



**Regional Workshop on Monitoring and Assessing Progress on
Decent Work in Asia**
(Bangkok, Thailand , 28-30 June 2010)



Session 5: Introduction

**REGIONAL INITIATIVES ON MEASURING
INFORMAL EMPLOYMENT:**

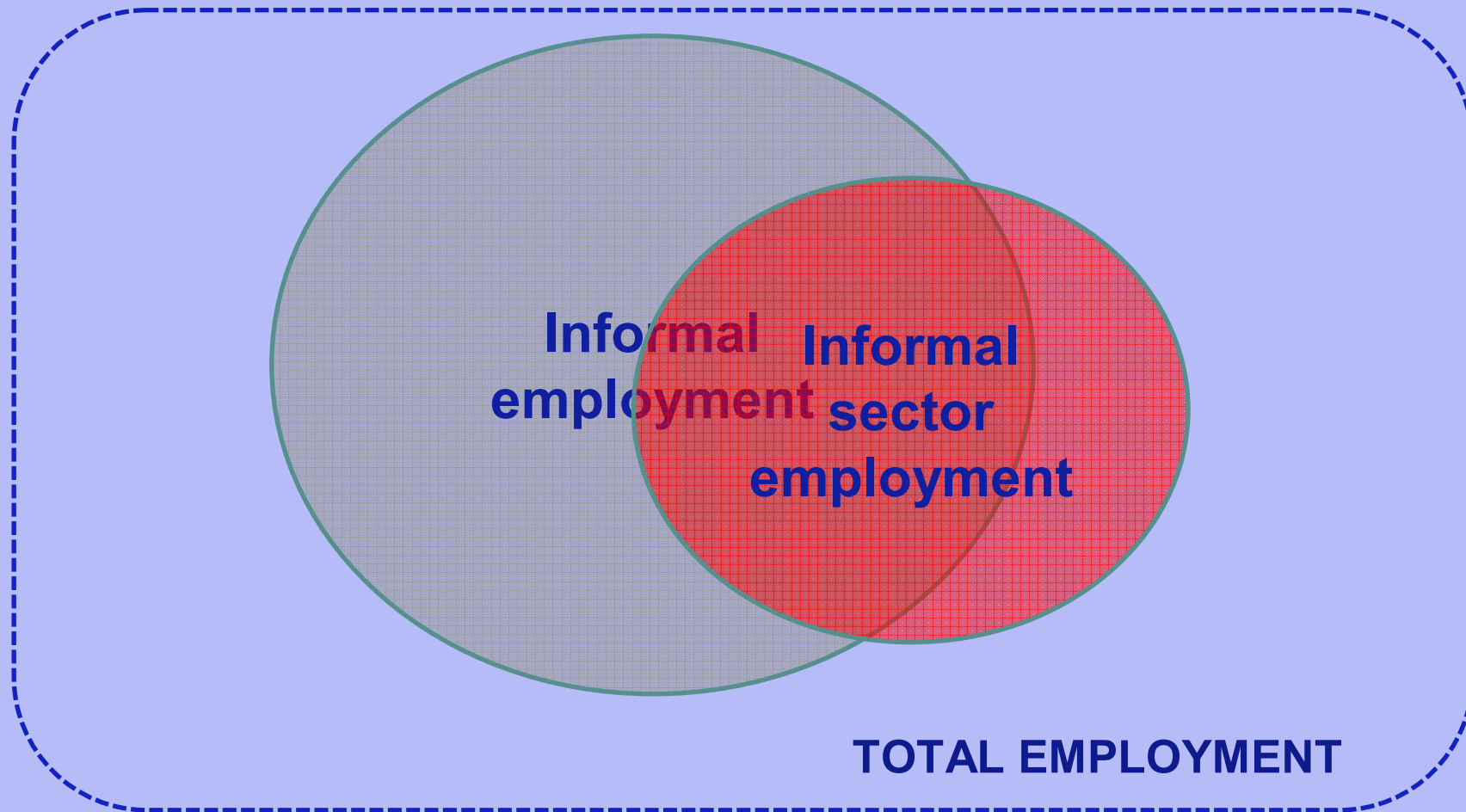
Cases of Bangladesh and Sri Lanka

By Igor Chernyshev
Department of Statistics

Employment in the informal economy

- ❖ :Refers to two concepts:
 - **Employment in the informal sector**
 - **Informal employment**
- ❖ Related concepts that complement each other but are different
- ❖ Refer to different aspects of the informalisation of employment
- ❖ Important to keep them separate for measurement, analysis, and policymaking purposes

Employment in the informal economy



ILO Department of Statistics

Employment in the informal economy

- Employment in the informal sector
 - ❖ Enterprise-based concept

- Informal employment
 - ❖ Job-based concept

Employment in the informal sector

- ❖ All jobs in informal sector enterprises, or all persons who, during a given reference period, were employed in at least one informal sector enterprise, irrespective of their status in employment and whether it was their main or a secondary job

