Informality and Social Protection: Theories and Realities

Martha Chen

Half of the world’s population has no social security coverage at all. In many least developed countries, more than nine out of ten workers live and work without any type of safety net... The need for the expansion of social security coverage is greater than ever before. The gap in social protection, really in human protection, is just one dimension of a world full of imbalances.1

(Juan Somavia, Director General, International Labour Organisation)

1 Introduction
The persistence of poverty worldwide is a major challenge of the twentieth century. More than one billion people struggle to survive on less than $1 a day (United Nations 2005). Of these, roughly half – 550 million – are working (ILO 2005). By definition, these working poor cannot work their way out of extreme poverty. They simply do not earn enough to feed themselves and their families, much less to deal with the economic risks and uncertainty they face. The majority of them earn their livelihood in the informal economy where, on average, earnings are low and risks are high.

Poverty reduction is not possible without addressing the root causes of the low level of incomes and the high level of risks faced by the working poor in the informal economy. The root causes include not simply the lack of productive resources and economic opportunities. What the working poor lack, more fundamentally, is labour rights (if they are wage workers), business rights (if they are self-employed) as well as social protection, property rights, and the right to organisation and representation. The Institute of Development Studies–Women in Informal Employment: Globalizing and Organizing (IDS–WIEGO) workshop was designed to explore the challenge of social protection for the working poor in the informal economy through the lens of macroeconomic trends and policies.

Over the past decade, there has been renewed interest in the informal economy and those who work in it. There is now an expanded official international definition of the informal economy designed to incorporate all forms of informality. And there are efforts to improve the collection of labour force statistics using this expanded definition. However, the definition of the informal economy is still debated in some circles and labour force statistics in most countries do not include all categories of informal work. Furthermore, most policy prescriptions regarding informality have been framed in response to one or another category of informal workers without considering the full range of informal workers.

This article seeks to address the gaps outlined above. Section 2 presents the official international definition of informal employment and recent national data on informal employment so defined, including its links with poverty and gender inequality. Section 3 summarises the dominant causal theories of informality and proposes an integrative theory. Section 4 examines the social protection coverage gap in the informal economy and Section 5 provides a framework for considering what should be an appropriate policy response to this coverage gap in different countries.

2 The informal economy: current realities
Although interest in the informal economy has waxed and waned since it was ‘discovered’ in Africa in the early 1970s, it has continued to prove useful as a concept to many policymakers, activists and researchers. This is because the reality it seeks to
capture – the large share of the global workforce that remains outside the world of full-time, stable and protected employment – is so significant. At present, there is renewed interest in the informal economy worldwide. This renewal of interest stems from the fact that, contrary to early predictions, the informal sector has not only grown worldwide but also emerged in new guises and in unexpected places. It now represents a quite significant but relatively overlooked share of the global economy and workforce.

2.1 Expanded definition
Given its resilience and dynamic nature, the informal economy today has forced some fundamental rethinking of the concept. In recent years, the International Labour Office (ILO), the International Expert Group on Informal Sector Statistics (called the Delhi Group), and the global network WIEGO, have worked together to broaden the earlier concept and statistical definition of the ‘informal sector’ to incorporate certain types of ‘informal employment’ that had previously been excluded. We sought to include the whole of informality, as it is manifest in industrialised, transition and developing economies and the real world dynamics in labour markets today, particularly the employment arrangements of the working poor.

Broadly defined, the informal economy includes the self-employed in informal enterprises (i.e. small and unregulated) as well as the wage employed in informal jobs (i.e. unregulated and unprotected) in both urban and rural areas (ILO 2002; Chen et al. 2005). So defined, informal labour markets encompass rural self-employment, both agricultural and non-agricultural; urban self-employment in manufacturing, trade and services; and various forms of informal wage employment (including day labourers in construction and agriculture, industrial outworkers, and more).

