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EXPERT GROUP ON MEASUREMENT OF WOMEN'S INCOME  
AND THEIR PARTICIPATION AND PRODUCTION IN THE INFORMAL SECTOR\*  
Report of the meeting, held in  
Santo Domingo (Dominican Republic), 13-17 October 1986

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\*This meeting has been convened by the International Research and Training Institute for the Advancement of Women, in collaboration with the Statistical Office of the United Nations Secretariat and the Economic Commission for Latin America and the Caribbean.

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## I. INTRODUCTION

1. The Expert Group meeting on "Measurement of women's income and their participation and production in the informal sector" took place at INSTRAW headquarters, Santo Domingo, Dominican Republic from 13 to 17 October 1986.
2. The meeting was convened by INSTRAW (International Research and Training Institute for the Advancement of Women) in collaboration with the Statistical Office and Economic Commission for Latin America and the Caribbean of the United Nations Secretariat.

## II. ORGANIZATION OF WORK

3. The experts attending the meeting were: Ms Meena Acharya (Nepal), Ms Rebecca Appiah (Ghana), Mr. Derek Blades (United Kingdom of Great Britain and Northern Ireland), Mr. Kochukunjo Bashir (India), Mr. Rubén Kaztman (Argentina), Ms Carmen McFarlane (Jamaica), Mr. Stein Ringen (Norway), Ms Catalina Wainerman (Argentina) and Ms Helen Ware (Australia).
4. The United Nations Statistical Office was represented by Mr. Robert Johnston and the Economic Commission for Latin America and the Caribbean (ECLAC) by Ms Irma Arriagada and Mr. Arturo León.
5. Also attending the inaugural session were: the Resident Representative of United Nations Development Programme (UNDP) in Santo Domingo, and representatives of the Food and Agriculture Organization of the United Nations (FAO) and Pan American Health Organization (PAHO).
6. Representatives of national women's organizations and the National Statistical Office of the Dominican Republic also attended the meeting.
7. The Expert Group unanimously elected as Chairperson: Catalina Wainerman; Vice-Chairperson: Stein Ringen; Rapporteur: Helen Ware.
8. The agenda of the meeting was adopted. (See the annex to the present report).

## III. INAUGURAL SESSION

9. The Director of INSTRAW, Ms Dunja Pastizzi-Ferencic, opened the meeting. She briefly outlined the focus of INSTRAW's activities in statistics, explained the need for redefining the informal sector and stated the objectives of the meeting.
10. Referring to INSTRAW's activities in statistics, the Director noted that from the inception of the Institute it has been committed to fostering a constructive dialogue between producers and users of statistics, with a view to increasing the availability of relevant indicators on the situation of

women using existing sources of data. While stressing the need to disaggregate available statistics by gender, the Director said that it is equally important to redefine concepts used in data collection, and indeed great improvements in the quality of data can be achieved through redefinition of basic concepts related to women's work.

11. Closer examination of the existing statistics on women's activity raised questions like "do so few women work? what kind of work do they do? and what are the rewards for their labour?"

12. The need to redefine concepts on the informal sector in particular derived from the dimensions of this sector, which according to conservative estimates, accounts for 10-20 percent of the GDP in two-thirds of all countries.

13. A major problem with the informal sector is that it encompasses several characteristics, as indicated by the many different names proposed, such as "subsistence sector", "traditional mode of production", "non-monetary activities". As these concepts do not cover the same ground, the meeting was asked to contribute to clarification of the definition of the informal sector.

14. The Director also pointed out that the definition of the informal sector is of paramount importance for women if they are to be considered in economic planning or in technical assistance programmes. To be outside GDP means to be forgotten, which she noted is the predicament of many women farmers, producers and providers of services. It is for this reason, that is to increase the scope of coverage of the national accounts to take into account women's contribution in the informal sector, that this meeting had been convened. She elaborated on the importance of the informal sector for policy analysis, planning of financial and credit facilities as well as of training, and adequate legislation. She hoped the meeting would cast more light on statistical concepts and measurements related to women's work and income. It should provide answers on two main questions - what should be measured? and how to measure it?

15. Finally, the Director paid tribute to the work done within the United Nations system to improve the situation of women.

16. The Vice-Minister of Foreign Affairs, Mr. Fabio Herrera, stressed that it is difficult to deny the important contribution that women make with their "informal" work to the productive capacity of society. "Informal", he said, is just a circumstantial qualification, as the effective daily contribution by women is not recognized due to deep-rooted beliefs acquired in our socialization process.

17. Referring to the Dominican Republic, he said that priority was given at the political level for women to attain a significant degree of participation in society. However this required a long and difficult process of change because it is a traditional society.

18. He wished the participants success in their deliberations and once again reaffirmed the strong support of his Government for INSTRAW.
19. The Director General of the National Statistics Office, Mr. José Luis Guzman Bencosme, informed the meeting of the new focus given to the National Statistics Office in order that it fulfill its functions in the socio-economic development of the country. The support given by the Administration was proof that statistics would be given priority, since the Government as well as private institutions need ample, timely and reliable source of information to reinforce development plans as well as to evaluate their impact.
20. The directors of the National Statistics Office, conscious of the important function it performs in the country's economy, have initiated actions to ensure improved compilation and quality of data. For example, the VI National Population and Housing Census (1981) indicated appreciable changes from the past, such as deferment in marriage age, a greater participation of women in production and higher educational level of the population. Nevertheless illiteracy rates remained high in spite of efforts to increase the educational level.
21. He detailed the long-term project on household surveys carried out within the framework of the National Household Survey Capability Programme, in co-operation with the United Nations, the regional commissions and specialized agencies.
22. The representative of the Statistical Office of the United Nations Secretariat, Mr. Robert Johnston, welcomed the participants to the meeting on behalf of Mr. William Seltzer, Officer-in-Charge of the Statistical Office. He pointed out that INSTRAW and the Statistical Office had pursued highly fruitful collaborative work for several years in the development and improvement of statistics and indicators on the situation of women. The present meeting was one in a series of joint meetings and activities which had contributed to significant dialogue between users and producers of statistics on women, to the analysis and refinement of basic statistical concepts and methods, to training and to generating greater visibility and awareness of statistical issues among users and of statistical needs of users among producers. He pointed out that the first objective of the meeting was a detailed technical review of the four documents prepared for the meeting, so they could be revised for publication taking a wide range of national experience and views into account. Besides specific comments on these texts, the Secretariat would welcome comments on material which could be added, such as descriptions and questionnaires from completed surveys.
23. He stated that the conclusions of the Expert Group would be of great interest and usefulness in the completion of recommendations and guidelines for the upcoming world round of population and housing censuses and of the review and revision of the United Nations System of National Accounts. New census recommendations had been reviewed by an expert group, with careful attention to women's issues, and would be further considered by the Statistical Commission in early 1987. The SNA review process was now underway

