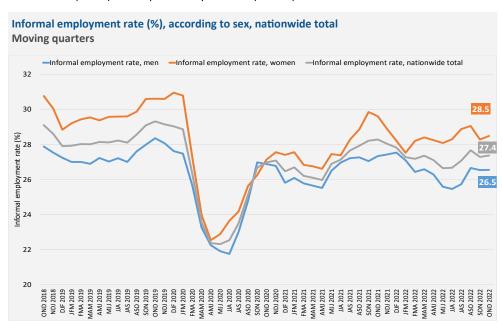


STATISTICAL BULLETIN: LABOUR INFORMALITY¹

No. 21 / 2 February 2023

Note: This document is a translation of the original Labour Informality bulletin in Spanish, which is the official version.

- In the October–December 2022 quarter, the number of informally employed persons decreased 0.02%², equivalent to a fall of 556 persons.
- In the same period, the informal employment rate was estimated at 27.4%, a twelvemonth decrease of 0.9 percentage points (pp).
- According to economic sector, the decrease can mainly be attributed to the falls in construction (-10.2%) and commerce (-4.6%).
- The decrease in informally employed persons was influenced by falls in own-account workers (-5.8%) and unpaid family workers (-13.9%).



| MOVING QUARTER (October–December 2022) | | | | | | | | | | |
|--|-------------------|-----------------------|--|--|--|--|--|--|--|--|
| Main indicators | | | | | | | | | | |
| | Rate | 12-month var. (pp) | | | | | | | | |
| Informal employment rate | 27.4% | -0.9 | | | | | | | | |
| Informal employment rate, excluding the agricultural sector | 26.6% | -1.1 | | | | | | | | |
| Employment rate in the informal sector | 16.4% | -1.3 | | | | | | | | |
| Employe | d persons | | | | | | | | | |
| | National total | 12-month var. (%) | | | | | | | | |
| Informally employed persons | 2,453,565 | -0.02 | | | | | | | | |
| Informally employed persons, excluding the agricultural sector | 2,229,484 | -1.0 | | | | | | | | |
| Employed persons in | | | | | | | | | | |

1,471,452

-4 5

Informal employment rate

In the October–December 2022 quarter, the informal employment rate decreased 0.9 pp year on year to stand at 27.4%. The variation can be attributed to the fall in the informally employed (-0.02%) and the rise in the total number of employed (3.3%).

According to sex, the decrease in informally employed persons can be exclusively attributed to the fall in men (-1.0%). In the same period, the informal employment rate for women fell 1.1 pp to stand at 28.5%, and the rate for men fell 0.8 pp to stand at 26.5%.

Analysis by age bracket

The decrease in informally employed persons was mainly influenced by the falls in the brackets 35–44 years (-3.3%) and 15–24 years (-6.9%).

the informal sector

According to sex, the variation in informally employed men was influenced by the fall in the bracket 35–44 years (-12.5%), while the variation in informally employed women was influenced by the fall in the bracket 25–34 years (-9.9%).

The highest informal employment rates of the quarter were in the brackets 65 years and over (54.4%) and 15–24 years (34.6%). These results show that informal employment is most prevalent in the highest and lowest age brackets, affecting the old and the young.

MOVING QUARTERS 2021–2022

| Informal employment rate (%) | Oct- Dec | Nov- Jan | Dec- Feb | Jan- Mar | Feb- Apr | Mar- May | Apr- Jun | May- Jul | Jun- Aug | Jul- Sep | Aug- Oct | Sep- Nov | Oct- Dec |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Nationwide | 28.3 | 28.0 | 27.8 | 27.3 | 27.2 | 27.3 | 27.1 | 26.6 | 26.7 | 27.1 | 27.7 | 27.3 | 27.4 |
| Women | 29.6 | 28.9 | 28.2 | 27.5 | 28.2 | 28.4 | 28.2 | 28.1 | 28.3 | 28.9 | 29.1 | 28.3 | 28.5 |
| Men | 27.3 | 27.4 | 27.5 | 27.1 | 26.4 | 26.6 | 26.3 | 25.6 | 25.5 | 25.7 | 26.7 | 26.5 | 26.5 |

(1) As of the publication of the results of the February–April 2022 moving quarter, INE has been publishing a statistical note together with the results of the National Employment Survey (ENE). In order to provide performance and quality indicators, the note includes the main estimates and their respective disaggregations, in accordance with institutional statistical quality criteria, as well as AAPOR codes. For more information, see <u>Statistical Note, ENE, no. 9</u>.

