Session 2.6 - Data sources for producing statistics on the informal economy: Mixed surveys

We will discuss...

- Why mixed surveys
- Types and characteristics of mixed surveys
- The 1-2 survey
Why mixed surveys?

Data needed

- Informal employment characteristics
- Informal sector characteristics

Why mixed surveys?

Establishment surveys
- “Not fully” capturing employed persons
- “Partially” cover establishments

Household surveys
- Covering employed persons
- Capture entrepreneurs

Statistical units
- Households, establishments
- Owners(entrepreneurs), Establishments
Why mixed surveys?

Other considerations

- **Cost**
  - Having separate surveys
  - Constructing/updating frame

- **Quality**
  - Measurement errors
  - Frame imperfection
  - Timeliness
  - Consistency

- **Design**
  - Informal economic activities are more unevenly distributed
  - Mixed surveys are more complex

Types of mixed surveys

**Phase 1 - Modular**

- PSUs and HHs from “base survey”
- Construct frame: list of informal sector entrepreneurs

**Phase 2**

- Select all/sample of listed entrepreneurs
- Phases can be simultaneous operations

**Phase 1 - Independent**

- Same sample of PSUs as base survey or an independent HH survey
- List all HHs and members within PSUs
- Construct frame: list of HHs with informal sector entrepreneurs

**Phase 2**

- Select all/sample of listed entrepreneurs
- Phases are consecutive survey operations
### Comparison

#### Mixed surveys
- Design: homogeneous HHs
- List HHs within PSU
- Identify informal sector entrepreneurs
- Cover: informal sector units

#### Establishment surveys (area based)
- Design: Homogeneous buildings
- List buildings
- Identify informal economic units
- Cover: all economic units (potentially)

---

### Comparison

#### Mixed surveys
- Sampling unit (HHs)
- Analytical unit (inf ec. unit)
- Observational unit (entrepreneur)

#### Establishment surveys (area based)
- Sampling unit (bldg)
- Analytical (inf ec. Unit)
- Observational (entrpnr)
A dual approach

Sampled PSUs (*building blocks*)

1) List HH based (including mobile) entrepreneurs
2) Select mobile and HH-based informal sector entrepreneurs

1) List economic units with fixed visible premises
2) Select visible informal sector units

Practice in ESCAP region: 1-2 Survey

Objectives

- An integrated data collection methodology on *household unincorporated enterprises*
- Produce statistics on *Household Unincorporated Enterprises with some Market Production* (HUEMs)
- Produce statistics on informal sector as a subset of HUEMs
# Household Enterprises

<table>
<thead>
<tr>
<th>Non-agricultural</th>
<th>Agricultural</th>
<th>Goods</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal sector</td>
<td>Informal</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>sector</td>
<td>Agriculture,</td>
<td>Paid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>forestry, fishing</td>
<td>domestic</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other activities</td>
<td>services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Owner occupied</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>dwelling services</td>
<td></td>
</tr>
</tbody>
</table>

Household Unincorporated Enterprises with some Market Production (HUEMs)

## “1-2” vs “mixed modular” survey

**Modular**
- PSUs and HHs from “base survey”
- Construct frame: list of informal sector entrepreneurs

**Phase 1**
- Select all/sample of listed entrepreneurs
- Phases can be simultaneous operations

**Phase 2**

**1-2 survey**
- PSUs and HHs from “base survey”
- Identify HUEMs inside and outside PSU (through owners inside PSU)
- Construct frame: List HUEMs identified in 1-2 survey and small units from business register

**Phase 1**
- Select a sample of HUEMs from the frame
- Phases are subsequent operations

**Phase 2**
1-2 Survey Approach

**Phase 1:** PSUs from base survey

**Phase 2:** Identification of HUEM

- Informal sector
- Formal sector
- Informal employment

Holistic picture

Universe of Enterprises

- In business register
  - Large units
    - Public Sector
    - Private Sector
  - Small units
- Not in Business register
  - With fixed premises
    - Within PSU
    - Outside PSU
  - Without fixed premises
    - Within PSU
    - Outside PSU

List frame
Area frame
Not covered

HUEM phase in 1-2 survey
Design Considerations in 1-2 survey

- Questionnaire design; *modules for identification of HUEMs, I.S. and I.E.*

- Sequence and **timing** of the two surveys
  - HUEM as additional module to LFS
  - HUEM is conducted after the LFS within a short time lag

Design Considerations in 1-2 survey

- **Frame** construction for both phases

- Selection of sample areas
  - Consider the distribution and **density of economic activities**

- Selection of sample HUEM units in sample areas
  - Determine **estimation domains** (e.g., industry; geographic subdivisions)