and scheduled for completion in 1990. The Statistical Commission would welcome the results of the present meeting as guidance for further work and development of recommendations in these fields. International expert group meetings are scheduled on ISCO<sup>a/</sup> in November 1986, on the SNA production accounts in 1987 and on SNA household sector accounts in 1988. The revision of the services branches in ISIC<sup>b/</sup> would be reviewed in various expert meetings in 1987-1988.

#### IV. CLOSING SESSION

24. In closing, the Director of INSTRAW expressed her gratitude to the participants for their contributions in clarifying the need for valuing women's work and production and for their recommendations which, she noted, would be most useful for revising for publications the main documents of the meeting. She added that INSTRAW will endeavour to include in its future work programme recommendations of the group which were outlined under agenda item 7. The Director also thanked the consultants who prepared the reports for the meeting and commended the Secretariat for their efforts in making the meeting a success.

#### V. SCOPE AND DEFINITION OF THE INFORMAL SECTOR FOR STATISTICAL PURPOSES

##### A. Introduction

25. In a general introduction to this agenda item Ms Ahooja-Patel, Chief, Research and Training in INSTRAW, gave a brief presentation on the issues to be considered during the discussions. She outlined the necessity of recognizing the role of women working in the informal sector of the economy and indicated that it is important to improve statistics on this topic in order to quantify the economic struggles of "invisible" women in most countries. She further elaborated by saying that because statistics are dramatic indicators of political, economic and cultural trends, they can be used to fully outline the magnitude of women's participation in the informal sector, their status, their economic rewards and what their occupations actually are. She suggested that participants turn to the Nairobi Forward-looking Strategies adopted by the World Conference to Review and Appraise the Achievements of the United Nations Decade for Women: Equality, Development and Peace, held in Nairobi in July, 1985 for a summary of the mandates on this subject which could not have been spelled out without the core data gathered by the United Nations system throughout the Decade for Women.

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a/ International Standard Classification of Occupations of ILO.

b/ International Standard Classification of all Economic Activities (United Nations).

26. Ms Ahooja-Patel suggested three main points for consideration:

(a) Statisticians should look at the purposes for which statistics on women in the informal sector should be compiled; similarly they should examine what data should be gathered and how, since answers to these questions carry important economic implications and social value;

(b) Once the reasons for gathering statistical data on women are discussed, people need to fully define "what" the informal sector is. In doing so they should also define economic and non-economic, monetary and non-monetary aspects which affect women working in this area. This would help shed light on women's productivity in an area which was previously left in darkness and neglected;

(c) Once defined, it is important to decide at what level and in what order and by whom this Expert Group's recommendations and comments should be considered: international, regional and national bodies. If properly used these statistics will function as a tool to advance the cause and position of women in society and enable them to exercise their full economic, legal and political rights.

27. In the discussion that followed, participants gave brief presentations of their experience and backgrounds and addressed the questions raised by INSTRAW.

28. The Expert Group requested clarification of the means by which its recommendations and proposals on statistical matters could be considered in the development of international statistical recommendations and guidelines. The meeting was informed that proposals for the revision of recommended concepts and definitions for data collection must ultimately be considered by the competent inter-governmental bodies and, if approved by them, were distributed to national statistical services. The Statistical Commission is the competent body for the United Nations System of National Accounts and population census statistics. The International Conference of Labour

Statisticians (ICLS) is the competent body for labour statistics. At present, the informal sector has not been defined by either body. The next ICLS will be held in October 1987. The Statistical Commission will meet in 1987 and 1989.

29. It was reiterated that INSTRAW has in the past worked and continues to work in collaboration with the Statistical Office of the United Nations Secretariat and reports on all its activities to the Economic and Social Council and, as requested to, the General Assembly.

0. The meeting noted that there have been several experiments with definitions of concepts, questionnaires and collection of data on female activity in Nepal, Paraguay and Argentina and Costa Rica and several other studies by ILO. The aim of this research have been to test alternative techniques to be used to improve the accuracy of measurement of women's activity.

B. Definition of informal economic activity and production within the boundaries of the United Nations SNA

1. The Expert Group considered this agenda item on the basis of documents INSTRAW/AC. 3/2 - ESA/STAT/AC.29/2 on women and the informal sector (pp.4-23) and INSTRAW/AC.3/4 - ESA/STAT/AC.29/4 on methodological experience in this field in the ECLAC region (chaps. I-III and V, section 1). These papers presented a general overview of methodological, conceptual and practical proposals, experience and problems in defining and measuring women's participation in the informal sector.

2. The relevant portions of the report on experience in measuring women's informal sector activity in the ECLAC region were presented by a representative of ECLAC, Ms Irma Arriagada.

3. The viewpoint adopted in the ECLAC paper was based on the experience acquired by researchers specialized in women's studies. It represents the viewpoint of the user who is trying to work with the available statistical data rather than that of the producer of statistics. The study systematically reviews the most-up-to-date data sources on women in the informal sector in Latin America and puts forward a number of suggestions for collecting and compiling these data for both producers and users of statistics.