This expanded definition was endorsed by the International Labour Conference (ILC) in 2002 and the International Conference of Labour Statisticians (ICLS) in 2003. A decade earlier, in 1993, the ICLS had adopted the international statistical definition of the ‘informal sector’: to refer to employment and production that takes place in small and/or unregistered enterprises. In 2003, the ICLS endorsed the expanded definition that includes certain types of informal wage employment outside the informal sector; statisticians refer to this larger concept as ‘informal employment’. In this article, the terms ‘informal economy’ and ‘informal employment’ are used interchangeably for this broader concept and the term ‘informal sector’ is used for the narrower concept.

2.2 Current realities
What follows is a summary of findings from three recent reviews of available national data by the WIEGO network (ILO 2002; Chen et al. 2004, 2005).

Informal employment broadly defined comprises one-half to three-quarters of non-agricultural employment in developing countries: specifically, 47 per cent in the Middle East and North Africa; 51 per cent in Latin America; 71 per cent in Asia; and 72 per cent in sub-Saharan Africa. If South Africa is excluded, the share of informal employment in non-agricultural employment rises to 78 per cent in sub-Saharan Africa; and if comparable data were available for countries other than India in South Asia, the regional average for Asia would likely be much higher.

Some countries include informal employment in agriculture in their estimates. This significantly increases the proportion of informal employment: from 83 per cent of non-agricultural employment to 93 per cent of total employment in India; from 55 to 62 per cent in Mexico; and from 28 to 34 per cent in South Africa.

Composition
For the purposes of analysis and policymaking, it is useful to divide informal employment into more homogeneous sub-sectors according to status of employment, as follows:

Informal self-employment including:
- employers: owner operators who hire others
- own account workers: owner operators of single-person units or family businesses/farms who do not hire others in informal enterprises
- unpaid contributing family workers: family members who work in family businesses or farms without pay
- members of informal producers’ cooperatives (where these exist).

Informal wage employment: employees without formal contracts or social protection employed by formal or informal enterprises or by households.
developing countries, the most common categories of informal wage workers include:

- informal employees: unprotected employees with a known employer (either an informal enterprise, a formal enterprise, or a household)
- casual or day labourers: wage workers with no fixed employer who sell their labour on a daily or seasonal basis
- industrial outworkers: subcontracted workers who produce for a piece-rate from small workshops or their homes (also called homeworkers).

In all developing regions, self-employment comprises a greater share of informal employment (outside of agriculture) than wage employment: specifically, self-employment represents 70 per cent of informal employment in sub-Saharan Africa, 62 per cent in North Africa, 60 per cent in Latin America, and 59 per cent in Asia. Excluding South Africa, where black-owned businesses were prohibited during the apartheid era and have only recently begun to re-emerge and be recognised, the share of self-employment in informal employment increases to 81 per cent in sub-Saharan Africa.

Self-employment is less significant in developed countries (12 per cent of total non-agricultural employment) than in developing countries, where it comprises as much as 53 per cent of non-agricultural employment in sub-Saharan Africa, 44 per cent in Latin America, 32 per cent in Asia, and 31 per cent in North Africa. Worldwide, self-employment represents nearly one-third of total non-agricultural employment. Informal wage employment is also significant in the developing world: comprising 30–40 per cent of informal employment (outside of agriculture).

In developed countries, labour statisticians and other observers are just beginning to use the concept of ‘informal employment’. The most common concept is ‘non-standard’ employment, much of which is ‘informal’ in the sense of not being covered by social security. Three categories of non-standard work in developed countries – temporary, part-time, and self-employment – are significant and growing. In European Union countries as a whole in the late 1990s, temporary employment represented about 10 per cent of total employment, part-time work represented another 16 per cent of total employment, and own account work represented about 11 per cent of male employment and 7 per cent of female employment. Other categories of non-standard work in developed countries which are even more likely to be unprotected are casual day labour, industrial outwork, and other kinds of contract work (Carré forthcoming).

