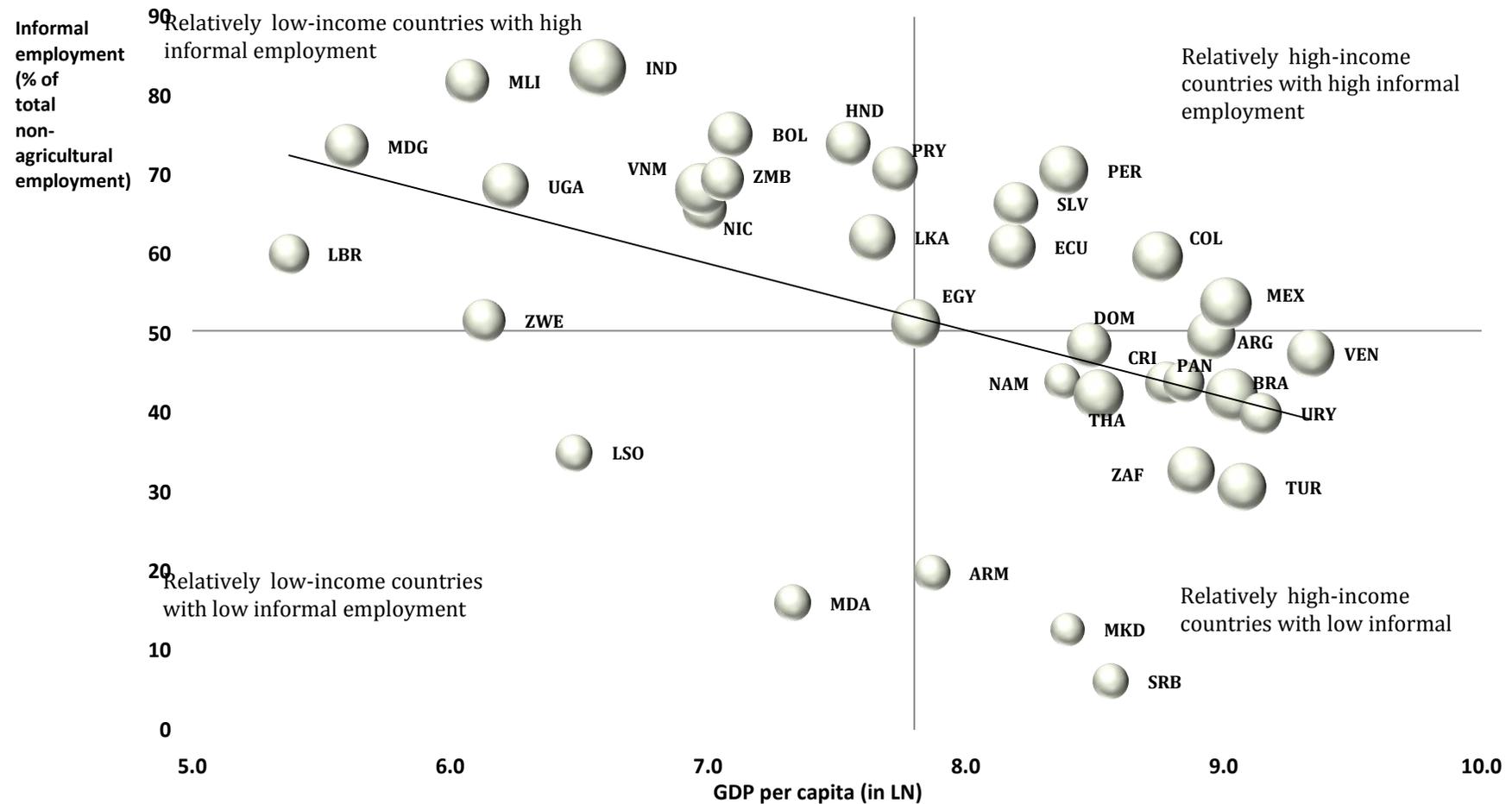
Note: The data refer to non-agricultural employment and the latest year available for each country.

Figure 4. Share of persons in informal employment outside the informal sector



Note: The data refer to non-agricultural employment and the latest year available for each country.

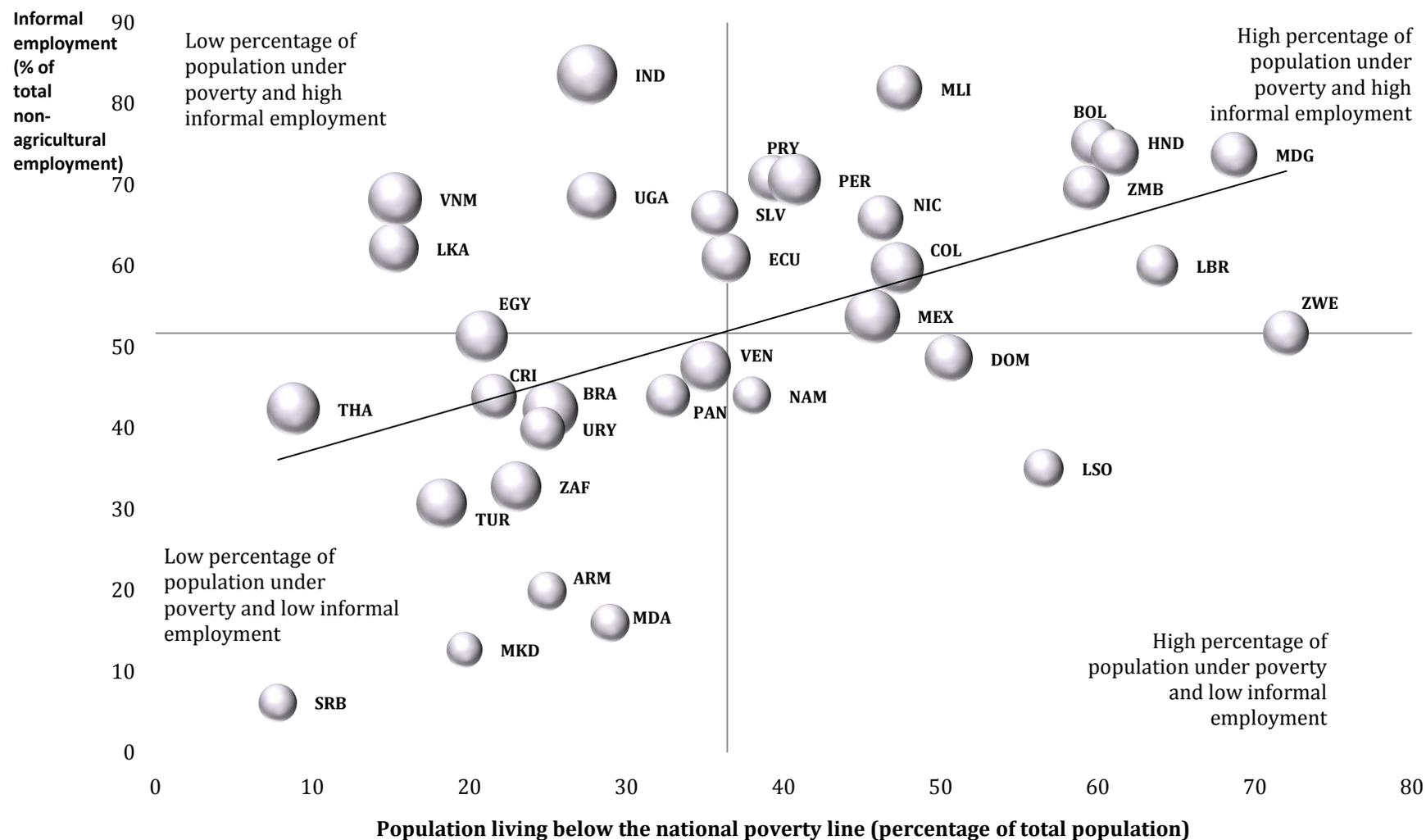
Figure 5. Informal Employment vs GDP per capita, sub-sample of 38 countries