34. Ms Arriagada emphasized the following conclusions of the study:

(a) The work performed by women has specific characteristics distinguishing it from that done by men. These differences are related to the division of labour by gender according to which women are assigned the central task of reproduction;

(b) The fact that women's activity is mainly centred on reproduction transforms them into secondary workers in the area of social production or work for the market. As a consequence women represent a very specific labour force, whose characteristics are not explicitly taken into account in the definition of the labour force used in censuses and surveys. This raises serious measurement problems related to the following issues:

(i) The definition of economic activity does not take into account unpaid domestic labour carried out at home;

(ii) The definition of what is known as production of goods and services culturally considers work as activity which corresponds to



remunerated continuous and full-time activities for the market;

(iii) Censuses and household surveys inadequately operationalize work which produces goods and services for own consumption;

(iv) There are also problems regarding the operationalization of the definition used in censuses and surveys related to the cultural norm followed by women who declare themselves as "housewives" when they do not work outside their home on a full-time basis, irrespective of the fact that they may be engaged in part-time work or economic production within the home;

(c) Other operational problems include:

(i) The reference period generally corresponds to the week preceding the moment of the interview, thereby excluding a large number of activities carried out seasonally or of occasional nature.

(ii) The working period required in order for a person to be considered active means that many working women are not counted. The age limit is between 10 and 15 years of age. This means that large numbers of children and young people working in subsistence economies in rural areas or in the informal sectors of the economy in urban areas are also not counted;

(d) Finally, difficulties exist in measuring the informal sector due to socially unacceptable or illegal activities, where persons engaged do not pay taxes or fail to comply with other legal stipulations.

35. To sum up, as a whole those activities which are unsatisfactorily recorded by population censuses and household surveys are those carried out by women mainly in the informal sector, in both rural and urban areas.

36. Bearing in mind the difficulties of measurement of the participation and income of women in the informal sector and experience in the region, a typology is proposed in the paper based on seven dimensions:

(1) location of work, (2) extent to which the activity resembles domestic tasks, (3) destination of the goods and services produced, (4) legality and degree of social acceptance of activities, (5) strength of links with the formal sector, (6) degree of technical and social complexity of the activity, and (7) stability of activities over time.

37. These seven dimensions provide the basis for the following typology of the female informal sector, which brings out more clearly female informal work:

(a) Visible informal sector,

(b) Invisible informal sector (which covers illicit and socially disvalued activities), and

(c) Domestic service sector.

is typology, which is intended as a tool to clarify measurement problems, takes into account both conceptual and methodological issues, as each sub-sector presents different problems with regard to measurement.

3. Some basic issues highlighted by both papers and raised at the beginning of the discussion were the following:

(a) What is the rationale for interest in the informal sector from the macro-accounts point of view on the one hand and women's participation on the other?

(b) How important and useful is it to measure women's participation from an SNA perspective?

(c) Does utilizing the concept of the informal sector add anything to SNA?

(d) What is being measured in the informal sector?

9. The experts reviewed a number of reasons for measuring the informal sector. These included economic importance of the sector's output, at least in developing countries, the implications for social and economic policy-making of a large body of production units organized, funded and operating in ways quite differently from larger business establishments, and the need to provide more meaningful details in national accounts on the structure and dimensions of the economy.

10. Whilst there was agreement that informal activities are often neglected and must be included there was also considerable discussion of whether in itself the use of the concept of the informal sector really added anything to either macro accounting statistics or measurement of women's production. On the one hand it was agreed concepts of economic activity and the informal sector must be applied equally to data collection on women and men. On the other hand, most participants felt that in developing countries the concept of informal sector was a very important one to make women's work visible, since informal activities were in many cases predominantly women's activities. It was further suggested that even in many developed countries, high levels of unemployment and active "gray" or "hidden" economies clearly pointed to the need for greater flexibility and depth in the presentation of macro-statistics.

11. The major issues which could be addressed by the concept of the informal economy were, therefore, the invisibility of women's work, in some cases even to themselves and to household survey respondents and enumerators, and the inadequacy of national accounts aggregates for analyzing production structures in developing and to an increasing extent developed countries. In this connection the prominent co-ordinating role of the SNA framework in economic and related social statistics was also emphasized, and the need for bringing SNA and population statistics together if women's roles were to be adequately analyzed was stressed.

42. The Expert Group then considered the problem of defining the informal sector from several different points of view. The ECLAC paper presented a number of criteria and elements of typology which the meeting found useful for analysis. Taken all together, however, they suggested a degree of complexity and detail in data collection and processing which would be impossible to implement in most countries on a large scale. Special small-scale surveys could collect and analyze a considerable number of variables so that any number or combination of concepts of informality could be applied, but this was not feasible in large-scale surveys or censuses nor for developing internationally comparable data. Such surveys could, however, aid countries in defining the most useful boundaries for the informal sector.

43. At the other extreme, the proposal that the informal sector be limited to own-account and unpaid family workers was criticized as too restrictive and simplistic. For example, small-scale household enterprises which employed only one or a few regular employees using traditional methods would not be included in the proposed definition.

44. The meeting agreed that a number of measurement issues and criteria needed to be taken into account in defining the informal sector, so that at present it was impossible to agree on a single definition for universal use. Further clarification of purposes and improvements in conceptual precision will be needed before a single definition of informal sector can be agreed upon.

45. From the SNA perspective, the Expert Group agreed that some kind of additional sectoral disaggregation was very desirable and should especially take into account developing countries' needs and circumstances. One approach which SNA meetings had discussed, without arriving at any definite conclusions or proposals, was to further sub-divide the household sector, for example as farm and non-farm. If appropriate criteria could be identified, it would also be possible, alternatively, to disgregate the household sector by formal and informal or monetary and non-monetary. At present the household sector, which included all private, unincorporated enterprises, was too large and heterogeneous in many countries to be useful for policy analysis. At the same time, sector definitions and subdivisions in SNA had to be considered very cautiously, as each sector called for development of an entire set of accounts on production, income and outlay and capital finance, which would require considerable resources for data collection and analysis. In this connection, considerable stress was put on the further development of household surveys to collect a wide variety of data needed for measuring participation of women, whether from a distributional or national accounts point of view.