Segmentation

While average earnings are higher in formal jobs than in informal employment, there is also a hierarchy of earnings within informal employment. In Tunisia, for example, informal employers earn four times the minimum wage and over two times (2.2) the formal wage. Their employees earn roughly the minimum wage, while industrial outworkers – mostly women homeworkers – earn less than one-third (30 per cent) of the minimum wage. In Columbia and India, informal employers earn 4–5 times the minimum wage, while own account operators earn only 1.5 times the minimum wage (analysis of national data by Jacques Charmes, cited in Chen et al. 2004).

In brief, within informal labour markets, there is a marked segmentation in terms of average earnings across the different employment statuses outlined above. Research findings suggest that it is difficult to move up these segments due to structural barriers (state, market and social) and/or cumulative disadvantage. Many workers, especially women, remain trapped in the lower-earning and more risky segments. Efforts are under way to statistically test whether there are structural barriers to mobility across the different segments but this requires panel data on key variables, such as education or assets, across these different segments.

Informality and gender

Informal employment is generally a larger source of employment for women than for men in the developing world. Other than in the Middle East and North Africa, where 42 per cent of women workers (and 48 per cent of male workers) are informally employed, 60 per cent or more of women non-agricultural workers in the developing world are informally employed. Among non-agricultural workers, in sub-Saharan Africa, 84 per cent of women workers are informally employed compared with 63 per cent of men workers; in Latin America, 58 per cent of women workers compared with 48 per cent of men; and in Asia, 73 per cent of women workers compared with 70 per cent of men workers.
There is also a marked segmentation within the informal economy by sex. Men tend to be over-represented in the top segments of the informal economy; women tend to be over-represented in the bottom segment; and the relative shares of men and women in the intermediate segments vary across sectors and countries. In India, for example, 6 per cent of informal employers, 19 per cent of own account operators, 16 per cent of informal wage workers, and 59 per cent of industrial outworkers are women.

Available evidence also suggests that there are significant gaps in earnings within the informal economy: informal employers have the highest earnings on average; followed by their employees and informal employees of formal firms; then own account operators, casual wage workers, and industrial outworkers. These two stylised facts are depicted graphically in Figure 1.

The available data on poverty risk – that is, the likelihood that a worker from a given segment of the labour force is from a poor household – indicate a similar hierarchy. Workers in the formal economy, particularly in public sector formal jobs, are less likely than workers in the informal economy to be from a poor household. Within the informal economy, informal employees are more likely than their employers to be from poor households, own account operators are more likely than informal employees to be from poor households, and so forth down the segmentation pyramid illustrated in Figure 1 (Chen et al. 2005). However, analysing the poverty risk of workers, as opposed to their average earnings, is complicated by whether or not a worker is the sole earner, the primary breadwinner, or a supplemental earner in her household. For example, because their earnings are so low, women industrial outworkers are likely to be supplemental earners in households with male earners. Whether or not an industrial outworker is from a poor household depends on whether the earnings of the whole household, including her earnings, fall below or above the poverty threshold. However, if she is the sole or primary breadwinner, the household of a woman industrial outworker is very likely to be poor (Chen et al. 2005).

In sum, there is a significant range of average earnings and poverty risk across employment statuses within the informal economy with a small entrepreneurial class (comprised of most informal employers and a few own account operators) and a large working class (comprised of most informal employees, most own account operators, all casual day labourers, and all industrial outworkers). There is also gender segmentation within informal labour.
markets resulting in a gender gap in average earnings with women over-represented in the lowest-paid segments and earning less on average than men in most segments.7

Consequences
The poverty and other outcomes of work are a function not only of the level of earnings but also of the period over which earnings are sustained, the volatility of these earnings, and the arrangements through which they are achieved, including related costs and benefits. While informal work does offer positive opportunities and benefits, such as flexibility of work hours and convenience of work location, the costs are often quite high. Some of these are direct ‘out-of-pocket’ expenses needed to run an informal business or otherwise work informally; others are indirect, reflecting the more general conditions under which the working poor live and work. Some of these can be rather high over the long term, such as when a worker has to sacrifice access to health and education (or training) for herself or family members. Also, there are psychological and emotional costs – in terms of a worker’s self-esteem and dignity – associated with many forms of informal work.8

