



**Women in Informal Employment
Globalizing and Organizing**

**THE FUTURE OF INFORMAL WORK,
THE FUTURE OF STATISTICS ON INFORMAL WORK**

MARTY CHEN
WIEGO NETWORK
HARVARD UNIVERSITY

ILO HIGH-LEVEL PANEL

OCT. 18, 2018

REMARKS

- **Informal Work: Today –
New Worldwide Data (ILO 2018)**
- **Informal Work: In the Future**
- **Statistics on Informal Work:
Future Directions**

INFORMAL WORK TODAY: SIGNIFICANCE

% of Total, Rural & Urban Employment

Globally & by Country Income Group & Geographic Region

Country Income Groups *	Total	Rural	Urban
World	61	80	44
Developing	90	90	79
Emerging	67	83	51
Developed	18	22	17

*2018 World Bank classification based on country levels of gross income per capita

Geographic Regions (excluding developed countries)	Total
Sub-Saharan Africa (excluding Southern Africa)	92
Sub-Saharan Africa as a whole	89
South Asia	88
Southeast & East Asia (excluding China)	77
Middle East and North Africa	68
Latin America and the Caribbean	54
Eastern Europe and Central Asia	37

INFORMAL WORK TODAY: COMPOSITION

By Status in Employment & Branch of Industry

Globally & Country Income Group (%)

Country Income Groups	Wage Workers	Self- Employed	<i>Employers</i>	<i>Own Account Workers</i>	<i>Contributing Family Workers</i>
World	36	64	3	45	16
Developing	21	79	2	54	22
Emerging	37	63	3	44	16
Developed	51	49	6	36	6

Country Income Groups	Agriculture	Services	Manufacturing
World	38	44	18
Developing	69	21	10
Emerging	36	46	19
Developed	10	71	19

Source: ILO 2018

THE FUTURE OF INFORMAL WORK

- **existing informal self-employment:** *likely to persist* – with some shifts across branches of industry, *unless significant increase in formal jobs*
- **existing informal wage employment:** *likely to persist* – with some shifts across branches of industry, *unless significant increase in formal jobs*
- **informalization of once-formal wage jobs:** *likely to continue* – in current climate of de-regulation & flexibilization of labour, *unless labour markets are regulated or re-regulated*
- **new forms of informal wage jobs and/or dependent contractors:** *likely to emerge & increase* – with growth of outsourcing, offshoring and digital platforms/gig economy, *unless regulation of new forms of work*
- **workers displaced by automation:** *likely to resort to self-employment in the informal economy* – in absence of unemployment insurance, employment guarantee schemes and safety nets, *unless they acquire skills for new technology jobs and occupations*

In sum, the future of work is informal.

STATISTICS ON INFORMAL WORK: FUTURE DIRECTIONS

- **Frontiers of Statistics on Informal Work...**
 - **improved definition & international standards for measurement of informal employment** - being discussed at 2018 ICLS
 - **city-level data** – for an urbanized world
 - **data on specific groups of informal workers** – to inform policies – see WIEGO guide <http://www.wiego.org/publications/guide-obtaining-data-types-informal-workers-official-statistics>
 - **data on informal enterprises** (as share of all enterprises across different branches of industry + by size, ownership & place of work) – to inform enterprise development policies & schemes
 - **data on GDP contribution** of informal workers inside and outside informal enterprises - to convince policy makers that they contribute to economic growth
 - **more & better data on informal employment in developed countries:** using common framework for measuring informal employment in developed & developing countries

WAY FORWARD

□ **Future of Work**

- informal employment is, and is likely to remain, the norm
- informal workers should not be ignored or stigmatized - but recognized & supported
- appropriate policies & laws in support of informal workers should be developed

The first step is good statistics on informal employment

□ **Future of Labour Statistics**

- *increased* data on informal work – more countries, including developed countries, measuring informal employment + making micro-data sets available to ILO and others
- *improved* data on informal work – more & better use of official international definitions and standards for measurement
- *expanded* data on informal work – city-level + specific groups of workers +informal enterprises

THANK YOU!

On behalf of WIEGO and our Statistics Programme,
Joann Vanek & Francoise Carré, I would like to thank...

ICLS – for recognizing informal employment as an important
component of labour force statistics

ILO Statistics – for promoting improved statistics on
informal employment

Delhi Group – for promoting improved statistics on
informal employment

National Statistical Offices – for collecting statistics on
informal employment

WIEGO has enjoyed working with all of you for over two
decades and we look forward to continuing to work together!