46. In concluding its discussion of women's participation in the economy through the informal sector, the expert group agreed that the existing SNA production boundary already covered a wide range of monetary and non-monetary activities and should be retained for calculation of the basic accounts. However, an extensive effort was needed to ensure that the definition and rationale of the boundary were much more widely understood and the

international recommendations more widely and consistently applied, both in national accounts and in data on the economically active population. The coverage by SNA, in principle, of a wide range of household non-monetary and own-account activities, including illegal and "underground" activities, should be much more stressed in data collection and compilation for national accounts and measurement of the economically active population. The experts noted that in a very small number of cases, consideration should nonetheless be given to relaxation of the SNA boundary criteria, the main example mentioned being water carrying.

47. The meeting also concluded that women's activities and production should be brought out, to the extent possible, in supplementary tables to the national accounts. It was not considered possible in the foreseeable future to visualize a full set of tables on production disaggregated by sex, but a substantial amount of supplementary data should be provided by sex on a regular basis in connection with the standard tables and accounts. The example of Nepal was cited, where a special household survey had provided data for calculation of women's production of goods. For such estimates to have a serious impact on national accounts users, they should be prepared annually.

#### C. Informal activity and production outside the present SNA

48. The meeting considered this topic on the basis of pp 24-29 of the document 2 "Measuring and Valuing Women's Participation in the Economy". It agreed the document provided a clear statement of the rationale for extending the existing economic production boundary to include household work and for specifying the types of activities which would be included. This rationale was based, first, on the principle given in SNA of including in economic production activities which tend to become monetized as development proceeds, and second, amenability to exchange. The Group agreed that very often the replacement of non-monetary activities outside the production boundary with monetary ones included in gross domestic product (GDP) produced spurious increases in GDP.

49. However, the experts noted that activities of most concern to women in developing countries were largely included in the existing production boundary if the boundary was properly applied. Some prominent examples were agricultural production for own consumption, processing of primary products, collection of firewood, own-account construction and repair of dwellings and farm buildings, and a variety of small-scale activities which were often overlooked or improperly excluded because they were considered too small, informal, illegal, were non-monetary or data were lacking. In comparison social and economic changes in many developed countries were now producing increasing "externalization" of household activities which were clearly excluded from GDP, such as care of children and the elderly and meal preparation.

50. After lengthy discussion on this point, the experts agreed that for the time-being the existing production boundary should be retained. They cited the following reasons:

(a) Changing the boundary would impose substantial new work on offices responsible for national accounts, which would create a particularly difficult situation in developing countries;

(b) The extent of imputation and estimation required would raise serious issues of reliability and accuracy in many countries;

(c) Monetary and fiscal policies in countries relied heavily on current national accounts data, and in these countries production is predominantly for the market. Extensive expansion of the coverage of non-market activities in the accounts of the developed countries would make them less useful for these key policy applications.

51. The experts disagreed with the view that lack of data was a serious obstacle to revising the SNA production boundary to include domestic work. Data limitations and resulting estimates were common and often severe in national accounts work, particularly in many areas in developing countries. Domestic work did not seem to offer an exceptional challenge in that respect. In many countries, in addition, substantial data were potentially available; they only required special analyses and tabulations, also a common practice in national accounts work, to be fitted into the accounts tables.

52. On the other hand the group strongly emphasized the need for regular compilation of "below-the-line" accounts on domestic activities not included within the economic production boundary. These accounts should be compiled in as many countries as possible on a regular basis and should be as consistent as possible with SNA. In order to assist countries in this work, the meeting suggested a handbook on compilation of these accounts should be prepared by the United Nations, setting out the concepts and methods which should be applied, sources of data and model tables.

## VI. SOURCES OF DATA ON INFORMAL ACTIVITY AND PRODUCTION

53. The meeting considered this agenda item on the basis of the relevant portions of the following documents: "Measuring and valuing women's participation" (pp. 30-44), use of household surveys for statistics on women and "Women in the informal sector in Latin America: methodological aspects". (Chaps. IV and V).

54. The experts highly praised the documents under review for their thorough and detailed coverage of concepts and experience in household survey work. They agreed the documents would be extremely useful for practicing statisticians in the field and as a practical basis for further work on concepts and definitions and means of applying them.

55. In discussing the papers they noted many practical and conceptual issues which tended to create sex biases in the statistics. Among those stressed were the following:

(a) Unnecessary aggregation of data, which occurred at coding, processing and tabulation stages. There were very few cases in population censuses and surveys where data were not collected by sex. Such data should always be tabulated and published by sex. In many other data sources, such as health and medical records, data were collected by sex but were not always processed. Sex breakdowns should always be published and maintained in the basic data files;

(b) There still remained many areas of data collection where sex was not distinguished, particularly in industrial and agricultural censuses and surveys. Where the individual was the statistical unit, data by sex should always be collected, compiled and published;

(c) It was recognized that income and production data could not always be disaggregated by sex, particularly production for own use and household entrepreneurial income. None the less, in many countries and cultures women's and men's roles and activities were sufficiently clearly distinguished that a major portion of the relevant income and production flows could be broken down by sex. These circumstances would, however, vary considerably from country to country and within countries by regions, ethnic groups and so on. At the same time, it was agreed that intra-household transfers were extremely hard to measure and would probably be beyond the reach of large-scale statistical inquiries in the foreseeable future.

56. The experts recognized the central roles played by household surveys and population censuses in providing data on economic activity and income. They also stressed that other sources of data were of great potential importance in compiling data on women's contribution to the economy, particularly in manufacturing and agriculture. Where available, these sources should also be used and, to the extent possible, further developed and harmonized with population sources to give a more complete picture of the human side of economic development and of women's contribution.

57. Problems in obtaining accurate and comprehensive coverage of women's economic participation in population censuses and surveys were discussed at length and a number of methods for obtaining more accurate coverage were stressed. These included:

(a) Thorough training of interviewers in avoiding cultural stereotypes concerning work;

(b) Careful wording and attention to the order of questions in questionnaires to ensure that enumerators and respondents did not automatically classify non-monetary activities as non-work, to avoid pre-judging answers, and to ensure that no minimum duration criteria was applied to the primary definition of economic activity;

(c) Inclusion with the questionnaire of a short list of typical economic activities which might otherwise be overlooked or not considered as

work, to go through with the respondent. Such a list should be developed through analysis of common activities in the locality, and taking account of local languages and customs.

