



A Guide to Obtaining Data on Types of Informal Workers in Official Statistics

Domestic Workers, Home-Based Workers, Street Vendors and Waste Pickers

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Home-based workers, street vendors, waste pickers, and domestic workers are all age-old occupations in which large numbers of workers around the world are still employed, especially in developing countries.² Few have secure work; most have low and erratic earnings and few are protected against loss of work and income. Most operate outside the reach of government regulations and protection and the four groups remain largely invisible in official statistics. Only one of the four groups of workers – domestic workers – is routinely identified in official national statistics and this group is often under-enumerated and misclassified.



Street vendor, Ghana

The statistical challenge is not so much to capture these workers as employed, but to identify the category of work in which they are employed. In part, this challenge arises because these groups tend to be informally employed and informal employment arrangements are generally more difficult to measure than formal arrangements. More than one question is often required and countries may not include all needed questions. For example, some countries do not include questions on place of work, which is a key indicator in distinguishing domestic workers (“employer’s home”),

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² The most recent compilation of data on the four groups is found in chapter 3 of Vanek et al. (forthcoming). Statistics on domestic workers in Latin America are in the WIEGO Statistical Brief *Domestic Workers in Latin America: A Statistical Profile* by Victor Tokman (forthcoming).

home-based workers (“own home”), and street vendors (“public spaces”). The challenge also stems from the need to ask enough questions or have sufficient response categories to identify these groups. Also, international and national classifications of industries and occupations are either not sufficiently detailed or detailed classifications are not used in surveys to capture all types of informal employment.

This note provides a practical guide to collecting and compiling statistics on specific categories of informal workers. The methods discussed can be used in designing questions in surveys to collect data on these workers. It can also be used in preparing tabulations based on the survey data. The information presented here does not take up methods for collecting data on informal employment.³ Rather the starting point is the identification of specific types of workers. The key to this is a question on the physical place of work – where the worker spends most of his/her work time – rather than the location of the economic unit to which she or he is attached. In other words, the unit of analysis is the worker and not the enterprise.⁴ A well designed single question will generally be sufficient to identify the place of work. For example, the following set of categories is from the place of work question in the 2009–10 National Survey of Employment and Unemployment in India.

Figure 1 Categories for Question on Place of Work in the 2009–10 National Survey of Employment and Unemployment in India

1	No fixed work place
	Work place located in:
2	Own dwelling
3	Structure attached to own dwelling
4	Open area adjacent to own dwelling unit
5	Detached structure adjacent to own dwelling unit
6	Own enterprise/unit/office/shop but away from own dwelling
7	Employer’s dwelling unit
8	Employer’s enterprise/unit/office/shop but outside employer’s dwelling
9	Street with fixed location
10	Construction site
11	Others

Place of work is only one step in the identification process. In order to identify specific types of workers such as home-based workers, home workers, street vendors and even domestic workers, data on “place of work” will need to be cross classified by industry, occupation and/or status in employment.

Home-Based Workers

Home-based workers carry out remunerative work in their own homes or adjacent grounds or premises. Home-based work does not refer to unpaid housework or to paid domestic work. There are two broad types of home-based workers: self-employed and sub-contracted workers. The

³ For these, see International Labour Office (ILO), forthcoming. *Measuring Informality: A Statistical Manual on the Informal Sector and Informal Employment*, Geneva.

⁴ Recommendations of the 4th session of the Expert Group on Informal Sector Statistics (“the Delhi Group”) on “place of work,” August 2000. The Delhi Group is an international group convened by the United Nations Statistical Commission to improve the quality and comparability of statistics on informal employment.



Street vendor, India

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Home-based worker, Thailand

general term “home-based workers” refers to both categories. The more specific term “homeworkers” refers to sub-contracted home-based workers who carry out paid work for firms/businesses or their intermediaries, typically on a piece-rate basis. This important distinction between self-employed and sub-contracted home-based workers reflects differences that have policy implications and, therefore, should be reflected in the statistics produced.

The place of work question is essential in the identification of home-based workers. Home-based work refers to not only work in one’s own dwelling but in structures attached to or near own dwelling as well as open area adjacent to own dwelling. For example, in the case of India, home-based work refers to categories 2-5 in Figure 1.

