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INFORMAL EMPLOYMENT

DECENT WORK AND ECONOMIC GROWTH. ENCYCLOPEDIA OF THE UN
SUSTAINABLE DEVELOPMENT GOALS

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SYNONYMS

1. **Informal Economy**
2. **Underground Economy**
3. **Shadow Economy**

DEFINITION(S):

Informal employment, a terminology also synonymous with informal economy and the underground economy is defined by the ILO (2000: p. 3) as "*comprising all jobs in informal sector enterprises, or all persons who, during a given reference period, were employed in at least one informal sector enterprise, irrespective of their status in employment and whether it was their main or a secondary job*".

On a similar note, Williams and Windebank (2004: p. 4) defined informal employment as "*paid production and sale of goods and services that are unregistered by, or hidden from, the state for tax, social security and/or labour law purposes, but which are legal in all other respects*". To Williams and Windebank (ibid), it is thought that informal employment as practiced in the developed economies is comprised of three types of activities, namely *Tax Evasion* (Direct tax is normally attributed to taxes paid directly from income earned, while *Indirect tax* is deduction from VAT / GST and also excise duty), *Social Security fraud* (many of the activities would be swept under-the-carpet in a bid to being able to fraudulently for other forms of income emoluments like income benefits, pensions credit, etc.) and lastly, *avoidance of Labour Legislations*, which is a way of evading regulations that seeks to protect employees right and permanent status in the workplace. In view of the situation in under-developed economies found in Sub-Saharan Africa (SSA), such activities may vary slightly given the fact that employment welfare support in the form of social security benefits is more or less absent. Therefore, the intent of people's choices to engage in informal employment may vary, possibly on the fact that individual's security rest on their ability to remain liquid at all time, that is, the situation of being in constant possession of cash as a form of contingency to avert distress connected with household / family requirements.

Yamada's (1996: p. 291) study deconstructed the informal sector phrase into two distinguish dichotomy: Firstly, self-employment versus wage-earning sector, which is literally taken to mean that self-employers work for themselves and hence, their reward normally comes in the form of packs like higher profits and the flexibility it brings to their well-being, while wage earners / employees receive reward for their labour and human capital investment. Secondly, the informality side of the phrase is emphasised here to mean the evasion of taxes that should be paid to the state and also, avoidance of other government legislations, which in this case would include minimum wage and statutory obligations associated with employment contract(s).

Contextually as excerpted from Godfrey's research article (2011) in subject specific areas connected with Economics and Sociology, the term informal employment or informal economy as synonymously used is outlined below:

- Economist, LaPorta and Schleifer (2008, p. 1) define the informal economy as “*economic activity that [is] conducted by unregistered firms or by registered firms but hidden from taxation.*” LaPorta and Schleifer
- Sociologists Castells and Portes (1989, p. 12) state: “*the informal economy is ...characterized by one central feature: it is unregulated by the institutions of society, in a legal and social environment in which similar activities are regulated.*”

The myth surrounding negative connotation of informal employment / informal economy work engagement is one that needs to be revisited as research ventures must be pursued in the direction of encouraging those engaged in it to feel quite elated about their boldness in becoming actively involved in economic development activities. Equally, sensitive approaches should be pursued in pursuance of government statutory obligations in addressing core services like expenditures connected with education and health for example, which can only be achieved through revenue raised from genuine contributions made by the workforce, be it through formal or informal work engagement.

INTRODUCTION

Based on Robinson’s (1988) study, the concept of informal economy or employment has been in existence since the middle age; the need to recognise its importance gained traction in the United States of America (USA) in the 1970s through efforts from the academia (Ferman, Henry, and Hoyman, 1987: 10 and 16). The development and trend of the informal economy is one that needs critical dissection as Robinson (1988: p. 3) didactically outlined its source on the basis of structural transformation that took place in the governing economy around the world, and this include “*increased competition for dwindling foreign markets, and for which major Western corporations have responded by searching for cheaper foreign labour and replacing domestic labor with high technology machines; cheaper imports that challenges domestic industrial production; demographic developments in gender dynamics, which include female, young, and new immigrant labor-market entrants to a pool of workers already swollen by technological changes; and attacks on the welfare state as paternalistic, bureaucratic, and incapable of fulfilling promises*”.