58. In connection with the Latin American experience in the use of household surveys to collect data on the informal sector, the following points were made:

- (a) Subsectors within the informal sector should be distinguished;
- (b) A typology consisting of three subsectors was proposed: the "visible" informal sector, the "invisible" informal sector, and domestic service;
- (c) The "visible" informal sector can be measured without altering the procedure used in the majority of household surveys carried out in Latin America for collecting data on the currently active population. It is assumed that women belonging to this subsector are satisfactorily recorded by the set of questions relating to activity status. To identify women in this subsector, it is recommended to introduce in surveys additional questions as to the characteristics of the establishments or economic units in which they work;
- (d) In household surveys of national coverage, it is recommended to separate the informal urban sector of economic activities from the traditional agricultural sector;
- (e) The measurement of women's participation and income in the "invisible" informal sector should be done in a different manner because activities in this subsector are not well captured by the concept and operational definition of economically active population used in household surveys and censuses;
- (f) In this case, the general recommendation is to introduce in questionnaires a set of items (questions) to be asked to women who declare themselves as "inactive". These questions should be asked using broad list of previously defined activities;
- (g) It is also recommended to investigate how much time women devote to each of the activities performed;
- (h) The identification of women participating in such a subsector, using household surveys, depends upon specific conditions affecting this type of activity in each country. A subsector which might be called "street workers" deserves special attention because of its increasing importance in urban employment in many developing countries. These economic activities can be investigated in a similar manner as the one suggested for the case of the invisible informal sector, i.e., on the basis of a broad list of specific activities;

(i) Based on a comparative analysis of surveys in Latin American countries, a number of more specific suggestions are put forward with the aim of improving the measurement and the analysis of the participation and income of women in the informal sector, referring to: condition of head of household, marital status, location of the work place in relation to the home, size of the establishment or productive unit;

(j) General recommendations are also made with regard to the measurement of women's income and production: Income from own-account activities should be investigated over a long reference period (twelve months); the value of the goods produced and sold should be recorded separately from the cost of the inputs in their production; production for own consumption by the household should be recorded; income earned from the principal occupation should be investigated and recorded separately from that of secondary occupations.

59. The meeting also discussed various sources of data on the informal sector. It agreed that a cost-effective approach required careful consideration of alternative sources in each country, depending on the definition adopted. In rural areas agricultural censuses, farm management and other surveys would certainly be an important source where available. Establishment surveys aimed at enterprises with less than 5 or less than 9 employees, already in place in some countries, might be considered. Household surveys would be the best source of data on informal activities in the household sector without employees, but were more difficult to design and implement if household enterprises with employees had to be covered.

60. The ILO Employment Mission to Kenya in 1972 was an early example of attention to the importance of the informal sector in generating employment and means of living for a substantial number of males and females. Since then ILO has sponsored many research surveys and findings to shed light on the characteristics of the informal sector and women's role in it, and the contribution of women and men to employment and income. Yet the concept and definition of the term "informal sector" have remained elusive. Since "informal" implies the existence of something "formal" the concept is a relative one -- relative to what one considers formal. The informal sector surveys conducted in the various countries have varied in definition, scope and coverage. The unit of data collection was in most cases the enterprise and in a few cases the household.

61. The ILO Bureau of Statistics has a programme to study the problems of definition and collection of statistical data for the informal sector with a view to using national statistical systems and existing survey programmes to collect the appropriate data. The subject of "informal sector statistics" is included in the agenda of the 14th International Conference of Labour Statistics to be held in October 1987.

62. The meeting noted with great interest the experimental household surveys undertaken in Kerala State, India, and Costa Rica in 1983 in collaboration with ILO. The main purpose of the surveys was to test the



concepts and definitions adopted by the 13th International Conference of Labour Statisticians on employment and unemployment and to develop suitable questionnaires and methods of collection of data on employment, unemployment and income from employment. A major concern of the surveys was to fully capture the economic activity of women and to control undercounting. For this purpose an activity list was included in the questionnaires and every person who initially reported not working during the reference period was further probed on the basis of the checklist of activities.

63. Another important innovation of the surveys was to test whether the household labour force survey could be used to collect data which could be used to determine whether the employed person was in the informal sector or not. A number of variables were developed in order to choose appropriate criteria for defining the informal sector, including scale of operation, level of organization and level of technology. The results of the two experimental surveys are being used in the preparation of a manual on household labour force surveys.

64. The expert group agreed that further discussion and work on data sources for statistics on women and the informal sector should give more attention to development of relevant tabulation plans and table outlines for each source. This was one of the most effective ways of guarding against over-ambitious data collection programmes and tailoring data items collected to clear and specific objectives. A specific analytical element which was valuable to consider in the tabulation programme was the cross-classification of occupation, branch of activity and status in employment, as in a socio-economic group classification. This provided a valuable tool for measuring women's work in relation to socio-economic organization and captured important elements of individuals' social and economic roles in relation to work and production that the individual classifications missed. The classifications by branch of activity, occupation and employment status were thus interdependent and complementary. Only a simultaneous analysis of all these classifications allowed for women's work to be described in sufficient detail for a full analysis of the position of women in the occupational structure to be made.

65. This general orientation should be taken into account in both the elaboration of recommendations with regard to changes in ISCO, ISIC and the classification by employment status, and in suggestions to be made to national statistical services to publish cross-tabulations of the three classifications at the most detailed level of disaggregation practically possible. In this connection, one participant noted that the concepts of own-account and unpaid family workers were often confused in the field and further explanation of the international definitions would be useful.

