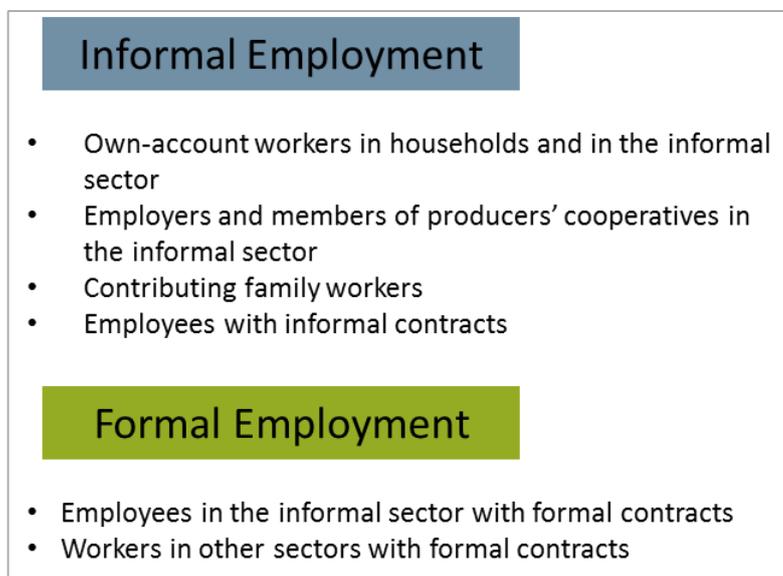




Figure 1 | Conceptual framework of informal employment



Concepts and definitions

Employment comprises all persons of working age (15+) who did some work for pay or profit and for use by others during the reference period.

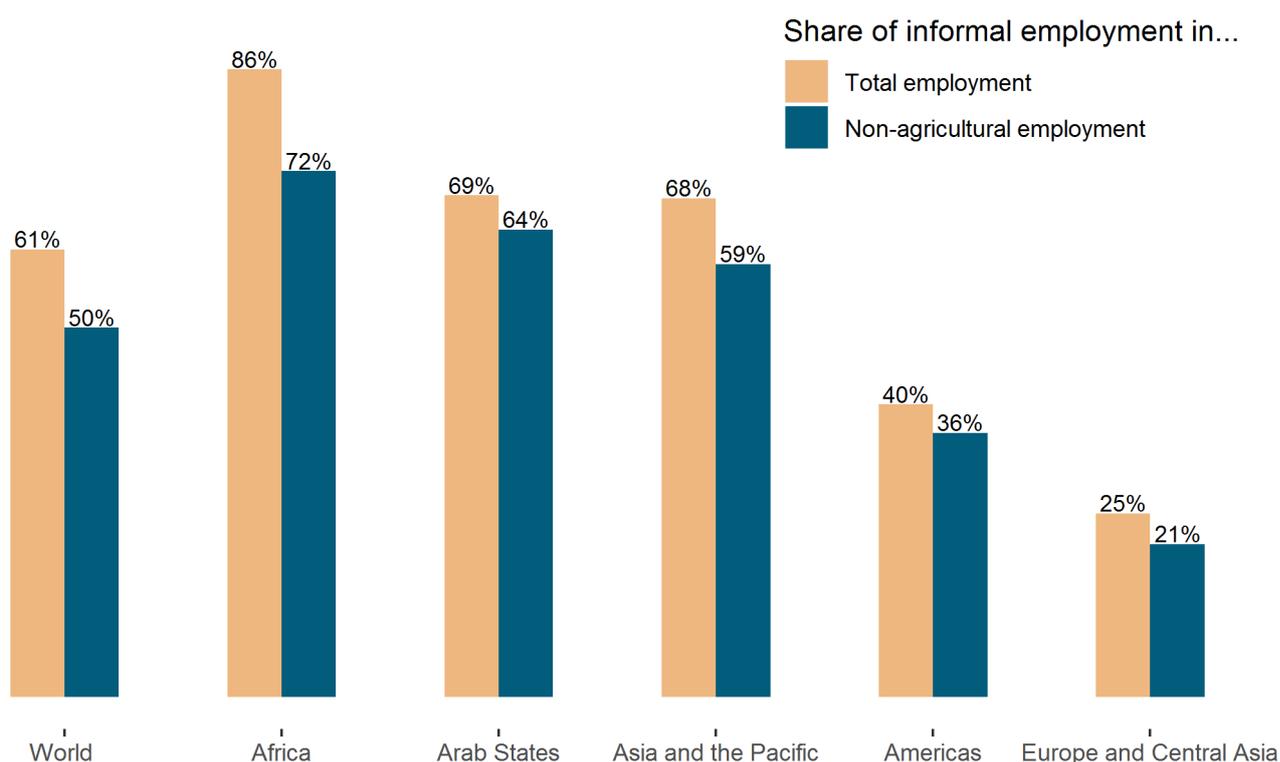
Informal employment arises from the informal work arrangements or the informal nature of the economic unit workers are employed in. Workers in the **informal sector** make up the major share of **informal employment**. Also in informal employment are workers holding informal jobs (not covered by social protection, for example) in the formal sector or employed by households.

Informal Employment

In 2016, more than 60 per cent of the world's workers were informal. Informal employment is strongly linked to instances of poverty and precarious living and working conditions. This is why the ILO has made the formalization of employment a priority. This priority is also reflected in Goal 8 of the 2030 Agenda for Sustainable Development.