Since home-based work refers to non-agricultural employment, tabulations need to distinguish between agricultural and non-agricultural work. Then, to distinguish between dependent and independent home-based workers, employment status categories are needed – that is: employer; own-account self-employed; contributing family worker; and employee. Also important is information – if available – on *contracts* – that is, whether there is a contract, and if so, whether it is an employment contract or a commercial contract based on the sale of goods produced. Another significant factor involves *mode of payment* – that is, whether payment is from the sale of goods, the time worked (time-rate), or the units produced (piece-rate).

This recommended approach to distinguishing dependent and independent home-based workers reflects the recommendations of the 5th session of the Delhi Group. Specifically, the recommendations are (Expert Group on Informal Sector Statistics 2001):

- a) Depending upon their employment relationships and types of contracts, home-based workers can be found in any category of status in employment. Home-based workers should be identified through the variable “place of work” in conjunction with existing other classifications, such as industrial and occupational classifications, rather than through a separate category of status in employment.
- b) In order to define the criteria for the distinction between independent and dependent home-based workers, as well as between own-account workers and employees in general, questions on the type of contractual arrangements should be used in surveys. Such questions provide better results than a mere self-assessment by respondents of status in employment.

In the 1999-2000 Employment and Unemployment Survey, conducted by the National Sample Survey Organization in India, special efforts were made to collect data on home-based workers in general and homework in particular (Independent Group on Home-based Workers 2006). A series of questions/data items were addressed to and collected from self-employed (employer, own account and unpaid) non- agricultural workers in the usual principal and subsidiary activity statuses, as follows:

- Whether the worker worked under given specifications: yes – wholly/ mainly/partly; no; not known
- Who provided credit, raw material, and/or equipment: own arrangement; provided by the enterprise – credit only/raw material only/



Home-based worker, Pakistan

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equipment only/credit and raw material only/credit and equipment only/raw material and equipment only/credit, raw material and equipment; not known

- The number of outlets of disposal: 1/2/3 or more; not known
- Basis of payment: piece-rate; contract basis; not known
- Type of specification: written; oral; not known

The data relating to the first question (whether *worked under given specifications*) were used in conjunction with the data on workplace to identify homeworkers. Additional data collected in the survey could be used to identify various categories of homework such as vertical subcontracting (dependent on contractor for supply of raw material, etc.) or horizontal subcontracting (not dependent on the subcontractor for raw material, etc.).

Street Vendors

The term street vendor is used in both a narrow sense to refer to those who sell goods in public spaces other than a store, as well as in a broader sense to refer to those who provide or sell services in public spaces, such as: hairdressers or barbers; shoe shiners and shoe repairers; and bicycle, motorcycle, car, or truck mechanics. The term “street” also needs to be interpreted rather broadly to include vendors who sell at construction sites, sports stadiums and other open air locations.

Persons vending goods are usually identified by the occupational classification codes which relate to street vendors, vendors, canvassers and news vendors and related workers. In order to identify persons selling services in public spaces, the relevant occupational groups would need to be combined with the following place of work categories: street with fixed location, other or no fixed location. Alternatively, the International Standard Industrial Classification of All Economic Activities (ISIC) could be used. Specifically, categories of retail trade and other service activities would be combined with the relevant place of work categories mentioned above.

Waste Pickers

Waste pickers extract and reclaim reusable and recyclable materials from mixed types of waste that others have cast aside. They may collect or sort household waste from the curbside, litter from streets and urban waterways, or commercial and industrial waste from dumpsters. Some work on municipal dumps or landfills. Although some may also be involved in the processing of recyclable waste, the term “waste picker” refers to those who do the primary collecting and sorting of waste. The term “waste picker” was adopted for use in English (to be used rather than the derogatory term “scavenger”) at the First International Conference of Waste Pickers in Bogota, Colombia in 2008.

Waste pickers are an especially well-organized occupation in Brazil. They have advocated for a distinct code for waste picking in the Brazilian Classification of Occupations, as well as the use of this code in all relevant data collection efforts in the country. The resulting data show the diverse work arrangements within the occupation and the significance of waste picking as a source of employment (Dias 2010). Three types of waste pickers can now be identified in Brazil: 1) the unorganized or autonomous waste pickers who make a living picking or buying recyclable material on the streets or in waste dumps and selling in junk shops; 2) the organized waste pickers who work through cooperatives



Street vendor, China

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Street vendor, Philippines

and associations, many of whom have worked in the occupation for more than 10 years, rather than recently joining it during the economic downturn; and 3) the waste pickers with a contract who work mainly in junk yards or in the metallurgic industrial sector but also in the public municipal sector.