Three dimensions of work are instrumental in determining the social outcomes of work: place of work, production system, and employment status. Each place of work is associated with specific risks and, thus, different degrees of security or insecurity. Micro-entrepreneurs and wage workers tend to lose market knowledge and bargaining power as they move from traditional to industrial to global systems of production. And each employment status, as outlined below, is associated with different degrees of autonomy and risk for those who work in them.9

This article focuses on employment status as a key indicator for considering the risks associated with employment and the social protection coverage of employment-related risks as well as common core contingencies.

In brief, those who work informally face greater exposure, on average, than those who are formally employed to both employment-related risks as well as common core contingencies. Also, those who work informally are less likely to be protected against these risks: this is because (a) their employers do not contribute to their protection; (b) they do not have an employer; and/or (c) they cannot afford the private contributions, premiums, or savings required to self-ensure. In general, only informal employers who hire others earn enough to insure themselves against risks and, thereby, rise above the poverty threshold.

3 The informal economy: causal theories
Since its ‘discovery’ in the early 1970s, the informal economy and its role in economic development have been hotly debated. Some observers view the informal economy in positive terms, as a ‘pool’ of entrepreneurial talent or a ‘cushion’ during economic crises. Others see the informal economy as a source of livelihood for the working poor. Still others view it more problematically, arguing that informal entrepreneurs deliberately avoid registration and taxation.

3.1 Dominant theories
Historically, there have been three dominant schools of thought on informal economy.

1 The dualist school, popularised by the ILO in the 1970s, views the informal sector of the economy as comprised of marginal activities – distinct from and not related to the formal sector – that provide income for the poor and a safety net in times of crisis (Hart 1973; ILO 1972).

2 The structuralist school, popularised by Caroline Moser and Alexandro Portes (among others) in the late 1970s and 1980s, argues that informal economic units/enterprises and workers are subordinated to large capitalist firms, serving to reduce their input and labour costs and, thereby, increase their competitiveness (Moser 1978; Castells and Portes 1989).

3 The legalist school, popularised by Hernando de Soto in the 1980s and 1990s, subscribes to the notion that the informal sector is comprised of ‘pluck’ micro-entrepreneurs who choose to operate informally in order to avoid the costs, time and effort of formal registration and who need enforceable property rights to convert their assets into legally recognised assets (de Soto 1989, 2000).

A more recent school of thought, the voluntarist school, argues that informal entrepreneurs choose to operate informally after calculating the relative costs and benefits of remaining formal or becoming informal. Yet many observers also recognise that
informal employment tends to expand during economic crises or downturns, suggesting that necessity – in addition to choice – drives informality. And that many informal workers and operators are simply excluded from state-based regulations and protections. Other observers point out that informalisation of employment relations often reflects the choice – or preference – of employers, not their employees. Each of these theories is valid for some – but not all – parts of the informal economy. In other words, each of these theories is valid for only one or another ‘slice of the informal pie’.

3.2 Integrative theory
Given the size and heterogeneity of informal employment, what is needed is an integrative conceptual framework that incorporates the causes and consequences of all forms of informality, not just one form or another. Paraphrasing the title of a recent World Bank publication on informality, which focused on two causal explanations characterised as Exit and Exclusion (Perry et al. 2007), what follows is an integrated set of causal explanations that captures most forms of informality.

● Exit. Some of the self-employed choose – or volunteer – to work informally in order to avoid the costs of registration and/or taxation. Also, some once-formal wage workers choose to become self-employed in the informal economy after weighing the relative costs and benefits. However, many informal workers do not choose voluntarily to work informally but rather have always worked informally out of necessity or due to tradition.