(2) The informally employed population showed no variation rounded to one decimal, as was reported in the national employment bulletin for the October–December 2022 quarter. Rounding to a greater number of decimals yields a twelve-month decrease of 0.02% (equivalent to a fall of 556 persons), which is not statistically significant. Nevertheless, the analysis of this bulletin focuses on the main negative influences on the number of informally employed.



Main indicators

Economic activity³

The main influences on the twelve-month decrease in the informally employed (-0.02%) were the falls in construction (-10.2%) and commerce (-4.6%).

In the same period, the numnrt of informally employed men fell 1.0%, mainly as a result of the decreases in construction (-9.7%) and commerce (-8.0%). In contrast, the number of informally employed women rose 1.2% as a result of increases in households as employers (17.9%), and administrative and support activities (18.1%).

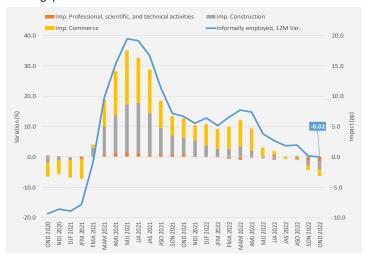
The highest informal employment rates were in households as employers (52.0%) and other service activities (49.4%).

Analysis by occupational group⁴

By occupational group, the main influences on the twelve-month decrease in the informally employed (-0.02%) were the falls in craft and related trades workers (-8.4%) and service and sales workers (-4.4%).

According to sex, the decrease in men was influenced by the fall in craft and related trades workers (-9.4%), while the increase in women was influenced by the rise in elementary occupations (22.0%).

Twelve-month variations and impacts of informally employed persons according to branch of economic activity[†], nationwide totals moving quarters



† These branches had the highest positive impacts in the latest moving quarter.

The highest rates of informal employment were in agricultural and fishery workers (55.2%) and craft and related trades workers (44.4%).

Informally employed Persons by occupational group (CIUO 08.CL), nationwide total

October-December 2022 quarter

| Occupational category (CIUO 08.CL) | Informal employment | Informally employed | 12-month variation | | | | | | |
|--|------------------------|---------------------|--------------------|-------|--------------|--|--|--|--|
| Nationwide total | rate (%) | (total) | Total | (%) | Impact (pp)† | | | | |
| Nationwide total | 27.4 | 2,453,565 | -556 | 0.0 | - | | | | |
| Managers | 3.1 | 12,111 (**) | -5,575 | -31.5 | -0.2 | | | | |
| Professionals | 12.9 | 185,196 | -6,194 | -3.2 | -0.3 | | | | |
| Technicians and associate professionals | 11.4 | 124,124 | 1,148 | 0.9 | 0.0 | | | | |
| Clerical support workers | 8.4 | 37,824 | 202 | 0.5 | 0.0 | | | | |
| Service and sales workers | 34.1 | 632,396 | -29,410 | -4.4 | -1.2 | | | | |
| Agricultural and fishery workers | 55.2 | 109,538 | -6,276 | -5.4 | -0.3 | | | | |
| Craft and related trades workers | 44.4 | 486,155 | -44,458 | -8.4 | -1.8 | | | | |
| Plant and machine operators and assemblers | 28.2 | 197,333 | 14,756 | 8.1 | 0.6 | | | | |
| Elementary occupations | 38.4 | 664,026 | 84,661 | 14.6 | 3.4 | | | | |
| Unidentified | 6.6 (**) | 1,654 (**) | -581 | -26.0 | 0.0 | | | | |
| Unclassified | 46.4 (**) | 3,207 (**) | -8,829 | -73.4 | -0.4 | | | | |

^(†) The sum of the impacts is equal to the percentage variation and may differ if more decimals are used in the calculation.