In view of the above, and more so adding to the heightened state of rise in informal employment / informal economy activities, Robinson (ibid) noted that political responses concerning the above assault have spearheaded actions like:

- State decline in protective functions, which include withdrawal of workers protection;
- Decline of state regulation, thereby resulting in the growth of multi-national giant companies;
- Changes in state taxing policies, which have been transferred as a way of protecting the wealthy in transfer of some wishful or speculative investments;
- De-regulation of monetary transaction, which have resulted in huge monetary transfers of cash in medium like the money market that are considered to be of illegal nature.

Informal employment is an emerging area of critical concern in the wider discipline of social sciences, particularly so in mainstream (welfare) economics. The structure of work pattern and formalised work system in the developed economies has made it such that the dominance of informal economic activities in these economies is less prominent and considered demeaning or

illegal when compared to situations in under-developed economies, particularly in SSA (Paul and Barbato, 1985; Robinson, 1988; Hart, 2007). Such activities in under-developed economies are quite prevalent due in part, to the political-economy structure, where the dominance of market failure or undemocratic system of governance makes it very impossible for formalised system to be set in place to effectively monitor work activities operating in the informal employment lifecycle.

CRITICAL APPRAISAL ASCRIBED TO THE DEFINITIONS OF INFORMAL EMPLOYMENT / ECONOMY

Despite the negative stereotypical myth around the manner in which cash / money is earned from informal employment, there are also criticism raised by some researchers, which to some extent provide high level of credence to the justification for the choices people make in their approach to informal means of livelihood. The definition of informal sector adopted at the 15th summit of the International Conference of Labour Statisticians (ICLS) was brought under scrutiny given the fact that those engaged in small-scale or casual form of self-employment may not necessarily be reported in statistical surveys about their nature of engagements. To digress further, this may also bring informal sector statistics to scrutiny for errors reported based on the classification of certain groups of employed persons by status in employment, which may include out-workers, subcontractors, free-lancers or other workers whose activities are at borderline between self-employment and wage employment (Hussmans, 2004). The negative stereotypical connotation ascribed to informal employment / informal economy as stated in the definitions section, is also faced with critique on the basis that women are more likely than men to be engaged in such activities (Hussmans, 2004); with this in mind, it is believed that such enterprise-based definitions of the dismal use of the word '*informal*' (akin to non-standard, irregular, precarious, etc.) needs to be lauded given the fact that they do not reflect true measurement of employment in the informal sector.

Despite the perceived illicit nature of how work in the informal employment / economy sector is pursued, Venkatesh (2006: p. 7) made salient contribution connected with the negative connotation of the shady means of income earned in the sector and those vehemently opposed to it should stop seeing it as a means of dirty and lawless way of living/ survival. The underground world as described by Venkatesh (2006) is a real critique of the manner in which people strive for their survival, but for which some of its activities are pursued legally, for example, through sales of basic food items like sandwich and home-made soft drinks to make ends meet, while others are purely based on illicit means of survival, which may involve gang / mafia operations. While it is quite easy to assert the illicitness of activities in the informal economy, there is hardly a time when critics may seek to take an objective approach in critically assessing the purpose and need for people's engagement in the so-called underground world of work, which is derogatively phrased as informal employment / informal economy.

The perceived notion and description of the informal economy is making it quite difficult for a clear-cut distinction to be made between '*licit and illicit*' nature of goods and services pursued in the sector. The pursuance of research ventures to penetrate into the sector for meaningful purpose, be it for the identification or classification of income earned, which can also be taxed for revenue

purposes by the state, is hard to pursue as those actively engaged in its activities are either too scared to come out clean about their activities or feeling embarrassed about media scandal that can be used to pursue their (illicit) operations.

THEORETICAL AND METHODOLOGICAL APPROACH(ES) TO INFORMAL EMPLOYMENT

The theory around informal employment is quite diverse and this is a phenomenon common to all economies around the world, regardless of whether the system is classified as developed, developing or under-developed. In each of these situations, the extent of informal employment practiced varies given the nature of legislation imposed on the nature and manner in which people earn money / cash that is not registered through the formalised route, for example, direct cash received that is either paid directly into a bank account or non-payment of taxes, which can be in the form of business tax or income tax earned from employment.