Informal Sector Enterprises

- ❖ Private unincorporated enterprises: i.e. owned by households, not constituted as separate legal entities independently of their owners, with no complete sets of accounts
- ❖ With some market output
- ❖ **Engaged in non-agricultural activities, including secondary non-agricultural activities of enterprises in the agricultural sector*
- ❖ Small: establishment size in terms of employment below a certain threshold (less than 5 employees, for international reporting)
- **and/or** enterprise not registered,
- **and/or** employees (if any) of the enterprise not registered.

Informal employment

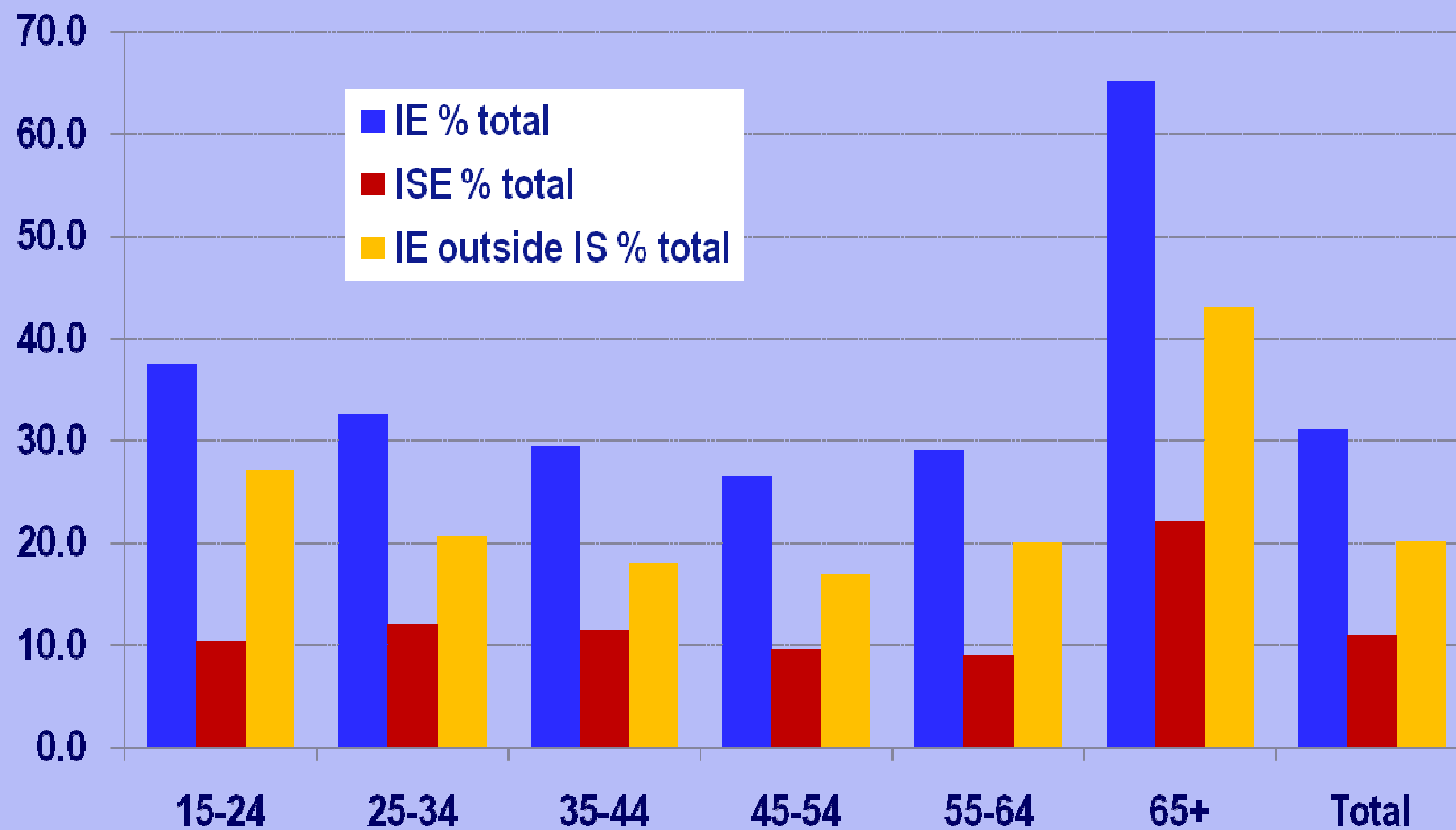
- ❖ Total number of informal jobs, whether carried out in formal sector enterprises, informal sector enterprises, or households (paid domestic workers, production for own-consumption), during a given reference period:
 - Self-employed have informal jobs if their enterprises are part of the informal sector
 - Employees 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 (advance notice of dismissal, severance pay, paid annual or sick leave, etc.) **ILO Department of Statistics**