Analysis by occupational category

The twelve-month decrease in the informally employed population (-0.02%) can be attributed to the falls in own-account workers (-5.8%), unpaid family workers (-13.9%), and wage earners of the public sector (-3.5%). In contrast, increases were observed in wage earners of the private sector (9.6%), domestic workers (16.6%), and employers (2.5%).

The increase in women (1.2%) was influenced by the rise in wage earn-

ers of the private sector (9.3%), while the decrease in men (-1.0%) can be attributed to the fall in own-account workers (-6.6%).

Own-account workers and wage earners of the private sector made up 84.3% of the total number of informally employed persons. The informal employment rate of these two categories was 68.4% and 15.2%, respectively.

The highest rates of informal employment were in own-account workers (68.4%) and domestic workers (53.2%).

^(*) Estimate of low reliability (i.e., the coefficient of variation is greater than 15% and less than or equal to 30%. In the case of ratio estimates, it does not meet the acceptance threshold associated with its standard error).

^(**) Unreliable estimate (i.e., the number of sample cases is below 60, the degrees of freedom below 9, or the coefficient of variation greater than 30%).

⁽³⁾ The branch of economic activity refers to the sector of the economic unit that pays the wages of the employed person or to the economic unit owned by the employed person. Thus, the branch of economic activity may differ from the place of work if the employed person is subcontracted.

⁽⁴⁾ National adaptation of the International Standard Classification of Occupations of the year 2008 (CIUO 08.CL).

Distribution of informally employed persons, according occupational category, nationwide total moving quarters ■ OND 2021 ■ OND 2022 60 53.6 50.5 50 40 33.8 Percentage (%) 30.9 30 20 10 6.1 5.9 4.5 5.3 3.2 2.8 1.7 1.7 0 Unpaid family Employers Own-account Wage earners, Wage earners, Domestic workers private public workers workers

Informally employed persons by occupational category, nationwide total⁵

October-December 2022

| Occupational | Informal | Informally | Twelve-month variation | | | | | |
|-----------------------|------------------------|---------------------|------------------------|-------|-----------------|--|--|--|
| category | employment rate (%) | employed (total) | Total | % | Impact (pp)† | | | |
| Total | 27.4 | 2,453,565 | -556 | 0.0 | - | | | |
| Employers | 14.7 | 41,585 | 1,014 | 2.5 | 0.0 | | | |
| Own-account workers | 68.4 | 1,239,392 | -76,402 | -5.8 | -3.1 | | | |
| Wage earners, private | 15.2 | 829,866 | 72,605 | 9.6 | 3.0 | | | |
| Wage earners, public | 13.0 | 144,796 | -5,242 | -3.5 | -0.2 | | | |
| Domestic workers | 53.2 | 129,692 | 18,448 | 16.6 | 0.8 | | | |
| Unpaid family workers | 100.0 | 68,232 | -10,979 | -13.9 | -0.4 | | | |

(†) The sum of the impacts is equal to the percentage variation and may differ if more decimals are used in the calculation.

Informal own-account workers

The year-on-year decrease in informal own-account workers (-5.8%) was influenced by the falls in men (-6.6%) and women (-4.8%). According to sector, the decrease was influenced by the falls in commerce (-9.0%) and construction (-14.9%).

Informal wage earners

The twelve-month increase in informal wage earners (7.4%) can be exclusively attributed to the rise in wage earners of the private sector (9.6%) because the number of wage earners of the public sector decreased 3.5% during the period. According to economic sector, the increase in wage earners of the private sector can be attributed to the rises in administrative and support services (60.8%) and manufacturing (25.3%).

Twelve-month variation and impact of informal wage earners, nationwide total moving quarters Impact informal wage earners, private Impact informal wage earners, public -informal wage earners, 12M Var. 30 30 20 20 10 10 /ariation (%) n -10 -10 -20 -30 SON 2020 OND 2021 OND 2021 OND 2021 OND 2021 OND 2022 OND

Analysis according to type of production unit

The informal employment rate outside the informal sector rose 0.6 pp year on year to stand at 11.2%. This indicator consists of the number of informally employed persons in formal economic units (formal sector), which increased 0.3 pp to stand at 9.3%, and of the number of informally employed persons in the sector households as employers, which increased 0.3 pp to stand at 1.9%.