● Entry. Many of the self-employed would welcome reduced barriers to registration and related transaction costs, especially if they were to receive the benefits of formalising, such as written and enforceable commercial contracts as well as access to financial resources and market information. In other words, some informal operators would choose to operate formally if the barriers to Entry were not so formidable and the benefits of Entry were guaranteed. Also, many informal wage workers would welcome the benefits and protections of formal wage employment. But their employers choose to hire them under informal contracts and arrangements (see Exploitation below).

● Exclusion. Many state-based regulations and protections do not apply or have not been extended to informal wage workers or self-employed workers. This may be due to neglect, biases or (simply) ignorance on the part of those who make policies and set rules. Also, many informal operators are not aware of the protections that they are entitled to as citizens and if they formalise; or they simply do not have the ability or intention to grow their business and formalise.

● Exploitation. In many contexts, employers choose to (a) retain a small core regular workforce and hire other workers on an informal basis; (b) avoid payroll taxes and employer contributions to social security or pensions; and/or (c) avoid other obligations as employers. In such cases, the employers (not the workers) are avoiding regulation and taxation. Similarly, some large enterprises choose to contract

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Table 1: Primary causal explanations for different segments of the informal economy

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<thead>
<tr>
<th>Segments of informal employment</th>
<th>Primary causal explanation</th>
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<tbody>
<tr>
<td>Informal employers</td>
<td>Exit</td>
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<tr>
<td>Informal employees</td>
<td>Exploitation</td>
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<tr>
<td>Own account operators</td>
<td>Exclusion</td>
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<tr>
<td>Casual day labourers</td>
<td>Exclusion + exploitation</td>
</tr>
<tr>
<td>Industrial outworkers</td>
<td>Exploitation</td>
</tr>
<tr>
<td>Unpaid contributing family workers</td>
<td>Exclusion + exploitation</td>
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Notes: (1) Casual day labourers are excluded from the benefits associated with regular employment and exploited by employers or their contractors. (2) Unpaid contributing family workers are excluded from the benefits of the state (as is the head of the family business) but may also be exploited by the head of the family business or other members of the family (when it comes to allocation of labour and benefits within the family).
smaller enterprises to provide goods and services without entering written contracts or sharing risks.

Each of these causal explanations, Exit, Entry, Exclusion, Exploitation, can be used to explain one or other segment of the informal economy – but not the whole informal economy; see Table 1 for which of these tends to be, in most contexts, the primary causal explanation for specific segments of the informal economy.

4 Informality and social protection: the coverage gap

4.1 Extent of coverage gap

According to ILO estimates, half of the world’s population has no social security coverage and only one-quarter of the world’s population has adequate social security coverage (Van Ginneken 2003). At one extreme, in most Organisation for Economic Cooperation and Development (OECD) countries, around 90 per cent of the population has social security coverage. At the other extreme, in most sub-Saharan and South Asian countries, less than 10 per cent of the population is covered (Sigg 2005). This is because more than 90 per cent of the workforce in those countries is informally employed. By definition, the informal workforce is not only unregulated and untaxed but also unprotected: that is, informal wage workers and self-employed do not have legal or social protection.

4.2 Explaining the coverage gap

There are many factors behind the large and growing coverage gap in social protection. To begin with, many developing countries have never been welfare states and the majority of the workforce in most developing countries has never been formally employed. Second, there are policy, financial and other pressures on welfare states to cut back on their social expenditures and provisioning and on employers to hire workers under informal employment arrangements. Other factors driving the large and growing coverage gap are low rates of GDP per capita as well as population ageing; and a high share of employment-based social protection schemes (Sigg 2007). Finally, and the focus here, another key factor is the high percentage of informal employment in agriculture, in rural non-farm activities, and the urban informal sector.