Employment in the informal economy

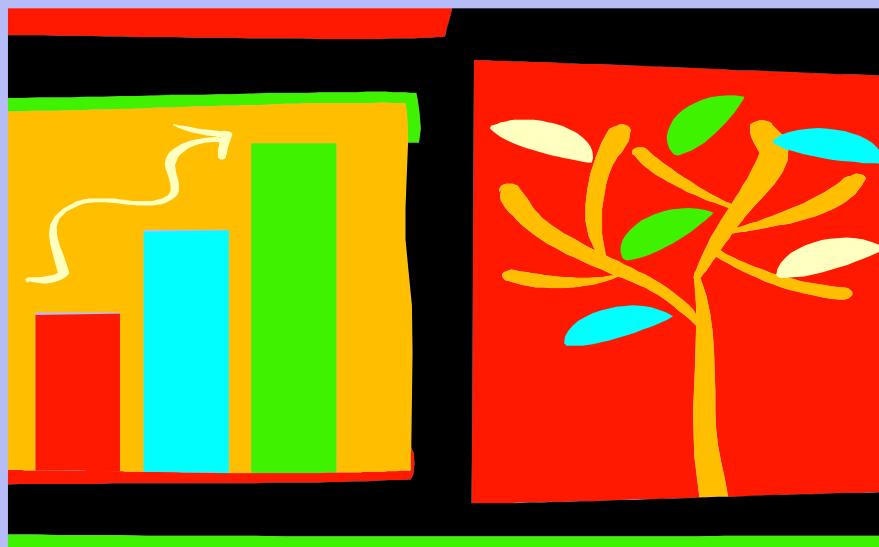
❖ 3 key indicators:

- Informal employment as % of total employment
 - Informal sector employment as % of total employment
 - Informal employment outside the informal sector as % of total employment
- ✓ The above to be calculated separately for all branches of economic activity and excluding agriculture

Informal sector employment and informal employment: Moldova 2009 LFS



ILO Department of Statistics



Thank you for your attention!
Thank you for your attention!

ILO Department of Statistics