Informal employment is widespread in developing and emerging countries. It is particularly pervasive in Africa. It also tends to be more prevalent in the agricultural sector than in the industrial and service sectors.

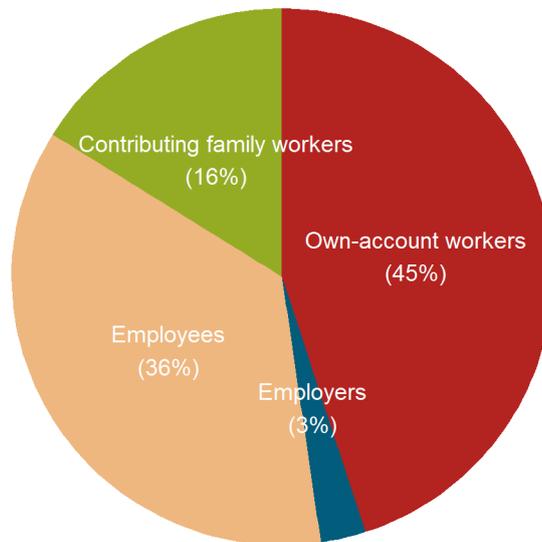
Figure 2 | Informal employment shares by region, 2016



Status in employment

Globally, 45 per cent of those in informal employment are own-account workers. Employees account for 36 per cent while contributing family workers account for 16 per cent and employers for 3 per cent. The high shares of own-account workers and contributing family workers in the world's informal employment result mostly from the strong prevalence of these two groups in the employment composition of developing and emerging countries.

Figure 3 | Distribution of informal employment by status in employment, 2016

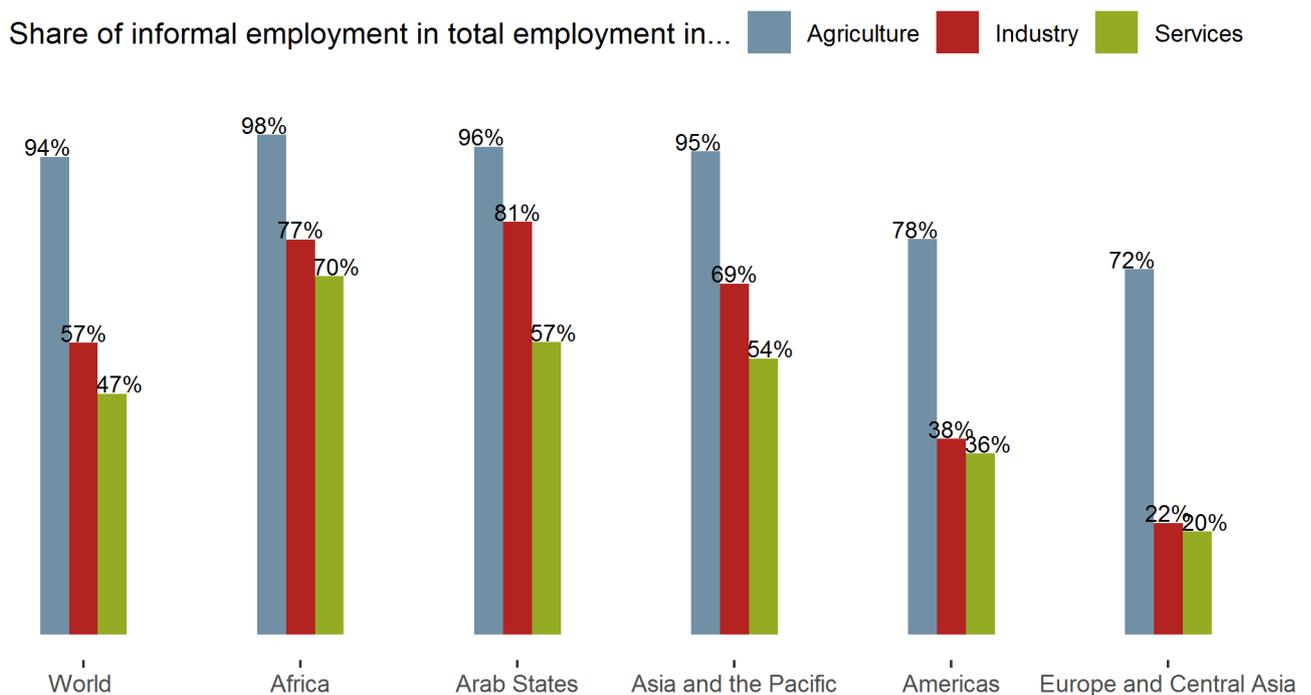


Informal employment by sector

Globally, 94 per cent of workers who have jobs in the agricultural sector are in informal employment. Around half of workers in the industrial and service sectors are in informal employment.

Agriculture is the sector with the highest share of informal employment in all regions while the industry and service sectors are relatively less exposed to informality. However, in regions with many developing and emerging countries, informality is common in all sectors.

Figure 4 | Informal employment by sector, 2016



Data source for this STATS SHEET: *Women and men in the informal economy: A statistical picture*. Third edition. International Labour Organization, 2018.

2 billion



workers around the world are informal

Globally,

shares in informal employment are:

77% for youth

59% for adults

80% of rural workers in the world are in informal employment