Theory around informal employment is highly researched by professionals in the academia and also Think-Tank institutions across the world. Many of the research endeavours around informal employment as synonymously used with words like ‘informal economy’ and ‘underground economy’ is of great concern in the developed and emerging economies around Asia and Latin America and under-developed economies in the Sub-Saharan African Continent. Economist like Cardenas (2014) have argue his points on the grounds of loss of income to the state and particularly in cushioning social security costs for pension payments as addressed in an econometric study pursued for Latin American economies. At best for economic prosperity or sustained maintenance of social welfare security, Cardenas (2014: p. 18) suggested the need to formulate economic policy measures geared towards eliminating hurdles in labour market distortions, which is mostly based on the low reported rate of labour contribution in Latin American economies, normally at best seem to be in the range of 40 – 60%.

The need to be self-engaged in informal employment can be linked to livelihood or survival, particularly in under-developed economies in African, where social security support to cushion the impact of poverty / short to medium term distress is absent. More lately, publicity of the then UK Prime Minister’s (Tony Blair Africa Commission) call for tackling high poverty rate has given some level of traction to people’s choices of informal employment engagement (Yaw, 2007). As addressed by Fluitman, (2001) and also excerpted in Yaw (2007: pp. 1063-1064, it is thought that Africa’s endemic poverty will continue to be an issue and hence, the need to create scope for high engagement in informal employment unless government continue to pursue employment creation for citizens. In almost all economies in the Sub-Saharan African [SSA] region, informal employment seem to be the main form of survival or means of employment for citizens (Aryeetey, 1996 and Yadama, 1996); as human beings continue to pursue diverse means of survival, research pursued by the ILO (2002) has confirmed that the lack of growth in the SSA region, attributed to low GDP and little or no employment creation from the public sector is to be blamed for people’s approach about their choices of informal employment pursued ventures. Avoidance of taxes and other statutory means of contributions in the form of social security contributions and formalised employment for employees is not one that needs to be condoned, but the dire state of a mere neglect

for citizens to create alternative means of employment can also be a factor for the high rate of people's engagement in informal employment. Negative connotation attached to the manner of work pursued in the informal employment sector is one that needs critical discourse and in-depth research, through probing without bias on those who are engaged in work activities in the informal employment / economy sector.

In an effort to address the nature of informal employment, researchers in developed economies have been engaged through means like *direct and indirect* methodological investigations to address the situation (Williams and Windebank, 2004). Given the nature and sensitivity of inquiry, as participants in the sector may feel suspicious about the manner in which their activities are pursued, it is very unlikely that their reactions may be one of positive means of cooperation.

The indirect method / approach is intended to pursue involvement in indirect employment through means like covert investigation, which addresses informal employment in areas related to formal labour statistics and also studying monetary discrepancy operations in small enterprises. Due to the nature of pursuance, it is very difficult for concrete evidence to be revealed in explanation of how monetary transactions are pursued in the sector, as many of them are not formally recorded in the labour statistics. The use of cash-deposit ratio also spearheaded by Gutmann (1977, 1978) is also a form of indirect means of addressing the nature of informal employment in an economy. In the case of developed economies like the UK and USA, the indirect approach can be made easy to determine as ratio of currency in circulation is measured against demand deposits

In view of the indirect method to exploring the nature and extent of informal employment / economy, researchers have also come to terms with the use of direct '*survey*' method, which involve direct investigation of producers and purchasers, by determining volume of transactions or value of exchange involved. This would incorporate surveys directed at households or businesses to determine whether their involvement have incorporated any form of indirect employment (see reference to Leonard 1994, Pahl 1984, Warde 1990). In pursuit of such investigation, researchers like Fortin et al. 1996, Isachsen et al. 1982, Lemieux et al. 1994 have been able to pursue direct survey methods to investigate respondents as both producers and purchases, with questions set out to accommodate both quantitative and qualitative responses; in which case, the former (quantitative) would restrict user response to close ended questions, while the latter (qualitative) would incorporate open-ended questions.