66. It was recognized that computer technology was increasingly available both to generate more complex tabulations and to store, at low cost, individual survey records in machine-readable form, so they would remain available for exploration by other researchers in the future. The group strongly supported international, regional and national efforts to further

develop and disseminate these technologies. Nonetheless, there were still many countries where the necessary combination of hardware, software, skills and experience was not yet developed or very scarce, or where the data bases were too large for the available capabilities. There were also definite limits on the patience and resources of respondents and interviewers. A prudent approach was therefore still strongly advised.

7. Another important source of data on women's income and participation in the economy was wage statistics. The ILO manual, Integrated System of Wage Statistics, provides guidelines on the definition of different wage measures and methods of collection of data including illustrative questionnaires and tabulation plans. The different wage measures used are: wage rates, earnings, compensation of employees, labour cost and employee income. Establishment surveys and household surveys are the main vehicles of collection of data. All surveys should provide data separately for males and females.

8. ILO publishes data on earnings in industry in its Yearbook of Labour Statistics. For a number of countries such data are available for males and females separately. The data are used, among other things, for the calculation of the wage gap between men and women. ILO also conducts an occupational wage survey in October every year. The October survey covers about 150 occupations and the data on wages relate to either wage rates or earnings. The data are collected separately for males and females and these data are published by the ILO annually.

9. The meeting strongly emphasized the importance of time-use statistics as a key source of data on women's informal activity. It discussed three issues concerning these statistics, namely concepts, methods of collection, and analysis and applications.

10. In the development of concepts, the activity classification was seen as key to effective analysis and applications. It was suggested that international guidelines on the activity classification would be very useful for data collection and analysis, but the meeting agreed that an international standard classification in this field was not a realistic or practical objective at present. None the less, the provision of technical guidance based on analysis and comparison in an international study of classifications which had been used would be extremely valuable. Whilst local conditions, agricultural tasks and the like vary, broad categories e.g. harvesting, primary food processing and the like should be comparable. It was also suggested that activity classifications should take account of the functions involved in housework and it might be possible to offer suggestions in aligning activity classifications used in time-use statistics more closely with ISCO and ISIC.

11. Methods and costs of collecting time-use statistics were discussed at length and a number of different views were offered:

(a) Comprehensive, independent, national time-budget surveys were normally costly and complex. However, innovative time-sampling methods had been used in Nepal and good results had been obtained at very low cost. Furthermore, it was not considered necessary to cover the entire country or have a large sample. Data for a single region or area or from a very small national sample could be used quite effectively for many purposes. Considerable savings in overhead and infrastructure costs could also be achieved by adding a simple time-use module to a regular household survey programme as has been done in India;

(b) Simple methods of analysis were inadequate to fully explore and utilize time-use data, and more effective methods were very demanding of both skills and equipment. It was suggested that while this was true, it should not be taken as a basic obstacle to collecting these data. Simple tabulations - on which, again, international guidance would be useful - could be very effective in developing countries, while for more detailed analysis the data should be made available to research institutions;

(c) It was often suggested that time-use studies were impractical among populations which lacked a sense of clock time. However, many studies had been done using local concepts and time regularities to set time benchmarks, from which clock time could be calculated with acceptable accuracy.

72. The experts noted with great interest the applications of time-use statistics set out in the documents, to quantify women's participation in the informal sector and their economic contribution. They strongly emphasized the importance of linking time-use statistics to practical demonstrations of women's production, as had been done for example in Nepal and Norway. Likewise they pointed out that time-use statistics had also been used in planning development projects and programmes to quantify and take into account women's roles and the sexual division of labour within households. They strongly urged that such applications should be further developed and promoted.

## VII. METHODS FOR CALCULATING WOMEN'S INCOME AND CONTRIBUTION TO DEVELOPMENT IN THE INFORMAL SECTOR

73. The expert group discussed this item on the basis of the relevant portions of the following documents: "Measuring and valuing women's participation" (pp.68-77), household surveys (pp.118-143), experience in the ECLAC region (chap. V, sect.3) and "Development of statistics and indicators on the economic situation of women" (pp. 3-9 and 11-29). It reviewed the three approaches to valuation of non-monetary activities set out in "Measuring and valuing" and noted the examples of their application in Venezuela contained in document 7, on Venezuela, which was circulated for background. The three approaches used were the so-called opportunity cost approach, which values income and production from women's domestic work on the basis of what

ould be earned in the market if the time spent in domestic work were shifted to market work, the equivalent market function approach, which values all housework at approximately the wage rate for domestic service, and the equivalent market service approach, which values housework at the wage rate for employees in comparable service industries rather than domestic employees.

74. The meeting agreed that from the point of view of SNA measurement of actual production, the theoretically most appropriate value for imputation was that at which the commodities produced at home could be sold in the market. Formally, it was considered that appropriate market rates for home-produced commodities did not exist, so the next best alternative was the market wage rate for comparable services. However, it was noted that in many developing countries there was an active market for home-produced commodities and hence it would often be possible, and was certainly desirable, to use those prices, where available, in valuing production for own use.

75. At the same time, the meeting emphasized that the equivalent market function approach accepted as given the subordination of women in low-paid domestic service as well as discriminatory wage scales. For analytical purposes it would be very important to supplement calculations based on SNA methods for measuring actual output with analyses of output using various other methods of imputation to measure income and output foregone where well-trained women did domestic work at home, and the impact of low income due to discrimination.

76. The meeting then discussed issues in the collection and presentation of statistics on women's income and activity, based on the document "Development of statistics and indicators on the economic situation of women". The discussion concentrated on two issues: ways of compiling and presenting statistics and indicators which describe the activity of women and men overall and methods for estimating statistics on the income of women.

77. On the first issue, table 1 of the document used data from labour force surveys conducted according to ILO standards to estimate the proportion of women and men who, by their main activity, are active in work, be it in the formal or informal sector, i.e. in housework or the labour force. Using data from Norway and Indonesia, these estimates classify about 90 per cent of all persons as working. This proportion is about the same in Indonesia and Norway. The main difference in activity between women and men, and between Indonesia and Norway, is here found in the structure of activity rather than in its level. This is about the same picture as one can find by analysing activity with the use of time-use data.