Source: ILO, Department of Statistics, and IMF, World Economic Outlook

This graph shows for each country the percentage of informal employment in total non-agricultural employment and the value of income per capita (expressed in natural logarithm). Country names have been abbreviated due to space constraints. The axis passes through the unweighted sample means. A linear trend line is depicted, and the size of the bubbles reflects the size of total informal employment (in logarithms). Only countries with data on persons in informal employment have been included. GDP data correspond to the same year as latest year available on employment in the informal economy.

Figure 6: Informal Employment and Poverty, sub-sample of 36 countries



Source: ILO, Department of Statistics, and IMF, World Economic Outlook

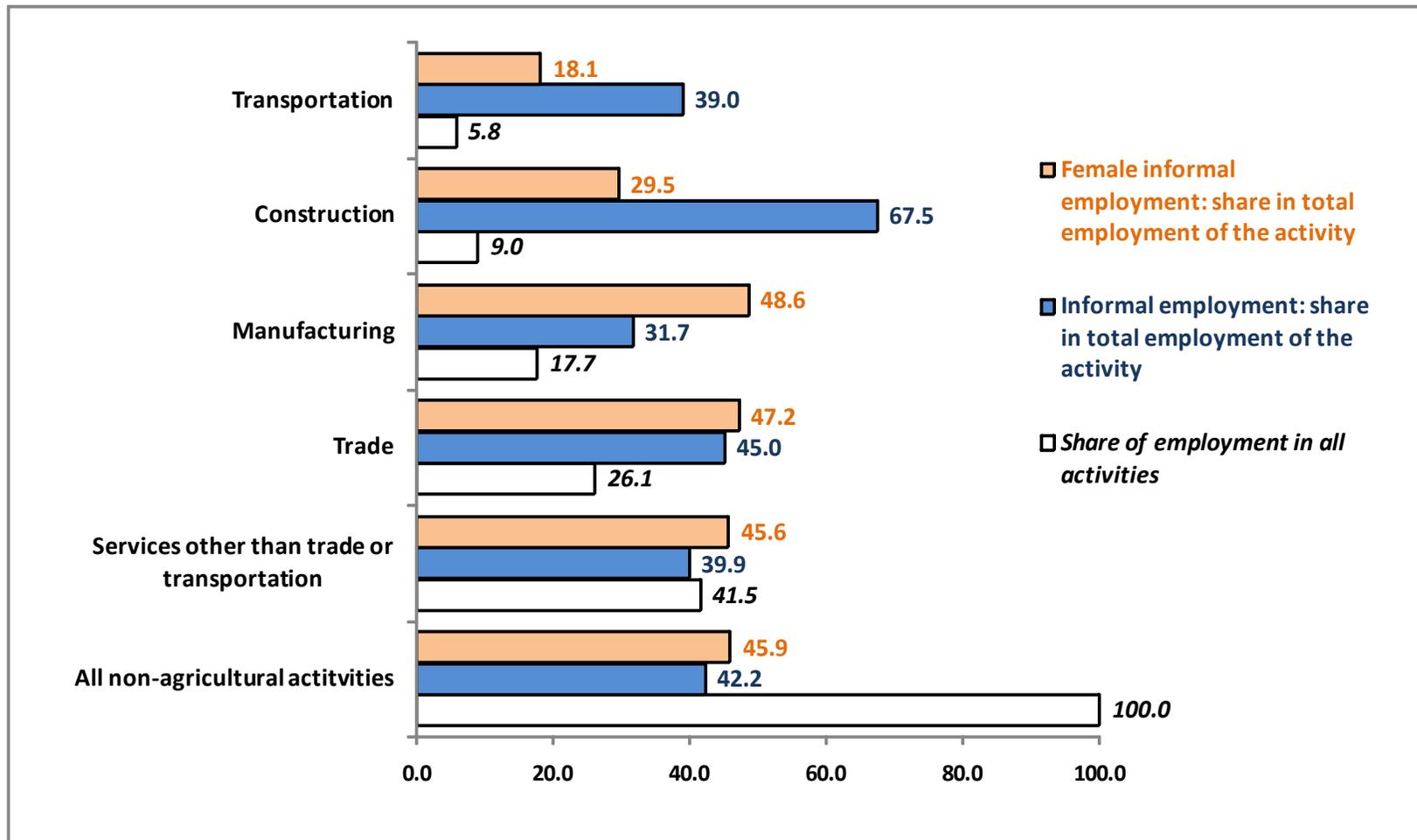
This graph shows for each country the percentage of informal employment in total non-agricultural employment and the percentage of the population living below the national poverty line (World Bank). Country names have been abbreviated due to space constraints. The axis passes through the unweighted sample means. The size of the bubbles is proportional to the size of total informal employment (in logarithms). Only countries with data on persons in informal employment have been included. Poverty figures are computed using 2006-2010 averages.