Even where efforts are being made to extend social protection to informal workers the coverage has not expanded significantly. This is so because of the unwillingness or inability of various stakeholders to contribute to the schemes being introduced, as follows:

1 Employment-linked schemes to which employers are expected to make contributions:

(a) Many employers seek to avoid contributions and other obligations by disguising their employees in various ways: maintaining a small core and a large temporary workforce; hiring employees on short-term contracts; and subcontracting out production and contracting in services.

(b) Many informal workers are independent self-employed and, therefore, are not eligible for employer-based schemes.

2 Commercial schemes based on premiums paid or savings made by workers. Informal workers often earn too little to afford the premiums for health insurance or to save in pension funds.

3 Private voluntary schemes:

(a) NGO-run schemes: these are mostly pilot schemes targeted at selected contingencies, with a low level of benefits, and low coverage.

(b) ‘Mutual’ schemes: these typically target only selected contingencies (notably, illness) with a low level of benefits (as the non-poor are not willing to enter schemes with the poor and the poor cannot make significant contributions); have low coverage; and are found in only some regions (e.g. Francophone Africa).

(c) Traditional ‘informal’ systems: these typically cover only selected contingencies (notably, death); are based on reciprocal contributions; provide only a minimum of benefits (as the non-poor are not willing to enter schemes with the poor and the poor cannot make significant contributions); and have declining coverage.

4 Means-tested schemes. These are often geared to households or to individuals as citizens, not as workers; and they often provide low levels of benefits because they are financed by governments from general revenues.

5 Universal schemes. These are often geared to households or to individuals as citizens, not as workers; and they often provide low levels of benefits because they are financed by governments from general revenues.
Finally, it should be noted that whether individuals enjoy the benefits of these schemes, particularly when they are targeted at households, depends on intra-household dynamics which are often biased against the young, elderly and women of all ages.

4.3 Understanding the coverage gap

A useful way to understand the large and growing coverage gap is to look at workers in different employment statuses along domestic or global supply chains, to see who is getting social protection coverage, e.g. health or pensions, through their work. We consider here workers in two sectors: horticulture workers in Chile and garment workers in Thailand.

In the horticulture sector in Chile, in addition to smallholder producers, there are wage workers engaged under a continuum of employment statuses, ranging from a small core permanent workforce to temporary seasonal workers to casual workers who are employed for short periods of time or on a daily basis. Some of the seasonal and casual workers are employed by a third party labour contractor. Just over half (52 per cent) of the core permanent workers and one-third of the temporary seasonal workers contribute to a pension plan; none of the workers in other employment statuses contribute to a pension plan. In 2001, to help address this coverage gap, the Government of Chile established official commissions to offer occupational health and safety and child care to temporary seasonal workers (Barrientos and Ware Barrientos 2002, cited in Lund and Nicholson 2003).

In the garment sector in Thailand, workers are engaged along a similar continuum of employment statuses ranging from a small core formal workforce in factories to so-called ‘agency’ workers in factories supplied by a third-party contracting company to industrial outworkers (in small workshops or in their homes) subcontracted to a third-party contractor. The formal factory workers are entitled to employer contributions to social insurance and the full package of worker benefits; ‘agency’ workers are entitled to employer contributions to social insurance and sick leave (but only with hospital certification); and industrial outworkers receive no employer contributions to social insurance and no worker benefits (Doane et al. 2002, cited in Lund and Nicholson 2003).

5 Informality and social protection: policy responses

5.1 Dominant theories

What do the dominant causal theories of the informal economy say about social protection and the informal economy? The legalists call for extending legal protection to informal enterprises and property rights to informal asset owners; but say little, if anything, about social protection for informal entrepreneurs. The dualists call for extending social services and social assistance to the informal workers. The structuralists call for regulating the social relations of production. The voluntarists explicitly focus on social protection, warning that free social assistance programmes run the risk of creating perverse incentives for operating informally and that policymakers need to avoid creating these perverse incentives.

