Regional Course on Informality: Informal economy, work and employment

6 – 10 July 2015

Chiba, Japan

From data items to derived variables of GDP estimation

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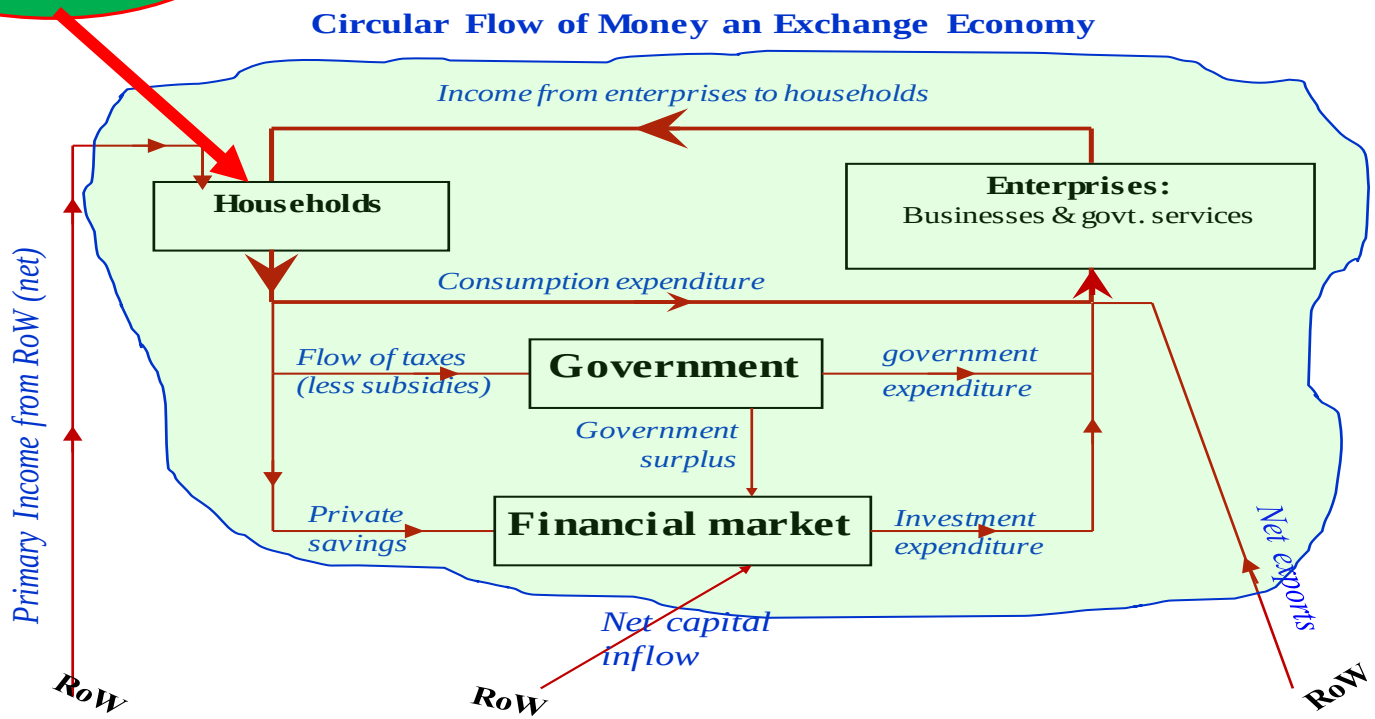
Learning objectives

* Data items for GDP using questionnaires for informal sector surveys
  * Understanding the questionnaire entries
* Derive GDP aggregates

Conceptual Foundation

Informal economy



GDP aggregates-The Production Account Measures

Uses		Resources	
Total economy	Transaction category	Transaction category	Total economy
		Output	**1325**
870	**Intermediate consumption**	*Products sold (at basic price)*	*1259*
		For own use	*23*
		Non-market	*43*
		(t-s) on products & import duties	*126*
GDP	**1325-870=455**		

Case Study: Mongolia

A. Survey of HUEM *(non-agricultural and non- mining)*

Survey approach: "1-2" method, recommended by UNESCAP and DIAL

In phase 1: Informal employment defined through LFS.