Annex 1 - Selected country examples

Country: Brazil

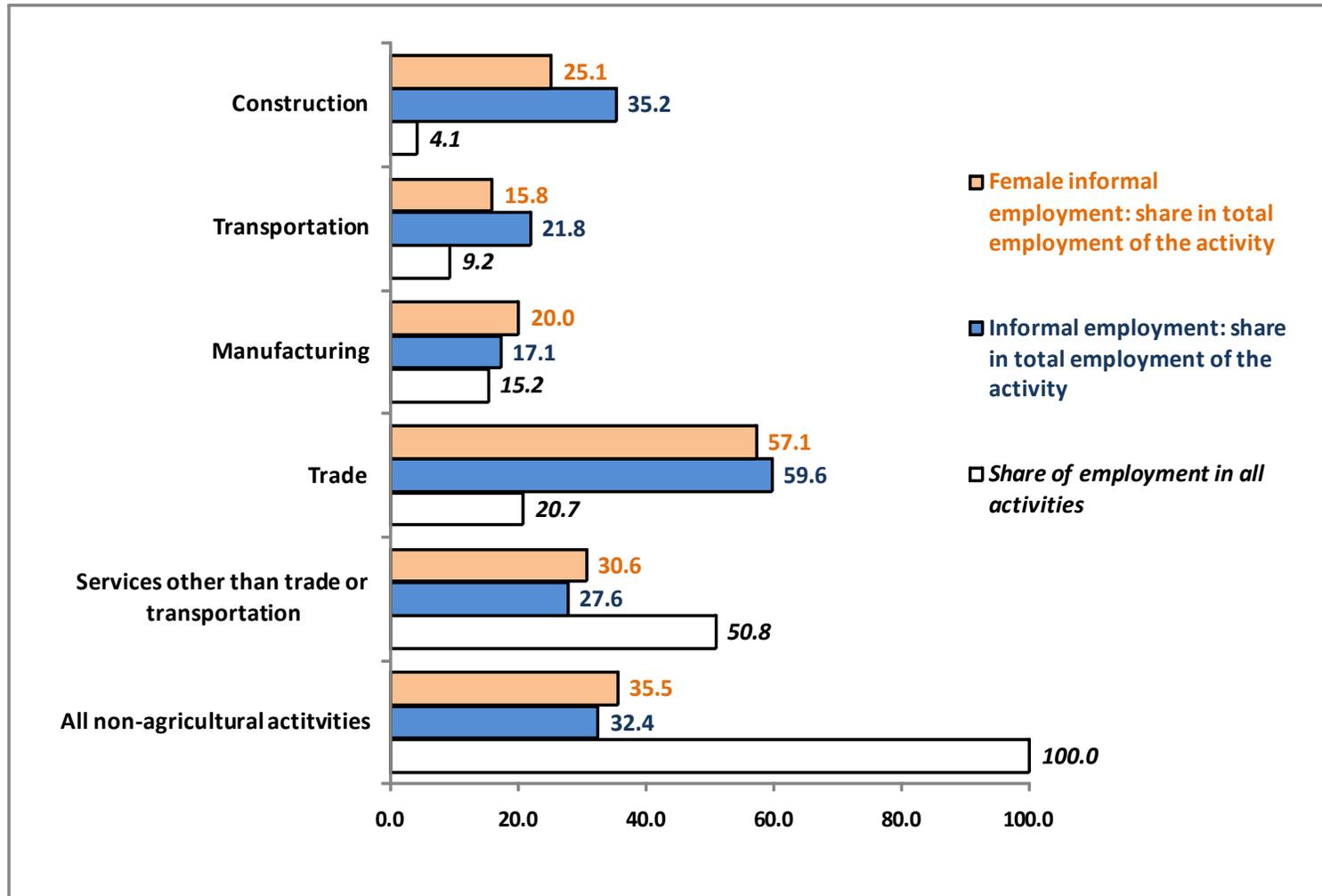
Year: 2009

Non-agricultural employment



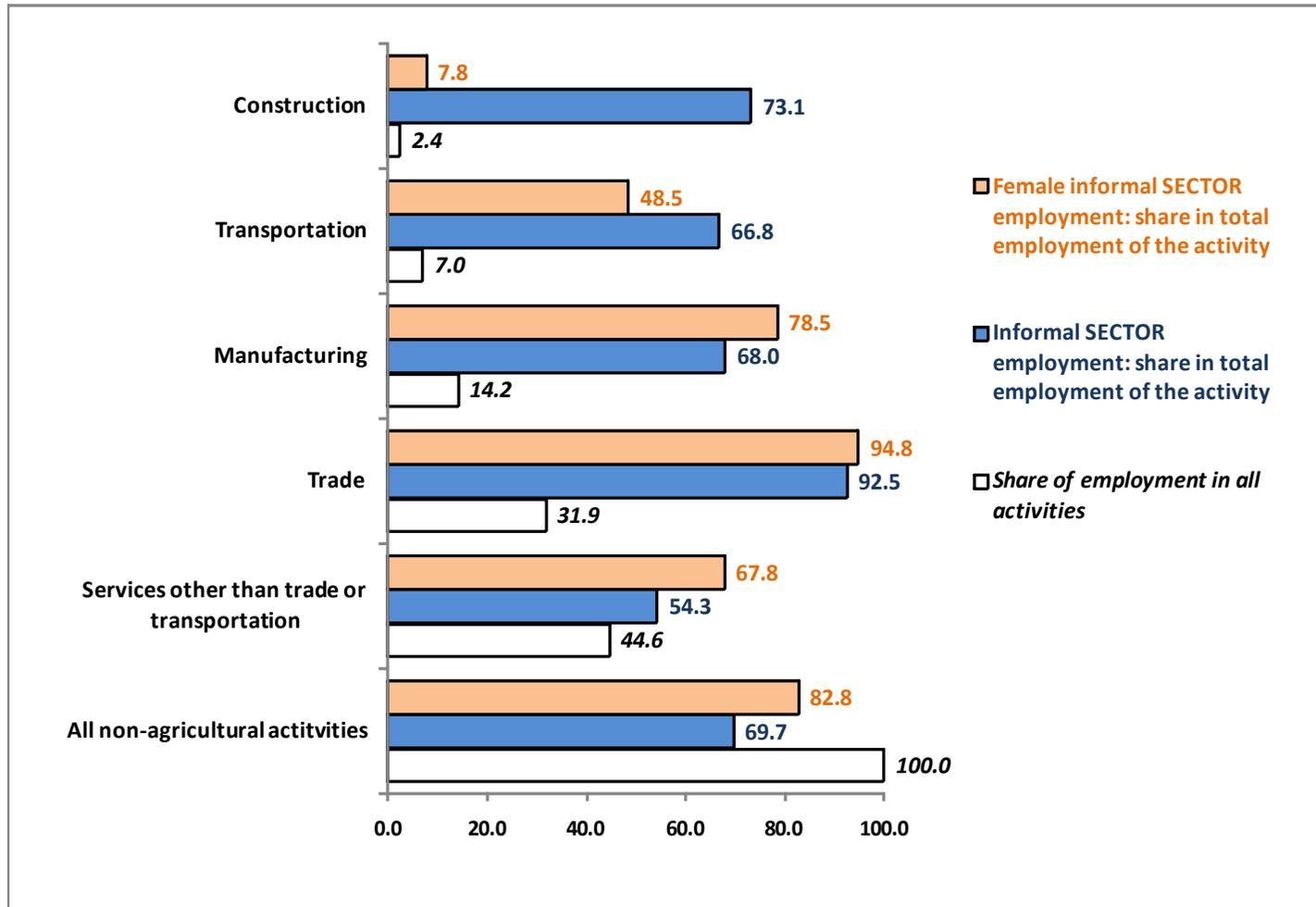
Source: Pesquisa Nacional por Amostra de Domicílios

