

Sector and Employment Informal in Brazil: Analysis of Results of New System of National Account Series (2000/2006)

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Abstract

The recognition of informal economy as a way of job opportunities and income for many people, particularly in the less developed economies, has encouraged more frequent discussions both on employment and the informal sector. However, there is still a lack of consensus about the meaning and scope of these concepts as well as the interaction between them. The central objective of this paper is to present the Brazilian informal sector with the new possibilities of analysis introduced with the revision of the series of the Brazilian national accounts system in March 2007. The proposed sector description, in turn, makes an indispensable preliminary discussion about the conceptual differences between the production sector and type of employment, based on the key methodological issues in the framework of the International Labor Organization. The results concerning the generation of value added and number of occupations by sector of productive and type of employment for Brazil in the recent period are presented. The database used was the new series of the SNA, which the reference year is 2000 and the available data cover the years 2000 to 2006. In the last year the informal sector, which employs 27.2% of jobs in the country, had a contribution of 9.9% in the generation of value added. The informal employment, in turn, reached 57.6% of total employment.