As addressed by Williams and Windebank (2004: p. 23), both approaches comes with some limitations; in the case with the direct method, researchers can be oblivious or naive in such a way that respondents hardly exhibit confidence in revealing the magnitude and nature of their earnings, given the illegality of their actions and which in most cases can result in tax implication or legal actions taken against them. In the case of the indirect means of pursuing informal employment activities, the disguised nature of investigators in most cases may cause perpetrators to become very hostile to those considered as other or strangers in their communities.

NATURE OF INFORMAL EMPLOYMENT BASED ON THE REMIT OF SDGs AND ITS ASSOCIATION

It is an absolute fact that an important part of economic growth is to ensure that people are engaged in some form of employment that is sufficiently rewarded to address basic needs for individuals and family members. As explained in the SDGs document (UNDP, n/d), more so with reference to SDG5 and SDG8, it is convincingly thought that the middle class is growing at an encouraging rate in developing nations, but not so much as truly perceived in under-developed economies. While SDG8 (UNDP, n/d) is convinced about growth in employment to meet the needs of those needing jobs, critics have raised concerns about the growth of inequalities that seem to surround gender inequality gap, more so in terms of unpaid work pursued by women involved in domestic employment, while there is still evidence of the lag in education gap between girls and boys to enable them to access opportunities their opportunities for self-empowerment. The question that surround such growth as projected revolve around the abuse of labour force, which means that employment may seem to be growing on account of the need for people to survive, but is it true that wages and salaries should be pegged at a point needed to support decent living?

Informal Employment as a norm in the Employment Category

The nature of informal employment is highly tainted with illicit operations, but yet still, its relevance in meeting basic livelihood needs cannot be underestimated given the fact that governments around the world, more so in under-developed economies around the SSA region cannot create much needed opportunities that provide the capability for sustained well-being for citizens. In the absence of government support to address basic welfare needs, the tainted and concealed means of informal employment is serving its purpose of supporting livelihoods concerns for people around developing countries. Governments in such economies cannot afford the necessary social welfare structure to support citizens in their pursuit towards livelihood sustenance, while the negativity that surround the nature of employment pursued do not take into consideration efforts made by people towards livelihood sustenance.

In developed economies like the UK, there has been a lot of media attention on the extent of abuse of the welfare state through slogan like “Benefit cheats or Benefit Scroungers” (reference to Cook, 1989), while social welfare restructuring is being blighted by the growth rate in the UK’s population and the previously accession granted to the new EU states that were once in a dire economic strait like any economies found in some of the under-developed nations. Equally and importantly, some researchers like Blair and Endres (1994: 288) have asserted the role of the informal sector in cushioning high unemployment rate in the UK economy.

Gender dimension of Informal employment

In pursuit of promoting sustained inclusive and economic growth for all with reference to SDG8 agenda, there is also the need to ensure that gender equality is manifested so as to make sure pursued equality is realised for all, regardless of gender background. Informal work relating to domestic services is mostly occupied by women, but such services which goes unpaid is hardly recognised, while the negative stereotype continue to pervade the media about the illicit nature of work involved in the sector.

Target 5.4 of SDG5 highly recommend the need to recognise and value unpaid care and domestic services, while also ensuring that social protection is granted to prevent abuse of services, as

promoted through feminist labour theories (Rai, Brown and Ruwanpura, 1999). Evidence from research shows that women are more engaged in informal sector employment in developing economies, which this is due to the fact that the female gender is highly engaged in more diversified range of activities that geared to supporting family livelihoods (Williams and Windebank, 2004). Many of the informal employment work that women engaged in are modelled around their domestic duties involving cooking, sewing, domestic service or home-based work (Martin 1996; Miraftab 1996; Williams and Windebank, 2004).