Country: China Year: 2010
 Non-agricultural employment



Source: China Urban Labor Survey (six cities)

Country: Côte d'Ivoire Year: 2008
 Non-agricultural employment

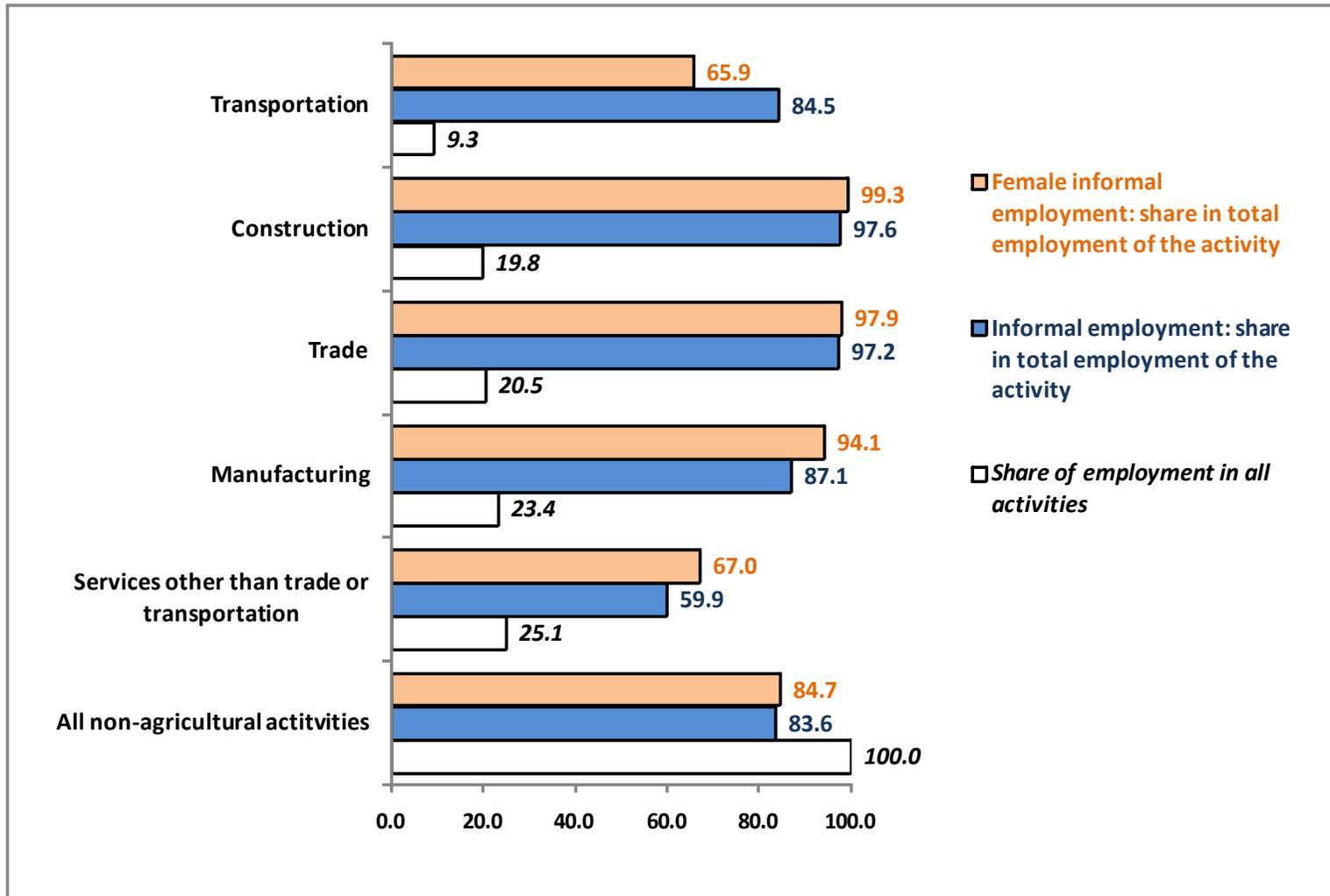


Source: Enquête sur le Niveau de Vie des Ménages

Country: India

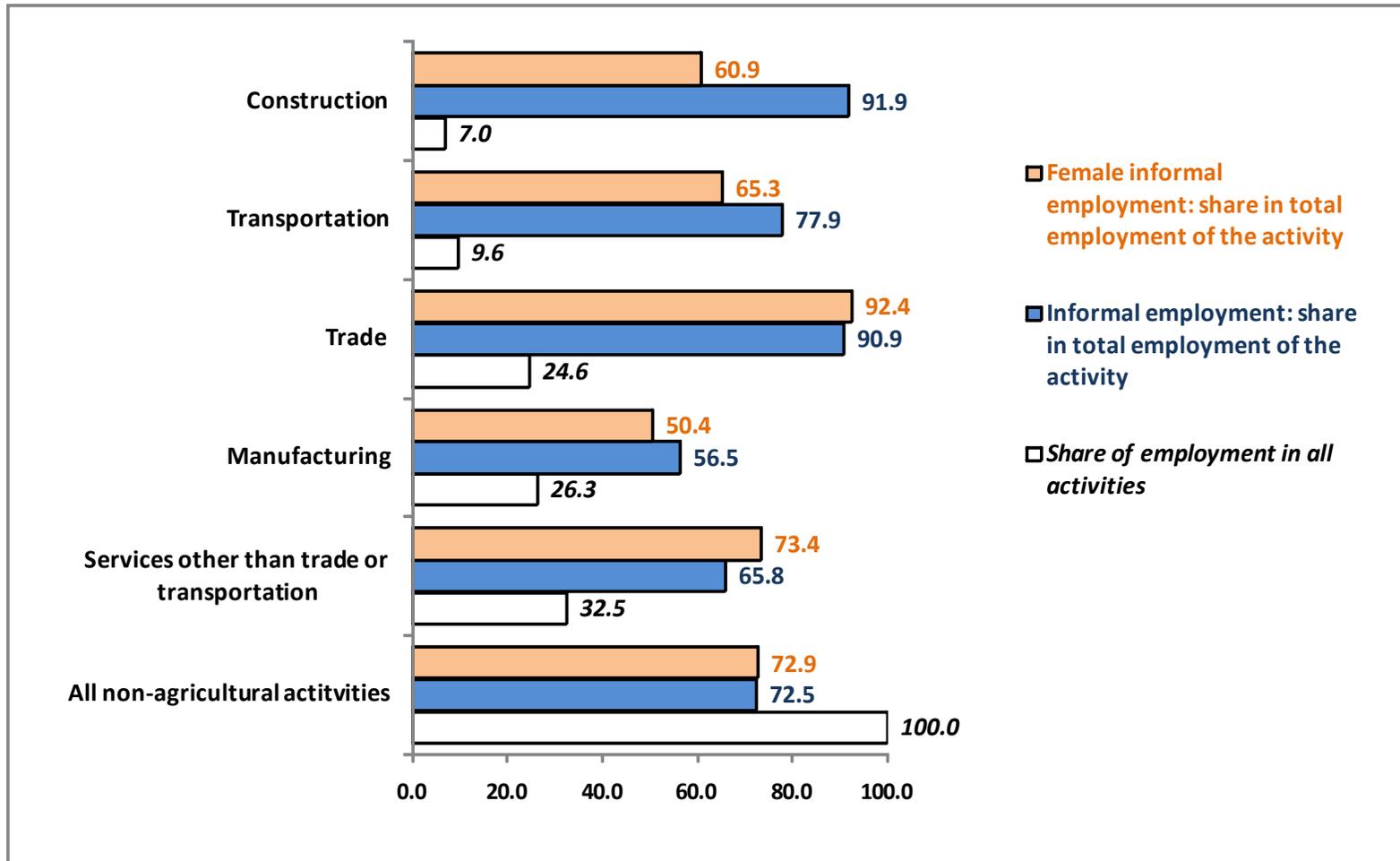