Most countries do not have a specific code available for identifying “waste pickers” either in their occupation or industry classifications. The nearest industry or occupation codes relate to garbage collection, transportation and disposal. In the case of waste pickers it must also be determined whether these workers are public employees, as public employees would not be considered waste pickers.

Domestic Workers

Domestic workers are a unique type of worker because they are neither employed by an enterprise nor self employed. Rather, they are employed by households. This has implications for estimating national accounts. For this reason the household/labour force surveys in most countries are able to identify domestic workers and the classification of occupations used in surveys contains codes to identify the full set of jobs which fall into the category of domestic workers.

The ILO report “Decent Work for Domestic Workers” defines domestic work through the specific categories of the International Standard Classification of Occupations (ISCO) (ILO 2010), namely three categories at the four digit level of the classification under ISCO-88 **Major Group 5 – Service Workers and Shop and Market Sales Workers** and one under ISCO-88 **Major Group 9 – Elementary Occupations** as follows:

- 5121 – Housekeepers and related workers
- 5131 – Child care workers
- 5133 – Home-based personal care workers
- 9139 – Domestic helpers and cleaners

Although domestic workers are routinely identified in surveys and in existing classification systems, it has been shown that they are significantly under-estimated. For example, in India the wide variation in estimates of domestic workers led to a detailed re-analysis of data from the 2004/5 Survey of Employment and Unemployment. In work commissioned by the WIEGO network, G. Raveendran, the former Additional Director General of the Central Statistical Organisation of India, found that estimates of domestic workers based on what was generally regarded as the nearest classification code for identification of domestic workers resulted in a significant under-estimation. This code – Division 95 of the National Industrial Code – defined domestic work “as any type of work performed in or for a private household and a domestic worker is any person engaged in domestic work within an employment relationship.” However in practice, those who work for multiple households for fixed time periods are often not classified as domestic workers. Further, in many cases, the industry code of the persons employed by households is recorded as that of the specific work performed instead of domestic work. For example, a person tutoring children in the household for wages is given the industry code of primary teacher or secondary teacher instead of domestic worker. Similarly, a driver employed by a private household is given the industry code of non-scheduled passenger land transport. Thus there



Waste picker, Brazil

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is a lack of consistency between the industry classification and the occupational classification, and this leads to under-estimation of domestic workers. By using a combination of national occupational codes, place of work and informal employment codes, Raveendran found an additional one million domestic workers over the most authoritative previous estimate. The new estimate – a total of 5.2 million domestic workers – included workers who work in, but do not reside in, their employers' homes.

There are additional problems in using the ISCO classification in preparing data on domestic workers at the regional and international levels. The ISCO classification identifying domestic workers from others requires that tabulations be made at the four-digit level. However when organizations request that countries send data for the purpose of international compilations, the request is usually made at only the one- or two-digit level. Even when special tabulations are requested at more disaggregated levels of occupational groups, the resulting data are often not comparable across countries or points in time due to differences in sources of data collection, worker coverage and national classifications used. See for example, <http://laborsta.ilo.org/> under "SEGREGAT data."

Often international classifications are based on another of the major economic classifications: classification by branch of economic activity (industry), rather than occupation. One reason for using this classification is that a category to identify domestic workers is available at the one-digit level. Another reason is that industry categories tend to be somewhat more consistent across countries in labour force surveys than are occupational categories (countries tend to follow the international classification for industry, less so for occupation). In the International Standard Industrial Classification of All Economic Activities (ISIC Rev. 3), category P refers to **Private Households with Employed Persons**. This category includes the activities of private households employing all kinds of domestic personnel such as maids, cooks, waiters, valets, butlers, laundresses, gardeners, gatekeepers, stable hands, chauffeurs, caretakers, governess, babysitters and tutors, secretaries, etc. This category is an important improvement from ISIC Rev. 2 where domestic workers employed by private households were grouped together with many other activities. It is the best available proxy for estimating the situation of domestic workers and was used by the ILO in preparing data for the recent report on domestic workers cited above.

While category P in the ISIC classification is a good proxy for developing countries, it will leave out a growing number of persons working in private households in developed countries who are provided through intermediary brokers or service agencies (maid services, cleaning, security services). Efforts will need to be made to ensure that these workers are also included. In doing so it is important to recognize: 1) many domestic workers are migrants – often undeclared workers – and may not be captured in labour force surveys; and 2) not all countries collect data on where temporary or contract workers are placed. As a consequence, it would not be possible to determine which contract workers are working in households.

