Women and men in the informal economy: A statistical picture

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An overview of the report in 4 questions

**Question 1**
What is the size of the informal economy: global and regional dimensions?

**Question 2**
Who are the most exposed to informality? Who are the most represented among those in informal employment?

**Question 3**
Are decent work deficits most pronounced in the informal economy?

**Question 4**
What can we say about drivers of informality?
Some first elements about a few of them...
Question 1
What is the size of the informal economy: global and regional dimensions?
2 billion people — more than 60 per cent of the world’s employed population are in informal employment

Share of informal employment in total employment (including & excluding agriculture, 2016)

Source: ILO calculations based on household survey micro datasets: *Women and in the informal economy: a statistical picture*

Note: based on 119 countries representing more than 90 per cent of the world’s working population. Missing values are estimated based on sub-regional/income groups averages.
The regional dimension of informality
Share of informal employment in total employment (%, 2016)

Source: ILO calculations based on household survey micro datasets (Women and in the informal economy: a statistical picture)
Question 2

Who are the most exposed to informality? Who are the most represented among those in informal employment?
The gender dimension of informality

Out of the two billion workers in informal employment, just more than 740 million are women.

A proportion of contributing family workers more than three times higher among women in informal employment compared to men.

Distribution of people in informal employment by employment status and sex (percentages, 2016)
The self-employed are more exposed to informality … but employees are far from being exempted

<table>
<thead>
<tr>
<th>Share of informal employment &amp; composition by employment status (%)</th>
<th>Domestic workers informally employed in households: 5%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>World</strong></td>
<td><strong>In households</strong></td>
</tr>
<tr>
<td>Employees</td>
<td>39.7</td>
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<tr>
<td>Employers</td>
<td>50.7</td>
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<tr>
<td>OAW</td>
<td>71.1</td>
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<tr>
<td>CFW</td>
<td>91.0</td>
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<tr>
<td><strong>Africa</strong></td>
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<tr>
<td>Employees</td>
<td>25.9</td>
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<tr>
<td>OAW + Employers</td>
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<td><strong>Americas</strong></td>
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<td>Employees</td>
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<td>Employees</td>
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<tr>
<td>OAW + Employers</td>
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</tbody>
</table>

OAW: Own-account workers
CFW: Contributing family workers
The youth and older workers are the most likely to be in informal employment: more than 3 out of 4 are informally employed.

The age profile of informality: share of informal employment along the life course (%) by region by employment status.

Source: ILO based on household surveys.
Note: Global estimates based on 108 countries representing more than 85 per cent of total employment. Harmonized definition of informal employment.
Question 3
Are decent work deficits most pronounced in the informal economy?

R204 stresses the fact that decent work deficits are more pronounced in the informal economy, facts provide a confirmation.
Compared to permanent, full-time employment, non-standard forms of employment are significantly more likely to be informal, the worst situation being employees in “temporary part-time jobs”

Share of informal employment and NSFEs (% latest available year)

Note: Global and regional estimates based on data for 96 countries representing over 78 per cent of the world employed population. Harmonized definition of informal employment and informal sector.
Source: ILO calculation based on national labour force surveys or similar household survey data.
Question 4

What can we say about drivers of informality?

Some first elements about a few of them...
Higher levels of GDP per capita and growth are associated to lower levels of informality ... but not strictly: countries with similar levels of GDP per capita are presenting very different levels of informality.

Note: The coefficient of determination $R^2=0.57$.
Source: ILO harmonized data on the share of informal employment in total employment and World Development Indicators 2017 for GDP per capita.
The level of education of workers is not a guarantee but an important asset to access formal employment.

Share of informal employment in total employment by level of education | World and main regions

Distribution of informal and formal employment by level of education (%)

Note: Global and regional estimates based on data for 107 countries representing 86 per cent of the world's employed population.

Source: ILO calculation based on micro data.
Poverty: a cause and a consequence of informality

A cause: the poor face higher rates of informal employment.

Consequence: higher poverty rates among workers in informal employment compared to workers in formal employment.

Source: ILO calculation based on micro data.
Thank you