78. There was considerable discussion about the merit of estimates of this kind. Some of the experts held that these data could give a valuable understanding of the nature of work and its composition, and of differences between women and men and between developed and developing countries in this respect. It was suggested that estimates of the value of the work performed, e.g. in economic activity and in housework, could usefully be included in addition to the estimates of the proportion of persons in various economic

activities. Other experts held that estimates of this kind do not add much useful information to what is already known. One technical question raised in connection with the table concerned the reliability of the data on non-active persons. Some participants suggested the category would be negligible if accurately enumerated, while others suggested it could be significant but that existing data on it would be extremely unreliable. In conclusion, it was agreed that the presentation in table 1 provided a different but valuable perspective on the data and should be tried out much more extensively. However, it was emphasized that further work should ensure that the concepts and terminology used were consistent with international standards.

79. On the second issue, there was again a significant difference in views. In the document, a distinction was drawn between statistics based on wages and salaries and estimates based on a more comprehensive concept of income in which non-monetary income is included. Using monetary income only, the economic status of women can be illustrated by estimating, e.g., wage or income differentials between women and men or by estimating the distribution of wages or income for women and men separately.

80 The inclusion of non-monetary income represents difficult problems of recording. These problems can, however, be overcome in household surveys, as demonstrated, e.g., in the Botswana Rural Income Distribution Survey of 1974-75. It is therefore possible, although difficult, to record and analyse household income comprehensively. This makes it possible to compare the income of, for example, female-headed and male-headed households. However, household surveys cannot record the distribution of shared or non-monetized income, thus defined, within households and are therefore currently not very helpful for analysing the income of individuals in developing countries.

81. In the discussion, it was pointed out that issues and possibilities in measuring women's income in surveys had been considerably simplified in the document. First of all, wages and salaries in developed countries and in many urban areas of developing countries represented a very high percentage of household income and hence could be used, by themselves, to give a good picture of men's and women's income. Entrepreneurial income, however, presented a much more complicated picture. Monetary entrepreneurial income was historically difficult to measure in household surveys. To the extent data were collected, however, it should be possible to distinguish income of collective activities from entrepreneurial income of individuals who were engaged in largely independent activities. Income from informal activities such as street trading commonly goes directly to individuals.

82. Finally, it would be necessary to look at imputed income from production for own use from two angles, namely own use of commodities also sold in the market and of commodities not sold in the market. In the former case, the same considerations applied as in the case of monetary entrepreneurial income. In the latter case, it would be necessary to determine the sex of the producer, if it was an individual, either directly or through time-use statistics. It was suggested that, while income by sex was clearly a complex and difficult issue in developing countries, special studies

might show that for all practical purposes relatively simple data and methods might be sufficient to account for most of household income. In this view, such possibilities were worth much more exploration. Household budget surveys contain data both on income and expenditure. Analysis of expenditure by sex, where possible, as for education, clothing, health, pocket money etc. would provide invaluable insight into the process of resource allocation within the household.

83. The meeting then discussed a further conclusion of the document, that measurement of women's welfare could be done more accurately and effectively through non-economic indicators. Social indicators of a traditional type were mentioned, as well as more innovative level of living measures extensively developed in, e.g., the Nordic countries. It was, however, noted that among development planners and policy-makers, the main concern with the interest in statistics on women was to document and quantify their role in production and development. In this connection, assessment of women's roles in decision making would be of special value in policy making. Welfare measures were seen, whether correctly or not, as related to social costs and expenditures rather than to investment, production and income. The meeting still agreed that innovative approaches to measuring levels of living and socio-economic development and its input in developing countries should be given careful attention. This was consistent with women's emphasis on the human side of development. Existing techniques had shown many deficiencies from this point of view and it should never be assumed that more cost-effective and innovative approaches could not be developed.

## VIII. FURTHER WORK

### A. Concepts and methods

84. The Group agreed that the draft documents it had reviewed comprised an outstanding contribution to the improvement and application of statistics and indicators on women in development. It recommended they be revised to take the Group's comments and suggestions into account and published as technical reports.

85. The Group noted that it had extensively discussed concepts and methods for identifying women's participation in economic activity and production in the context of the United Nations SNA. In connection with the SNA and with a view toward implementation of the Nairobi Forward-Looking Strategies, it made the following proposals:

#### (a) Immediate action required for the present revision of SNA:

Before the end of 1987 proposals should be prepared by the Statistical Office and INSTRAW, in co-operation with other interested national and international organizations and specialists, for consideration by the relevant SNA expert groups, on the following topics:

(i) Delineation of the SNA production boundary: The existing SNA recommendations are insufficiently clear with regard to two types of informal activity: (1) The underground or hidden economy, that is, activities that produce goods and services for sale but which are not reported or registered. The value added by these activities should be included in GDP along with the value added by similar activities in the "open" or "formal" economy; (2) The types of production for own consumption that should be included in GDP should be specified in detail in the revised SNA. The existing rules are not well understood and are interpreted differently from one country to the next. The revised SNA should give a comprehensive list of all such activities that may be included. Consideration should also be given to extending the boundary of SNA to cover activities such as water carrying, crop storage and possible mid-wifing and funeral services, if they are quantitatively important in a given country;

(ii) Sub-sectoring of the household sector in SNA: This has been extensively discussed in other meetings. The possibility of using such sub-sectoring to more adequately distinguish at least some types of informal activity should be carefully considered. For example, farm and non-farm households might be distinguished, and farm households further divided between those whose income is mainly consumption from own production and those whose main income comes from cash sales, and non-farm households further be divided into those whose main income is from formal activities and those mainly dependent on earnings from informal activities;

(b) Other action with regard to national accounts:

(i) GDP by sex: Guidelines and at special analytical studies should be prepared on economic output by sex. This requires various assumptions about the sex division of non-wage components of value added and so it goes beyond national accounting as normally defined. The purpose would be to show how much of GDP is generated (not necessarily received) by men and women. A similar sex division should be worked out for enlarged GDP, i.e. GDP plus the value of housework;