Non-agricultural employment

Year: 2009-2010



Source: National Sample Survey, 66th Round

Country: Indonesia (Banten and Yogyakarta)
 Non-agricultural employment Year: 2009

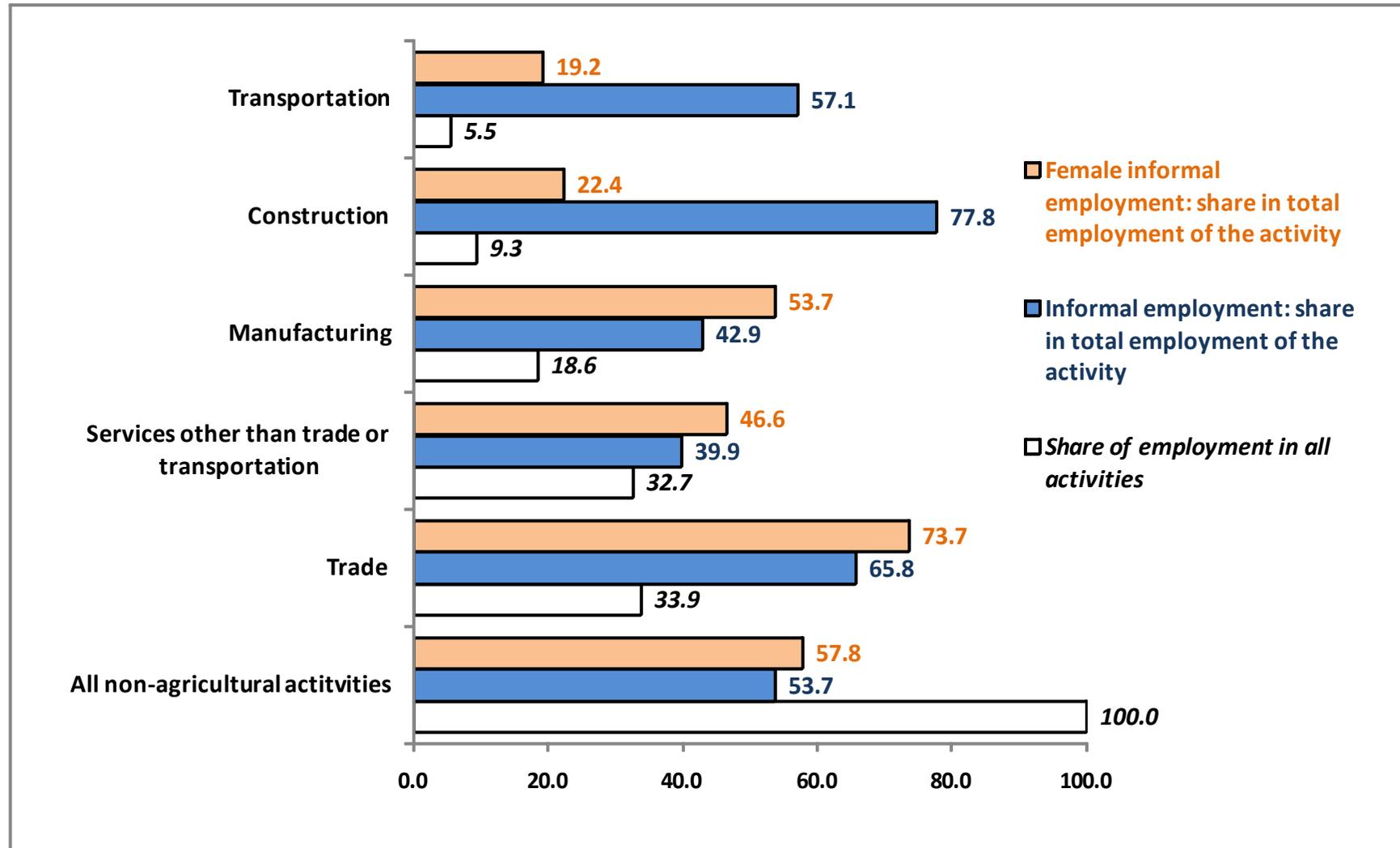


Source: Informal Sector Survey

Country: Mexico

Non-agricultural employment

Year: 2009 (II)