5.2 Integrative response

As with causal explanations, what is needed is an integrative approach to social protection for the informal economy that takes into account the risks faced by different segments of the informal economy and the challenges of covering each segment.

What follows is a three-part framework of issues to consider when designing an integrated social protection policy for informal workers. For each part, a key policy question is posed and alternative policy responses are suggested:

1 Targets of interventions: how to reduce the coverage gap?
   (a) informal wage workers
      - prevent further informalisation of once-formal jobs
      - encourage formal firms to contribute to the social protection of their employees (both formal and informal)
      - allow micro-entrepreneurs who hire others to progressively contribute to the social protection of their employees, as their businesses and capacity grow.
   (b) informal self-employed
      - encourage those who can afford to do so to make contributions, pay premiums, or save in pension funds
      - extend means-tested schemes to those who cannot afford contributions or savings.

2 Types of interventions: what is the right mix?
   (a) health and pensions
universal vs. means-tested
voluntary vs. non-voluntary
(b) unemployment/under-employment insurance
cash transfers
public works schemes
other safety nets
(c) property and life insurance
(d) other contingencies
maternity
child care.

3 Types of financing: who should contribute and how?
(a) taxes
income, corporate, payroll, VAT taxes: general
social protection schemes
industry-specific taxes: welfare funds for workers in specific industries

(b) contributions
employer contributions
informal workers: payroll taxes, insurance premiums, savings (e.g. in pension funds).

In conclusion, closing the social protection coverage gap is a daunting but crucial challenge. The approach recommended by the UJEGO network is to build incrementally from what exists on the ground – asking all stakeholders to contribute their fair share – towards a minimum floor of health insurance and pensions for all and other provisions for a growing share of the workforce. We envision a large protective quilt with broad solid borders of health insurance and old-age pensions for all and a patchwork of other schemes filling in the middle.

Notes
2 The global action–research–policy network Women in Informal Employment: Globalizing and Organizing (UJEGO) seeks to increase the visibility and voice of the working poor, especially women, in the informal economy through better statistics and research on informal employment, more and stronger organisations of informal workers and policy dialogues to promote more inclusive policies and institutions.
3 At present, the ILO Statistics Bureau, the Delhi Group, and the UJEGO network are jointly preparing a manual on surveys to measure informal employment broadly defined.
4 Most of the data for the ILO 2002 publication were compiled by Jacques Charmes and analysed by Martha Chen and Joann Vanek in consultation with Marge Guerrero. In addition, Debbie Budlender, Rodrigo Negrete and Jeemol Unni analysed national data for South Africa, Mexico, and India, respectively; and Francoise Carre and Joaquin Herranz analysed data for developed countries. For the Chen et al. 2005 publication for UNIFEM, the data were analysed by Leah Vosko and Sylvia Fuller (Canada); Jesper Venema (Costa Rica); Mona Amer and Alia El Mahdi (Egypt); Edgar Lara Lopez, Reinaido Chanchan and Sarah Gammage (El Salvador); James Heintz (Ghana); Jeemol Unni (India); Daniela Casale, Colette Muller and Dorrit Posel (South Africa), with technical guidance from James Heintz.
5 ‘Employment status’ is a conceptual framework used by labour statisticians to delineate two key aspects of labour contractual arrangements: the allocation of authority over the work process and the outcome of the work done; and the allocation of economic risks involved (ILO 2002).
6 These figures were computed by Jeemol Unni using the individual records of the Employment and Unemployment Survey, 1999–2000, 55th Round of the National Sample Survey Organisation, New Delhi.
7 For a detailed analysis of available statistics on the gender segmentation of the informal economy and the linkages between working in the informal economy, being a woman or man, and being poor, see Chen et al. (2004, 2005).
8 See Chapter 4 of Chen et al. (2005) for a typology of the costs of working informally and a set of examples illustrating the typology.
9 See Chapter 4 of Chen et al. (2005) for more details.
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