

Measurement Tool of the Informal Employment and Informal Sector Depending on Several Available Surveys: Palestinian Case Study

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Abstract

Measurements of the informal sector and informal employment are important in improving labour statistics as well as in contributing towards exhaustive measures of GDP. Despite their overwhelming importance, the informal sector and informal employment are poorly covered by official statistics. Standard establishment surveys and labour force surveys usually capture, or separately identify, only a small fraction of those whose livelihood relies on working in the informal sector or in unprotected jobs. Informal sector is yet to be integrated into national accounts and less information is available on the contribution of the informal sector to economic growth. Even in cases where some data are available, they are often not comparable at the international level and are mostly collected on an adhoc basis, hampering the construction of harmonized time series and comparative analysis across countries.

A variety of survey tools have been used for measuring the informal sector, including independent surveys, mixed household-enterprise surveys, labour force survey, enterprise/ establishment surveys and economic censuses.

In setting up a system for regular collection of data on the IS the diversity of possible options can be confusing when a decision has to be taken on the most suitable data collection strategy. different methods were employed in different IS survey rounds.

In 2008/09, Palestinian Central Bureau of statistics with cooperation with ESCWA, prepared a plan to measure the size of informal sector and informal employment depending on the social and economic concepts. The tool using a combination between labour force survey and establishment survey and using establishment census 2007 for weighting adjustment. By this way, the results can show us the following table:

Sector	Formal Employment	Informal Employment	Total
Formal Sector	?		
Informal Sector			
Total			

And the informal sector share in GDP by economic activity.

The main objective of the paper is to show the following issues:

- The definition of informal sector and employment that cover the policy makers' requests
- The component of surveys' tools (the questionnaires and the main questions)
- Weighting adjustment by using several data sources

- Data processing technique that used to capture the objectives of the projects
- Analyzing the results