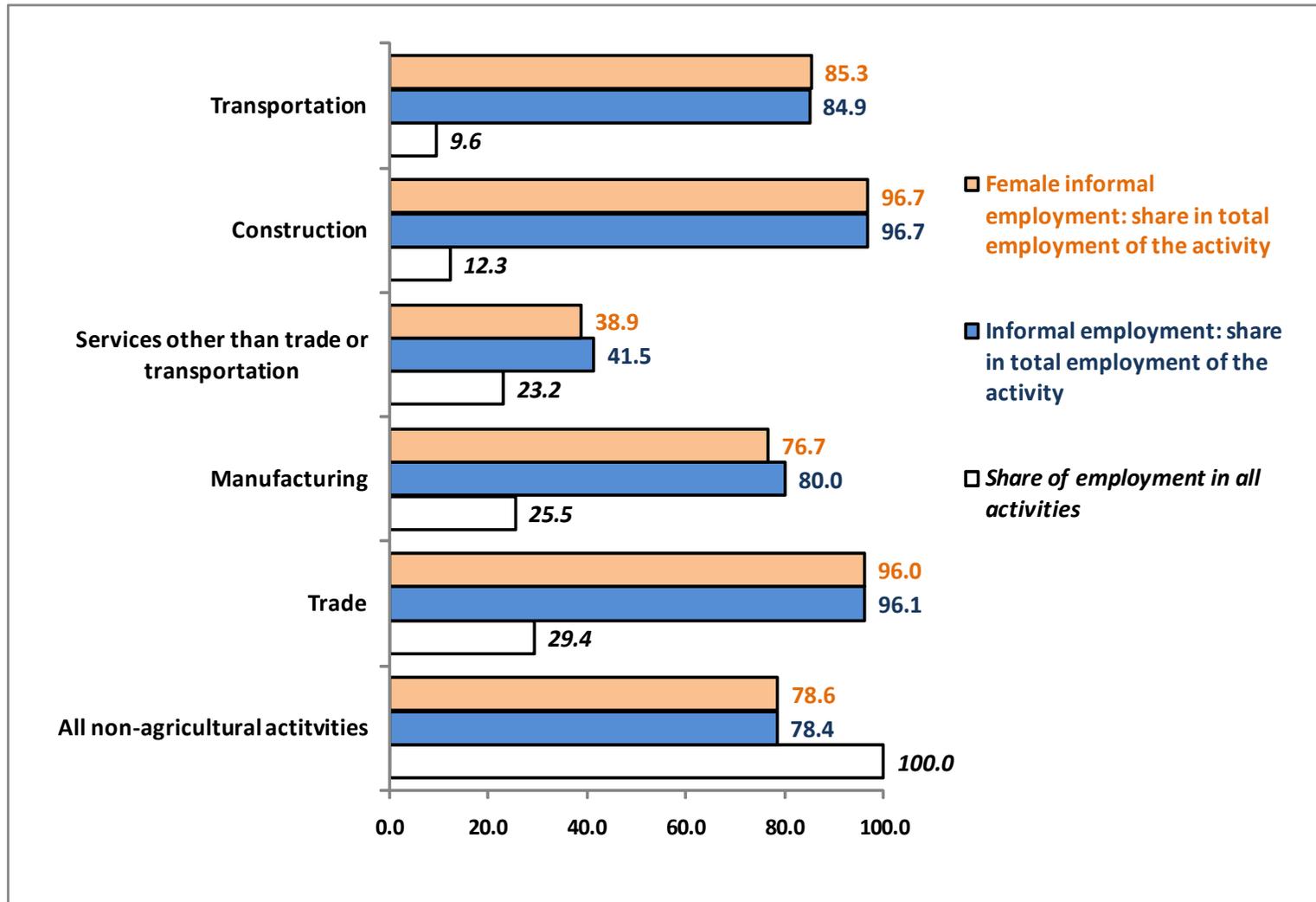


Source: Encuesta Nacional de Ocupación y Empleo

Country: Pakistan

Non-agricultural employment

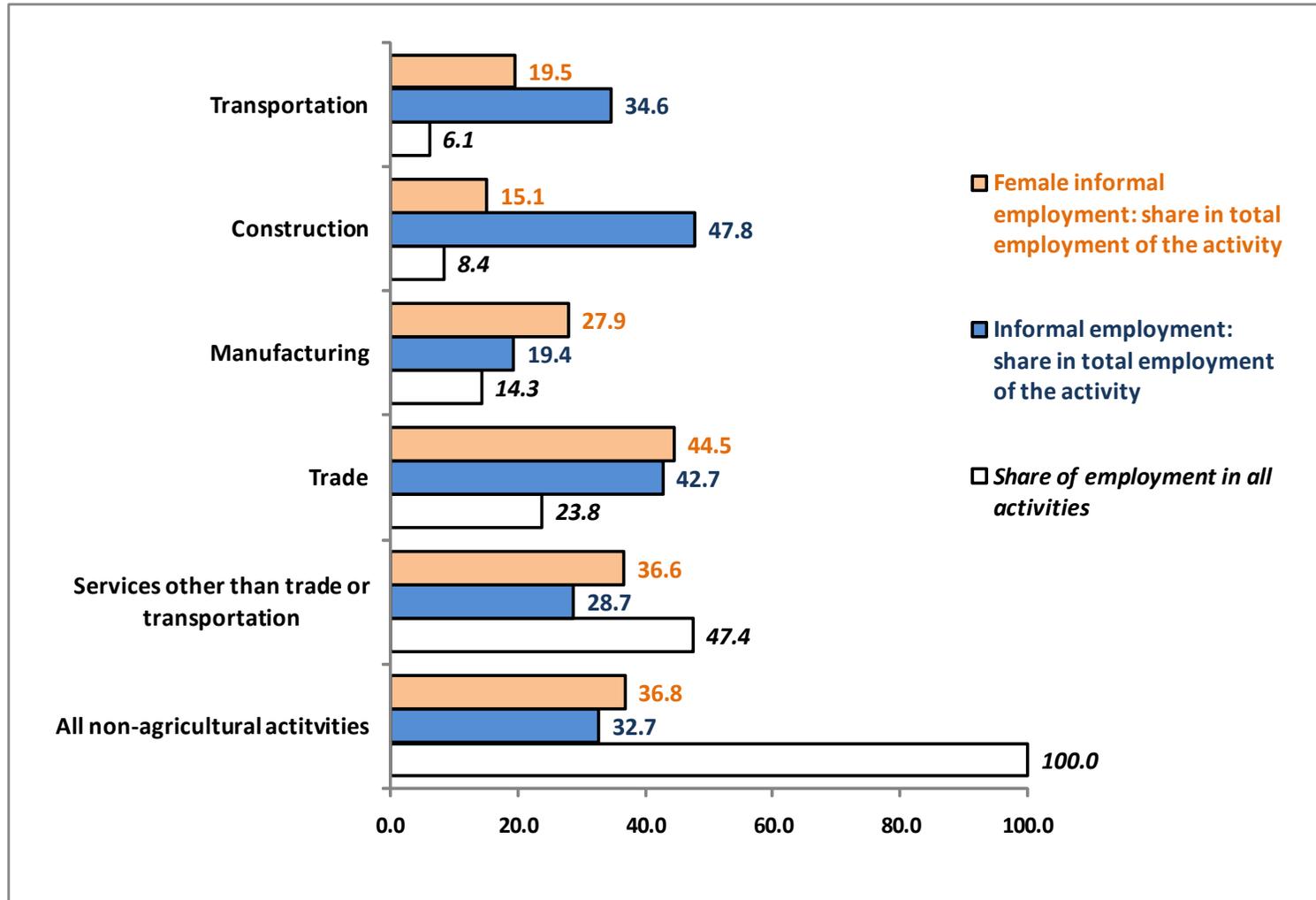
Year: 2009-2010



Source: Labour Force Survey

Country: South Africa
Non-agricultural employment

Year: 2010 (IV)