For women, the informal employment rate outside the informal sector rose 0.3 pp year on year to stand at 13.2%. For men, this rate rose 0.7 pp to stand at 9.7%.

Over the same period, the employment rate in the informal sector decreased 1.3 pp year on year to stand at 16.4%.

⁽⁵⁾ An extended version of this table, disaggregated by sex, can be found in the appendix of the bulletin.

Informality according to units of production, a national adaptation of the Hussmanns Matrix, nationwide total

Percentage over the total of employed persons

October-December 2022 quarter

| Employed persons | | | | | | | | | | | | | |
|-------------------|--------|----------|-------------|----------|----------|--------------------------|--------------------------|--------|-------------------------|--------|------------|--------|----------|
| | | Independ | ent workers | | Unpaid | Unpaid Dependent workers | | | | | | | |
| | Own- | account | Employer | | | | Wage earners, private | | Wage earners, public | | ic workers | Sub | total |
| | Formal | Informal | Formal | Informal | Informal | Formal | Informal | Formal | Informal | Formal | Informal | Formal | Informal |
| Formal sector | 6.4 | | 2.7 | | 0.4 | 50.8 | 7.2 | 10.8 | 1.6 | | | 70.7 | 9.3 |
| Informal sector | | 13.8 | | 0.5 | 0.3 | 0.2 | 1.6 | | | | | 0.2 | 16.2 |
| Households sector | | | | | | 0.5 | 0.4 | | | 1.3 | 1.4 | 1.7 | 1.9 |
| Total(†) | 6.4 | 13.8 | 2.7 | 0.5 | 0.8 | 51.4 | 9.3 | 10.8 | 1.6 | 1.3 | 1.4 | 72.6 | 27.4 |

Note: The empty cells refer to occupations for which, by definition, there is no type of production unit.

(†) The total of each category may differ because the numbers are rounded.

Hours usually worked

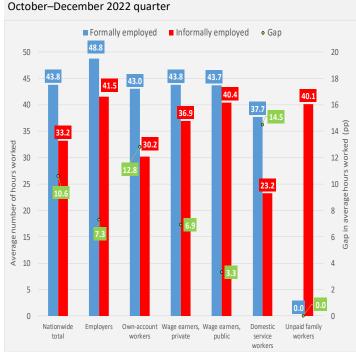
Hours usually worked

In regard to the number of hours usually worked, the most notable variations were the decrease in those who worked 31–44 hours per week (-8.0%) and the increases in those who worked 46 hours or more (4.9%) and 45 hours (4.4%).

Of the informally employed persons who worked under 45 hours per week, 71.5% of them worked part time (30 hours or less). Of this group, 28.7% worked part time involuntarily and 68.3% worked part time voluntarily.

In regard to hours normally worked, formally employed persons worked an average of 10.6 hours more than informally employed persons. According to occupational category, the greatest difference was between formal and informal domestic workers (14.5 hours) and formal and informal own-account workers (12.8 hours).

Average number of hours normally worked per week, according to occupational category, nationwide total



Total number of informally employed persons according to hours normally worked, nationwide total

October-December 2022 quarter

| Bracket of hours | Informal - | Informally employed | | | | | | | |
|------------------|-----------------|---------------------|------------------------|---------------|--|--|--|--|--|
| worked per week | employment rate | Total | Percentage over total | 12-month | | | | | |
| | | . • • • • • | of informally employed | variation (%) | | | | | |
| Total | 27.4 | 2,453,565 | 100.0 | 0.0 | | | | | |
| 1-30† | 67.0 | 1,144,284 | 46.6 | 0.5 | | | | | |
| VPT++ | 65.0 | 781,585 | 68.3 | 1.7 | | | | | |
| IPT+++ | 72.5 | 328,419 | 28.7 | 1.0 | | | | | |
| Unclassified | 66.0 (*) | 34,280 | 3.0 | -24.2 | | | | | |
| 31–44 | 22.9 | 455,475 | 18.6 | -8.0 | | | | | |
| 45 | 10.4 | 393,641 | 16.0 | 4.4 | | | | | |
| 46 and over | 30.6 | 443,348 | 18.1 | 4.9 | | | | | |
| No data | 42.9 | 16,817 (**) | 0.7 | -17.7 | | | | | |