Questions for identifying HUEM:

1. Worked hours in the last 7 days
2. Regular work
3. Employment status
4. Economic activity
5. Type of enterprises
6. Private sector of employment
7. Activity of enterprise
8. Sell or barter its goods, services

Case Study: Mongolia

In phase 2: Informal sector enterprise data is collected by independent module of the questionnaire.

Main indicators:

- Organization and status of the business
- Employment
- Production and sales
- Business expenditure
- Information of transportation and owner occupied dwellings

Estimate the number of employment, turnover and VA

Production of Goods-Data Items

4. PRODUCTION AND SALE (Last month of operation)

Period codes: 1- Day 2- Week 3- Fortnight 4- Month 5- Quarter 6- Year
Destination codes: 1- Public or para-public sector 2- Big private enterprise 3- Small private enterprise 4- Household/individual 5- Direct exportatio
6- Own final use

4.1 What was the total amount of your turnover for the last month of operation? _____ (unit of currency)

4.2 PRODUCTS SOLD AFTER TRANSFORMATION

N°	Name of the product	Period	Unit	Quantity	Unit price (unit of currency)	Total value for period (unit of currency)	Destination
1	Rice			100	20	2000	
2	Fruit Juice			5000	2	10000	
3	Livestock-Eggs			10000	2	20000	
4							
5							
6							
O						32000	

Production of Services-Data Items

3. PRODUCTION AND SALE (last month of operation)

Period codes: 1- Day 2- Week 3- Fortnight 4- Month 5- Quarter 6- Year

Destination codes: 1- Public or para-public sector 2- Big private enterprise 3- Small private enterprise 4- Household/individual 5- Direct exportation 6- Own final use

4.4. SERVICES OFFERED

N°	Name of the service	Period	Unit	Quantity	Unit price (unit of currency)	Total value for period (unit of currency)	Destination
1	Car Repairs		20		50	1000	
2	Restaurant Services		50		30	1500	
3	Tyre Fitting		30		30	900	
4							
5							
6							
O						3400	
						4.4.1 MONTHLY TOTAL:	

Intermediate Costs-Data Items

5. Expenditures on Raw Materials and Stocks (last month of operation)

Period codes: 1- Day 2- Week 3- Fortnight 4- Month 5- Quarter 6- Year

Origin codes: 1- Public or para-public sector 2- Big private enterprise 3- Small private enterprise 4- Household/individual 5- Direct importation 6- Own production

5.1. How much did you spend on raw materials used for your business?

N°	Name of the product	Period	Unit	Quantity	Unit price (in unit of currency)	Total value for perio (unit of currency)	Origin
1	Purchases for resale	__		_____	_____	4000	__
2	Transport costs	__		_____	_____	5000	__
3	Utility costs-water, gas	__		_____	_____	6000	__
4	Raw materials	__		_____	_____	10000	__
5		__		_____	_____	_____	__
6		__		_____	_____	_____	__
O		__		_____	_____	25,000	__

5.1.1. MONTHLY TOTAL:

Output: Case of Philippines

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Methodologies : **Production Approach**

Estimation of OUTPUT

In HUEM survey items, OUTPUT of IS by industry is computed as:

OUTPUT = *Value of products sold after transformation* (FINISHED PRODUCTS)
+ *Value of products sold without transformation* (GOODS FOR RESALE)
− *Value of purchases of products sold without transformation*
+ *Value of services offered*
+ *Fixed assets produced on own-account*

Output: Case of Philippines

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Methodologies : **Production Approach**

Estimation of OUTPUT

OUTPUT is not the same as SALES

- what was sold may have come from previous period production or not all of what has been produced is sold

Hence, **SALES** need adjustments for **CHANGE IN INVENTORY**

In HUEM, ***Value of Sales*** was assumed to be equal to ***Value of Production*** since ***Inventory*** data was not collected

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