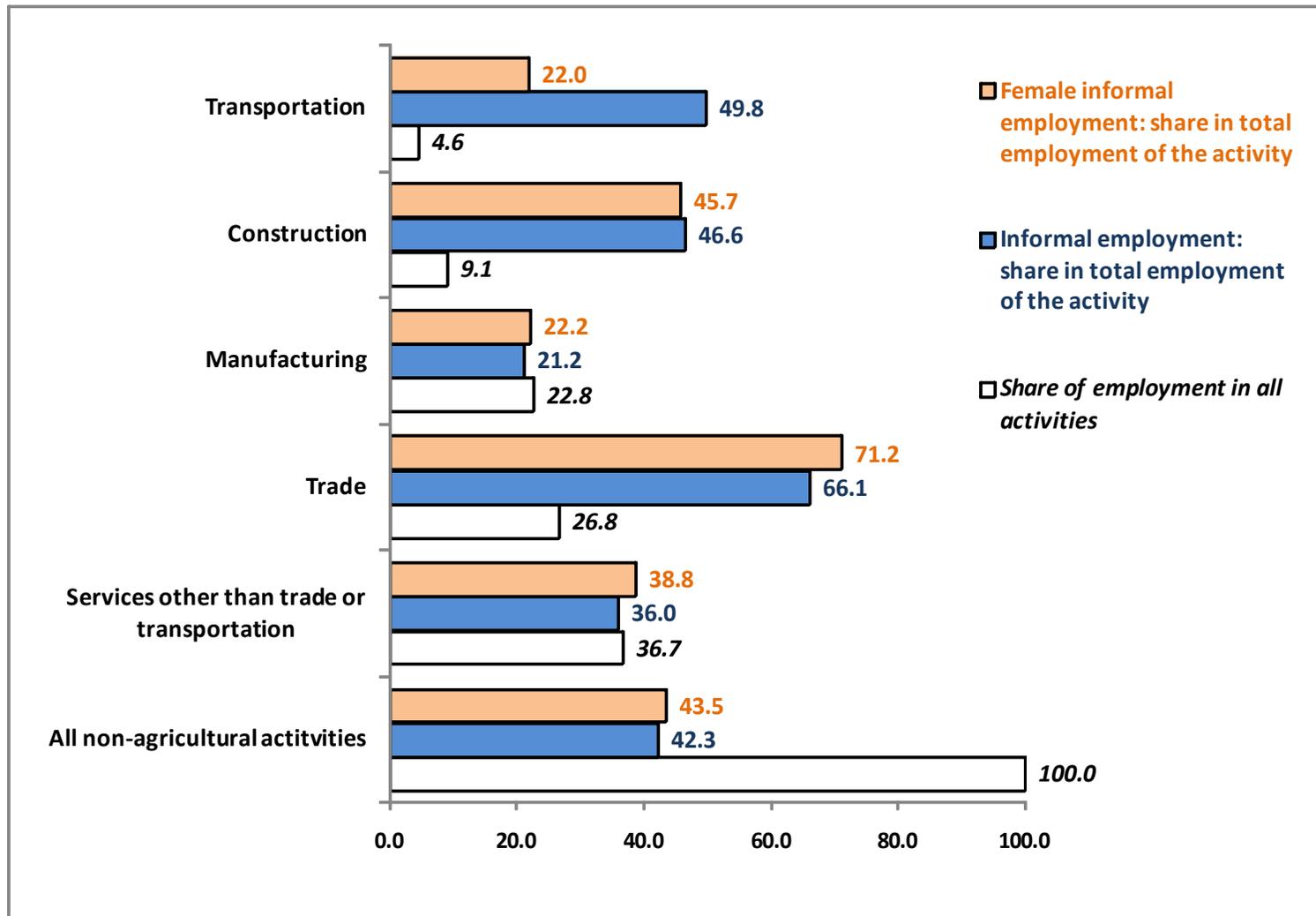


Source: Quarterly Labour Force Survey

Country: Thailand

Non-agricultural employment

Year: 2010

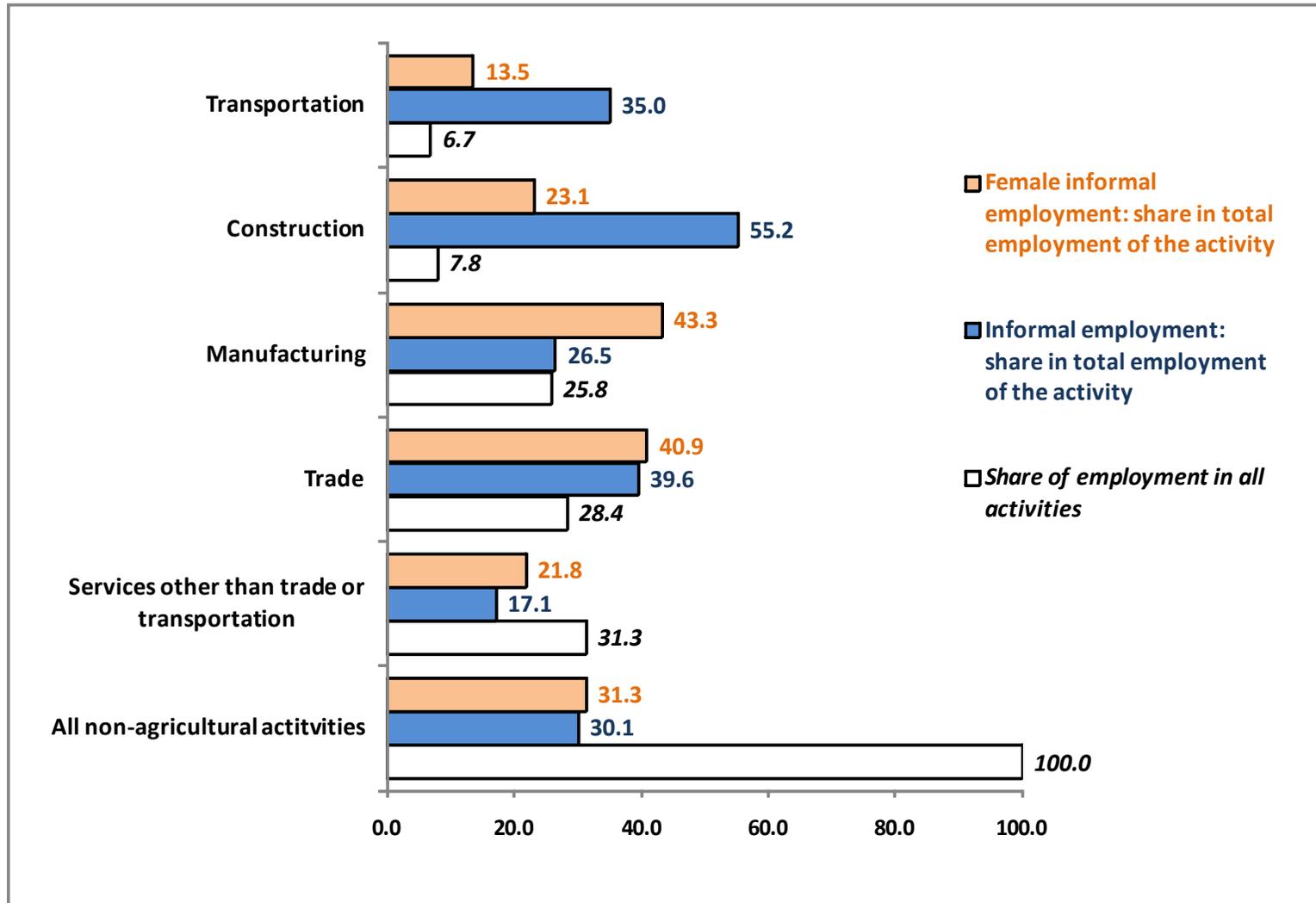


Source: Informal Employment Survey

Country: Turkey

Non-agricultural employment

Year: 2009



Source: Household Labour Force Survey

Annex 2: Conceptual Framework. Employment in the Informal Economy

In this document, total employment in the informal economy relates to the sum of persons who in their main job were employed either in the informal sector or were in informal employment, counting only once those persons who are classified in both categories. These measures refer to different aspects of informality, as employment in the informal sector is an enterprise-based concept and informal employment is a job-based concept.

In this document, employment in the informal sector refers to the total number of persons who in their main job worked in an informal sector enterprise. The informal sector consists of units that are unincorporated (i.e., not constituted as separate legal entities of their owners), produce goods or services for sale or barter, and satisfy a number of criteria, for example, they are unregistered, small, have unregistered employees and/or they do not maintain a complete set of accounts.

An enterprise is unregistered when it is not registered under specific forms of national legislation (e.g. factories' or commercial acts, tax or social security laws, professional groups' regulatory acts). Issuing of a trade license or business permit under local regulations does not qualify as registration. An enterprise is considered small when its size in terms of employment is below a specific threshold (e.g. five persons engaged) to be determined according to national circumstances.

In this document informal employment refers to the total number of persons whose main job was informal. A job is informal when it lacks basic social or legal protections or employment benefits and may be found in the formal sector, informal sector or households. Persons in informal employment include the following types: (i) own-account workers employed in their own informal sector enterprises; (ii) employers employed in their own informal sector enterprises; (iii) contributing family workers, irrespective of whether they work in formal or informal sector enterprises; (iv) members of informal producers' cooperatives; (v) employees holding informal jobs in formal sector enterprises, informal sector enterprises, or as paid domestic workers employed by households; (vi) own-account workers engaged in the production of goods exclusively for own final use by their household, if considered employed given that the production comprises an important contribution to total household consumption