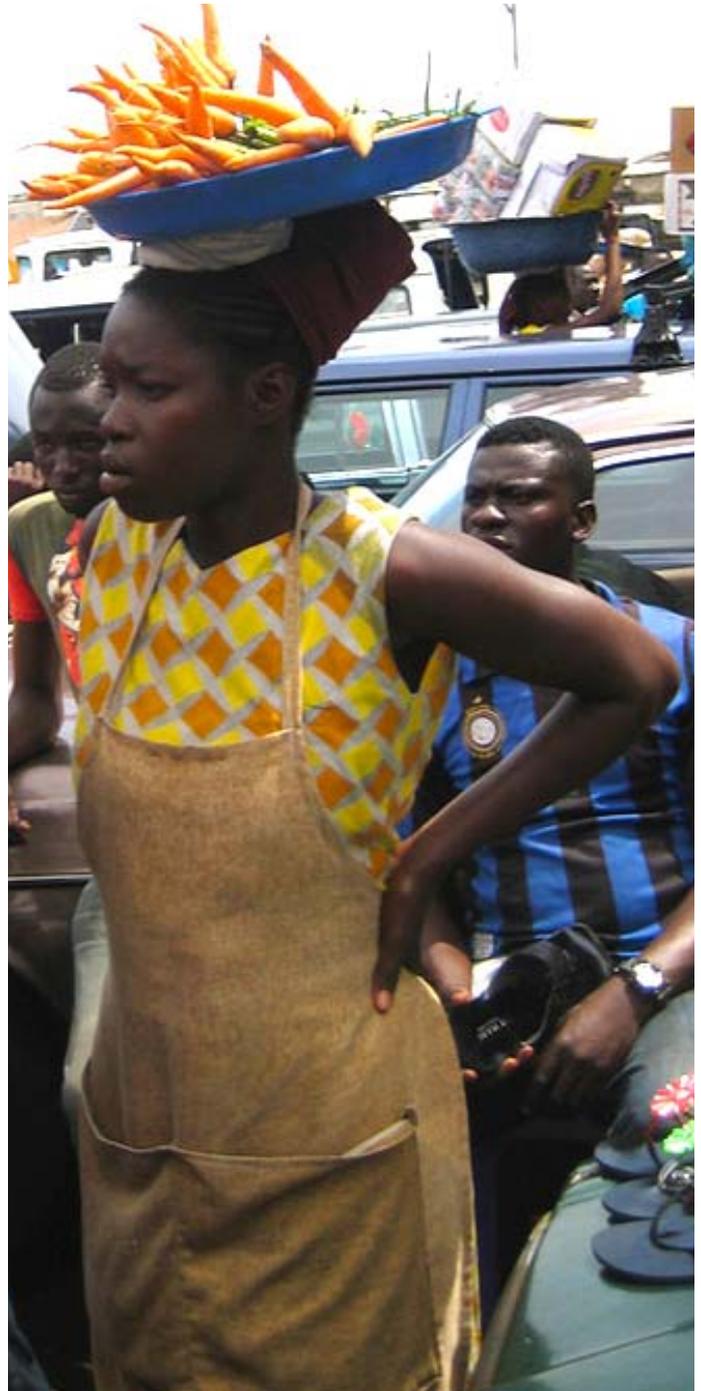


Domestic worker, Mozambique

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Street Vendor, Kenya

WIEGO Statistical Briefs provide summary statistics on informal employment and categories of informal workers in countries and/or on methods for the collection and tabulation of these statistics.

About WIEGO: Women in Informal Employment: Globalizing and Organizing is a global research-policy-action network that seeks to improve the status of the working poor, especially women, in the informal economy. WIEGO draws its membership from membership-based organizations of informal workers, researchers and statisticians working on the informal economy. For more information see www.wiego.org.

About Inclusive Cities: Launched in 2008, the Inclusive Cities project aims to strengthen membership-based organizations (MBOs) of the working poor in the areas of organizing, policy analysis and advocacy, in order to ensure that urban informal workers have the tools necessary to make themselves heard within urban planning processes. Inclusive Cities is a collaboration between MBOs of the working poor, international alliances of MBOs and those supporting the work of MBOs. For more information see www.inclusivecities.org.