Ethnicity and Immigration dimension of informal employment

Ethnicity and immigration are topical areas of concern that seem to gravitate around the informal economy / employment sector in the world; in the UK and USA, the situation is considered to be one of livelihood survival and more so as a result of ethnic minority migration from regions around world incorporating Africans, Asians and Latin Americans (Lin 1995; Fernandez-Kelly and Garcia 1989; Sassen 1989). Given the extent of the illegality of their statuses, it is most likely that those engaged in informal economy jobs in developed economies (particularly in urban cities\ are low skilled workers who are mostly vulnerable and are unlikely able to negotiate decent wages for their living. Considering the distance and extent of their pursued voyage to emigrate, it is very unlikely that the deplorable welfare conditions they are exposed to will be of any concern in comparison to the situations they have left behind in their country of origin.

The concentration of informal employment engagement in the SSA region for example is quite complex and has been very well documented in researchers' endeavours (ILO, 2002a; Hansen & Vaa, 2004; Bryceson, 2006; Potts, 2008), given the state of poverty experienced across the continent and also, coupled with the fact that many of the economies are richly endowed in mineral resources, and hence have attracted even illegal immigrants from emerging economies like China and other Asian countries and also, those from the USA and UK.

The legislative power of colonial power like Great Britain's presence in the West African, Eastern and Southern regions of African continent have made it possible for some form of dualism to be established, which thereby favour those considered to be of influence to take advantage of capital intensive job opportunities, while the poor and marginalising are concentrating in the agricultural sector, which is of very significant value to the type of gains made by those concentrating in the capitalist mode of production sector, typified by capital intensive machineries as witnessed in the mining sector for example (Potts, 2008). In a country like Sierra Leone, the boom days experienced in the mining sector around Kono District for example, witnessed surge of informal employment activities being pervaded by foreign male influxes, while the influence of globalisation has made it less possible for legislations to favour and protect economies from the resource curse syndrome (see, Jackson, 2016) and also, those employed by expatriates in the sector (reference to Wilson, 2013). The situation is also manifesting itself in other parts of the SSA region, as the influence of colonial power is making it possible to give credence to the formalisation of the term, informal economy / informal employment, while it is still considered derogatory in different contexts that does not favour developed / super-power nations (Potts, 2008).

Sierra Leone as a contextual case example in Sub-Saharan Africa (SSA)

In view of the legacy of economic crisis which revealed itself in the aftermath of the 1980 summit of Organisation of African Unity (OAU) in Sierra Leone, it was then seen as the period of economic downturn with the depletion of the country's reserves to host the summit. The crisis of the Revolutionary United Front (RUF) incursion made it more apparent for economic looters to exploit the country's wealth and more so its mineral reserves, which was considered to be the main reason for the prolongment of the war. This then resulted in an increase level of informal employment around the mining sector, with unregulated miners and other forms of un-noticed employment emerging in the country, ranging from petty traders, small-scale agriculture and fishing (Ulandssekretariatet, 2014).

Sierra Leone is characterised by high level of informal employment dynamics and based on the Ulandssekretariatet, (2014) report, this is in the range of 50%. This in all fairness is considered good for livelihood sustainability, but only in a situation where it is perceived as being helpful to households in a bid to diversify their opportunities to meeting basic livelihood needs.

The nature of nepotism and biased political economy governance that manifested itself in the 1980s and through to 2018 can equally be blamed (to a large extent) for the situation as it is currently, where those in the informal sector cannot see the benefit of the need to be active contributors to national economic development endeavours, through taxes paid to the country's National Revenue Authority (NRA). As explained by Jackson and Jabbie (2019), this can also be seen through the lenses of market failure, in which case the lack of efforts to coordinate the informal economy sector or those engaged in informal employment to make valid contributions to activities like taxes is making it hard for government to meet its obligations to address basic societal needs, which include sustained investment in education, health services and many more (associated with SDG1, 3, 5 and 8). The situation as explained is no different across the SSA region, more typical of rich and endowed resource economies.

POLICY APPROACH TO INFORMAL EMPLOYMENT: REGULATION AND DE-REGULATION

The continued state of unregulated informal work activities, particularly in under-developed economies around the African sub-region, Latin America and some economies in Southern Asia have serious implications for state actors to set policy targets for effective delivery of government fiscal targets. Given the poor state of government support in economies around the developing nations, there is high possibility of problems arising in the area of setting regulatory framework that is geared towards protecting employees in the sector.