As regards (v) above, employees are considered to have informal jobs if their employment relationship is, in law or in practice, not subject to national labour legislation, income taxation, social protection or entitlement to certain employment benefits (e.g., advance notice of dismissal, severance pay, paid annual or sick leave, etc.). The reasons may be the following: non-declaration of the jobs or the employees; casual jobs or jobs of a limited short duration; jobs with hours of work or wages below a specified threshold; employment by unincorporated enterprises or by persons in households; jobs where the employee's place of work is outside the premises of the employer's enterprise; or jobs for which labour regulations are not applied, not enforced, or not complied with for any other reason.

National definitions of the informal sector and informal employment differ between countries. However, they are within the frame of the international definitions and therefore, the statistics can be considered sufficiently comparable between countries.

Persons in informal employment encompass all persons employed in the informal sector except those who have a formal job. In addition, they include employees holding an informal job in formal sector enterprises (FSE); contributing family workers working in FSE; paid domestic workers employed by households in informal jobs; and own-account workers engaged in production of goods

exclusively for own final use by their household. The relationship between employment in the informal sector and informal employment is illustrated in the table below:

Employment in the Informal Sector and Informal Employment

Economic Units	Informal Jobs	Formal Jobs
Informal Sector Units	A	B
Other Economic Units	C	D

$A+C$ = Persons in Informal Employment

$A+B$ = Persons Employed in the Informal Sector

C = Informal Employment outside the Informal Sector

B = Formal Employment in the Informal Sector: this group is made up of employees who, even though they work in an informal sector unit, have basic social or legal protection, employment benefits, This group of workers was very small for all the 47 countries covered in this survey. Where they exist, employees holding formal jobs in informal sector enterprises should be excluded from informal employment.

$A+B+C$ = Total Employment in the Informal Economy

References: see the Resolution concerning statistics of employment in the informal sector adopted by the 15th ICLS (January 1993) and the Guidelines concerning a statistical definition of informal employment adopted by the 17th ICLS (November 2003) in www.ilo.org/stat/.