(ii) Sex bias in estimation procedures used for the national accounts: For various reasons women are undercounted in the labour force. The same may be true for the inclusion of women's contribution in the national accounts. The methods used by national accountants to estimate the GDP may discriminate by sex either in the sense that certain informal activities are more likely to be omitted if performed by women than if the same activities are carried out by men, or in the sense that informal activities usually performed by women are more likely to be missed than informal activities usually performed by men. These questions should be investigated by examining the estimation procedures presently used by a sample of countries;

(iii) The Group proposed that countries should regularly estimate the value added by homemakers in such activities as minding and educating children, caring for sick and elderly family members, preparing meals, house-cleaning, repairing and washing clothes, health care etc. These estimates should not be included in GDP as defined in SNA, but it would be extremely useful if estimates of homemakers value added could be added to GDP to obtain a measure of "expanded GDP". This implies that homemakers' value added should be valued in accordance with SNA principles. Gross output of homemakers' services and their intermediate consumption should therefore be valued using market prices for similar services and goods. In practice it would usually be necessary to approximate the required measure using the wages of paid workers producing similar kinds of services. In order not to undervalue the contribution of women, it is better to value the time spent by homemakers on particular types of work using the wages of specialist producers - cooks, laundry workers, cleaning staff, etc. - rather than valuing the total time spent on house-work using the wages of general purpose domestic employees.

86. The Group noted that many classification issues concerning ISCO, ISIC, status in employment and the informal sector were interrelated. They recommended that in connection with review and revision of these classifications thorough and detailed studies of applications of these classifications in statistics on women's contribution and participation in development be undertaken, in co-operation with the competent bodies and interested specialists, taking these interrelations into account. In this connection, the Group also recommended that a listing identifying all occupations of particular concern to women, particularly occupations in the informal sector, should be prepared to be taken into account in the revision of ISCO and brought to the attention of the 14th International Conference of Labour statisticians, to be held in October 1987.

87. Finally, the Group noted that many of its conclusions related directly to the development of other areas of statistics, including population and housing censuses, industrial statistics, household surveys, agricultural censuses and surveys, civil registration and health statistics. It called on the Secretariat and other relevant bodies to ensure that these were drawn to the attention of the competent authorities, with a view to collaboration in further work and analysis, as needed, to promote their implementation.

#### B. Data collection, compilation and dissemination

88. The Group recommended that every effort should be made to promote the development and use of time-use statistics in developing countries. In connection with measurement of women's production, technical material on concepts, classifications, organization and methods of analysis and application of time-use surveys, should be developed, as needed, and widely disseminated; and innovative and cost-effective approaches promoted.



89. The Group noted that it had discussed a number of innovative topics which might be included in labour force surveys with a view to determining their impact on women, such as the informal sector and size of establishment; place of work; various employer practices, social security arrangements, and other aspects of working conditions; sexual discrimination in the labour market and at work. It recommended sample survey questions, modules and table outlines on these topics be prepared for experimental application.

90. The Group re-emphasized its recommendations made at many points in the discussion that all statistics related to persons should be collected and tabulated by sex. There were still many fields and countries where this was not done. Data from household surveys on wages and salaries would be especially valuable, for example. Data by sex of head of household should also be published wherever possible (bearing in mind problems with this concept raised in document "Improving statistics and indicators on women using household surveys").

#### C. Technical co-operation and training

91. The experts noted the importance and contributions of technical co-operation for development of statistics and indicators on women in all fields at national and international levels, for example through the United Nations National Household Survey Capability Programme, and it urged continuation and expansion of this support. They also stressed the necessity of using statistics and indicators on women in the formulation, monitoring and evaluation of development plans, programmes and projects in technical co-operation.

92. The Group agreed that high priority should be given in further work to training and dissemination activities. These activities should:

(a) Sensitize interviewers and all producers to sex biases in interviewing practices and data collection and compilation methodologies;

(b) Train users and producers of statistics on women as well as women's organizations in national accounting concepts, as well as statistical concepts, issues and application in other fields;

(c) Provide practical guidance to women's organizations and other non-technical users on statistical concepts and interpretation in relation to economic planning and development.

Special funding should be considered for the preparation of materials for the wider dissemination of statistics and research in the countries concerned.

Annex

I. AGENDA OF THE MEETING

1. Opening
2. Election of Officers
3. Adoption of the agenda
4. Scope and definition of the informal sector for statistical purposes
  - (a) Introduction
  - (b) Definition of informal economic activity and production within the boundaries of the United Nations System of National Accounts (SNA)
  - (c) Informal activity and production outside SNA
5. Sources of data on informal activity and production
  - (a) Overview; economic censuses and surveys; other sources
  - (b) Population censuses and household sample surveys
  - (c) Time-use statistics
6. Methods for calculating women's income and contribution to development in the informal sector
7. Further work
  - (a) Concepts and methods
  - (b) Data collection, compilation and dissemination
  - (c) Technical co-operation and training
8. Other business
9. Closing

II. LIST OF DOCUMENTS

INSTRAW/AC.3/1- ESA/STAT/AC.29/1	Provisional agenda and list of documents
INSTRAW/AC.3/2- ESA/STAT/AC.29/2	Measuring and valuing women's participation in the informal sector of the economy
INSTRAW/AC.3/3- ESA/STAT/AC.29/3	Improving statistics and indicators on women using household surveys, with special reference to women's income and the informal sector
INSTRAW/AC.3/4- ESA/STAT/AC.29/4	Women in the informal sector in Latin America: methodological aspects (English and Spanish)
INSTRAW/AC.3/5- ESA/STAT/AC.29/5	Development of statistics and indicators on the situation of women
INSTRAW/AC.3/6- ESA/STAT/AC.29/6	Nairobi Forward-looking Strategies and World Survey on the Role of Women in Development (Note by the Secretariat)
INSTRAW/AC.3/7- ESA/STAT/AC.29/7	Statistics on the economic participation of women and the distribution of income in Venezuela (Background paper)
INSTRAW/AC.3/L.1- ESA/STAT/AC.29/L.1	List of participants