INFORMALITY IN PERU

Measurement and experiences of cognitive tests

Lima, October 2023
MEASURING INFORMALITY IS ALWAYS CHALLENGING BECAUSE....

is heterogeneous

is complex

is variable

And reflects the 'business tissue' and social cohesion in every country...
KEY FACTORS DETERMINING INFORMAL EMPLOYMENT IN PERU

By obligation
- Unemployment
- Quality of Human Capital
- Technological development
- Sectoral Structure

By conviction
- Labor Regulations
- Tax structure
- Government inefficiency
- Cultural
PERU: COMPONENTS OF FORMAL/INFORMAL EAP

FORMAL SECTOR
Companies registered by the Tax Office (SUNAT), social security, administrative data

- Bosses and self-employed
- Waged
- Domestic work
- Con empleo informal
- Unpaid family worker
- Formal sector

INFORMAL SECTOR
Businesses without any registration

- Bosses and self-employed
- Waged
- Domestic work
- Unpaid family worker
- Informal sector

SOURCE: PERMANENT NATIONAL EMPLOYMENT SURVEY (EPEN)

RESEARCH UNIT
Regular residents aged 14 and over

INTERVIEW METHOD
Direct interview via tablet

GEOGRAPHIC COVERAGE
Nationwide and 26 cities

SAMPLE
132 704 dwellings.

FREQUENCY
✓ Annual
✓ Quarterly
PERU: EXPERIENCE IN COGNITIVE INTERVIEWS

2015 - 2016

- We were part of "Engendering Informality Statistics", a project conducted by ILO.
- Two cognitive tests regarding Informality were carried out.
- We participate in programs to adapt new recommendations on labor statistics.
- OIT trained us on the methodology of cognitive testing.

2016 - 2017

- Peru was part of the Regional Public Goods Project “Adapting New International Guidelines for Measurement of Labor Statistics”.
- Cognitive tests to questions about measuring volunteer work were applied.

2021

- We were part of “Engendering Informality Statistics”, a project conducted by ILO.
- Two cognitive tests regarding Informality were carried out.
PERU: RESULTS OF THE EXPERIENCE IN COGNITIVE INTERVIEWS

Capacities of INEI has been strengthened in:

➢ Improving technical experience.
➢ Going forward in the adaptation of new ILO's recommendations.
➢ Improve staff's professional skills.
➢ Strengthen researching instruments and tools.

The INEI has institutionalized cognitive tests in different households surveys and National Censuses.
## LESSONS LEARNED: INFORMALITY COGNITIVE TESTS

### TRAINING
- Two more days for mock interviews.
- More time to handle the application.
- Field practice with real interviews.
- More practical cases for reserve personnel.

### INTERVIEWS
- Supervisions to reinforce complicated questions.
- Feedback in each period.
- Selected informant is the only one who must provide answers.

### QUESTIONNAIRES
- Cognitive tests in each question.
- Order of cognitive tests.
- Recording templates for note taking.
- Asking in two different ways.

### RESULTS
- Analyzes and reports of results must be reviewed and discussed by all participating teams.
THANKS