

Statistics and Indicators on Work in the Informal Economy with Focus on Statistics for Specific Groups of Informal Workers

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#### Important National Questions

- Does informal sector/informal workers constitute a significant share of workers in the country?
- Are these workers concentrated in any specific economic activity?
- ☐ Are they located in specific geographical areas?
- Is there any gender differentials in informal sector/informal workers?
- □ Are they concentrated among specific social groups?
- What is the educational and poverty profile of informal sector/informal workers?

#### **Statistical Indicators**

- A number of statistical indicators are used by the countries to find answers to the national questions.
- A few of the common indicators are described below:
  - ▶ Share of informal sector workers
    - =(Number of informal sector workers/Total workers)\*100
  - > Share of informal workers
    - =(Number of informal workers/Total workers)\*100

## **Statistical Indicators (Contd)**

- > Share of informal economy workers
  - =(Number of informal economy workers/Total workers)\*100
- GDP share of informal sector
  - =(GDP contribution of informal sector/Total GDP)\*100
- > GDP share of informal workers
  - =(GDP contribution of informal workers/Total GDP)\*100
- > GDP share of informal economy
  - =(GDP contribution of informal economy/Total GDP)\*100

[All the above indicators can be computed for specific economic activity/region or sector]

## **Statistical Indicators (Contd)**

- Gender differential
  - = (Informal women workers/Total women workers)/ (Informal men workers/Total men workers)\*100
- Incidence of informality by social group
  - =(Informal workers of a specific social group/Total workers of that social group)\*100
- Incidence of informality by education
  - =(Informal workers of specific educational level/Total workers of that educational level)\*100

# **Estimation of Different Categories of Workers**

- Data sets of labour force are generally used for the estimation of specific categories of workers, if the relevant data elements are available.
- Data elements required are:
  - > Industrial classification
  - > Occupational classification
  - Enterprise type
  - > Number of workers in the enterprise
  - > Place of work
  - Activity status
  - > Type of contract
  - > Eligibility for paid leave
  - > Availability of social security
  - Method of payment

#### **Labour Force Surveys in India**

- □ Labour Force surveys are conducted in India periodically
- □ These surveys are titled Employment-Unemployment survey
- □ The questionnaire for the survey was significantly modified in the year 1999-2000 for capturing informal sector and informal workers
- □ The modifications were continued in subsequent rounds with more details

# Important Data Elements Included in the Labour Force Survey, 2011-12

- Activity status
- Enterprise type
- □ Number of workers in the enterprise
- □ Place of work
- □ Type of job contract
- □ Whether eligible for paid leave
- □ Availability of social security benefits
- □ Method of payment

# **Activity Status Codes**

Own account worker	11
Employer	12
Unpaid family worker	21
Worked as regular salaried wage employee	31
Worked as casual wage labour in:	
in public works	41
in other types of work	51

# **Enterprise Type Codes**

□ Proprietary: male	1
<ul> <li>Proprietary: female</li> </ul>	2
<ul> <li>Partnership with members from the same household</li> </ul>	3
<ul> <li>Partnership with members from different household</li> </ul>	4
<ul> <li>Government/public sector</li> </ul>	5
<ul> <li>Public/private limited company</li> </ul>	6
<ul> <li>Cooperative societies/trusts/other non-profit institutions</li> </ul>	7
<ul> <li>Employer's household</li> </ul>	8

# Number of Workers in the Enterprise

Less than 6	1
Six and above but less than 10	2
Ten and above but less than 20	3
Twenty and above	4
Not known	9

# Place of Work

Place	Rural (code)	Urban (code)
No fixed work place	99	99
Work place located in		
Own dwelling	10	20
Structure attached to own dwelling	11	21
Open area adjacent to own dwelling	12	22
Detached structure adjacent to own dwelling	13	23
Own enterprise/office/shop but away from own dwelling	14	24
Employer's dwelling unit	15	25
Employer's enterprise/office/shop but outside employer's	16	26
dwelling		
Street with fixed location	1 <i>7</i>	27
Construction site	18	28
Others	19	29

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# **Type of Job Contract**

- No written job contract
- Written contract for one year or less
- Written contract for one to three years 3
- Written contract for more than 3 years 4

## **Eligibility for Paid Leave**

- □ Yes 1
- □ No 2

# Availability of Social Security Benefits Eligible for Only PF/Pension Only gratuity Only health care & maternity benefits Only PF/Pension and gratuity 4 Only PF/Pension and health care & maternity benefits 5 Only gratuity and health care & maternity benefits 6 PF/Pension, gratuity, health care & maternity benefits 7 Not eligible for any of the above

# Method of Payment Regular monthly salary 1 Regular weekly payment 2 Daily payment 3 Piece rate payment 4 Others 5

#### **Estimation of Home-Based Workers**

- □ Home-based workers can be self-employed or subcontracted wage workers
- □ Those self-employed non-agricultural workers with place of work codes 10-13 or 20-23 are classified as home-based workers.
- □ In addition, those non-agricultural wage workers with piece rate payment are also classified as home-based workers.

#### **Estimation of Street Vendors**

- □ Street workers consist of informal workers with occupation code 911
- In addition, those informal traders with place of work as street with fixed place, construction site, other places or no fixed work place but not included in occupation code 911 also need to be categorised as street vendors

#### **Estimation of Waste Pickers**

 All informal workers with occupation code 916 (garbage collectors and related workers) are taken as waste pickers

#### **Estimation of Domestic Workers**

- □ All non-agricultural informal workers with industry code 970 (activities of private households as employers of domestic staff) are domestic workers.
- □ In addition, those non-agricultural informal workers with place of work as employer's house but not included in industry code 970 also need to be treated as domestic workers

# Share of Informal Workers Among Total Non-Agricultural Workers

Area	Male	Female	Total
Rural	90.2	93.0	90.8
Urban	78.9	79.7	79.1
Total	84.3	86.4	84.7

### Share of Special Categories of Workers Among Total Non-agricultural Workers

Area	Male	Female	Total	
Rural	20.0	44.5		25.0
Urban	16.7	48.7		22.8
Total	18.3	46.6		23.9

Share of Special Categories of Workers Among Total Non-agricultural Informal Workers

> Area Male Female Total Rural 22.1 47.9 27.5 Urban 21.2 61.0 28.9 Total 21.7 53.9 28.2