- (†) This bracket represents those who work part time as defined in the Labour Code in article 40 bis.
- (++) Voluntary part-time Employed persons. Percentage of participation (%) over the total number of part-time employed persons.
- (+++) Involuntary part-time employed persons. Percentage of participation (%) over the total number of formal and informal part-time employed persons.
- (*) Estimate of low reliability (i.e., the coefficient of variation is greater than 15% and less than or equal to 30%. In the case of ratio estimates, it does not meet the acceptance threshold associated with its standard error).
- (**) Unreliable estimate (i.e., the number of sample cases is below 60, the degrees of freedom below 9, or the coefficient of variation greater than 30%).

Appendix 1: Informally employed persons according to occupational category

Informally employed persons by occupational category, nationwide total

October-December 2022

| Both sexes | | | | | Men | | | | | Women | | | | | |
|------------------------------|---------------------|--------------------------------|---------|------------|-----------------|------------------------|--------------------------------|--------------------|-------|-----------------|------------------------|--------------------------------|---------|-----------|-----------------|
| | Informal | Informally | 12-m | onth varia | ation | Informal | Informally | 12-month variation | | | Informal | Informally | 12-m | onth vari | ation |
| | employment rate (%) | employed persons (total) | Total | % | Impact pp(†) | employment rate (%) | employed persons (total) | Total | % | Impact pp(†) | employment rate (%) | employed persons (total) | Total | % | Impact pp(†) |
| Total | 27.4 | 2,453,565 | -556 | 0.0 | - | 26.5 | 1,364,856 | -13,701 | -1.0 | - | 28.5 | 1,088,708 | 13,145 | 1.2 | - |
| Employers | 14.7 | 41,585 | 1,014 | 2.5 | 0.0 | 16.1 | 34,679 | 1,646 | 5.0 | 0.1 | 10.2 | 6,907 (**) | -632 | -8.4 | -0.1 |
| Own-account workers | 68.4 | 1,239,392 | -76,402 | -5.8 | -3.1 | 67.1 | 703,238 | -49,332 | -6.6 | -3.6 | 70.2 | 536,154 | -27,070 | -4.8 | -2.5 |
| Wage earners, private sector | 15.2 | 829,866 | 72,605 | 9.6 | 3.0 | 15.9 | 536,877 | 47,776 | 9.8 | 3.5 | 14.2 | 292,990 | 24,829 | 9.3 | 2.3 |
| Wage earners, public sector | 13.0 | 144,796 | -5,242 | -3.5 | -0.2 | 12.4 | 56,479 | -6,019 | -9.6 | -0.4 | 13.4 | 88,317 | 777 | 0.9 | 0.1 |
| Domestic workers | 53.2 | 129,692 | 18,448 | 16.6 | 0.8 | 29.5 (**) | 3,047 (**) | -867 | -22.2 | -0.1 | 54.2 | 126,645 | 19,315 | 18.0 | 1.8 |
| Unpaid family workers | 100.0 | 68,232 | -10,979 | -13.9 | -0.4 | 100.0 | 30,536 | -6,904 | -18.4 | -0.5 | 100.0 | 37,696 | -4,075 | -9.8 | -0.4 |

^(†) The sum of the impacts is equal to the percentage variation and may differ if more decimals are used in the calculation.



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^(*) Estimate of low reliability (i.e., the coefficient of variation is greater than 15% and less than or equal to 30%. In the case of ratio estimates, it does not meet the acceptance threshold associated with its standard error).

^(**) Unreliable estimate (i.e., the number of sample cases are below 60, the degrees of freedom below 9, or coefficient of variation greater than 30%).