Those considered to be political left-wingers, would be very much inclined to ensure that regulatory measures are set strongly in the sector to avert the extent of abuse of employers to employees in the sector, who in turn are also likely to become free-riders on the welfare state thereby depriving central government from raising sufficient tax revenues to support planned economic development ventures (OECD, 1994; Rowlingson et al. 1997; Wenig 1990; Williams and Windebank, 2004). Central to the venture of stepping up regulatory framework is the fact that informal sector activities should not be seen as an area occupied by those seeking pittance on their

daily means of livelihood, but should be embraced as a way of generating meaningful employment across a nation that also account for positive economic growth.

The negative stereotype attached to the word '*informal*' is making it impossible for objective discourses to be focused in moving further with regulatory plans in the sector. The sector is very important for survival and more likely sustained livelihoods for those considered to be poorly skilled and therefore, any attempt to deviate from objective discourses that may seek to formalise regulation of work activity in the informal economy sector will also prove detrimental to the health of economies in the developing world in particular. Its impact is likely to result in sustained loss of income on the part of governments in such economies, with an additional problem of increase mafia and other illicit activities. In this vein, governments in developing economies where informal employment activities is the major form of economic means of survival must seek to promote both regulatory framework and also de-regulation, which provide powers to institutionalised groups for enhancing the protection of those engaged in the employment activities in the informal sector, particularly pension benefits at retirement and also, protection of employment contracts for employment.

RECOMMENDATIONS AND IMPLICATIONS FOR THE STATE

Monitoring effective means of services / employment activities in the informal sector is a great challenge in under-developed economies. Despite efforts made by governments to monitor activities like the registration of informal work activities to support government planned fiscal operations, the sector is still faced with challenges when it comes to providing detailed account of activities taking place in the sector. This in part, is due to the structure of failed governance in many economies, particularly in developing countries around the world, which has tolerated corruption to prevail and hence, those in authority charged with the responsibility of monitoring registration of informal employment activities are actively involved in masterminding the continuation of illicit activities as selfish enrichment gains.

To make sure citizens in the global economy and more so where informal activity seem to be predominantly high, the following is worth considering:

- Economies around the developing world must engage in didactic research operations: this would require academics and also regional institutions to stay vigilant with regard to informal employment / informal economy activities operating in individual economies. For those in the academia, this should incorporate high level sociological / anthropological investigation into work activities, spanning from gender activities to more specific tasks involving different social and economic groups. Equally, professional research economists in the academia, central banks and Think-tank institutions can also explore some form of empirical investigation in support of activities to ensure informal employment activities become worthy of national treasure, whereby revenue received by the state is judiciously utilise to address essential fiscal operations, while also prioritising welfare system to cushion the impact of structural unemployment. In recent time, theoretical approach to neoclassical / Keynesian DSGE and more structural macro-econometrics approaches have become quite prominent to capture operations in the informal economy / informal employment sector (Jackson, 2018; Loayza, 1997; Ahmad, et al, 2012 and Cardenas, 2014) . This is considered good for policy

deliberations in institutions like central banks in the SSA region to keep up with core mandate on price stability. Specific to DSGE modelling, Ahmad et al (2012) incorporated informal sector through production as informality with the following equation components: “**households, firms, government and a monetary authority**”. In this case, firms are considered to be of two types, **formal** (*where intermediate producers have to decide on their demand for capital and labour for a given wage in a monopolistic market for labour and capital, with the flexibility of setting prices*) and **informal** (*where labour is the only input of production, with straightforward profit maximization to be realised*). The idea here is that, the informal sector may be very slow to respond to spillover shocks due to the informality in their dealings, more so the manner in which capital is acquired, with little or no impact on central bank’s application of Taylor Rule when it comes to adjusting rate in effecting policy change in the economy, for example price dynamics. In this vein, the use of macro-econometrics estimation like DSGE to effect policy outcome in the informal economy must be treated with caution and where possible, triangulated with other forms of methodologies [qualitative and non-econometric quantitative] as discussed here with the sociological or anthropological approaches given the fact that econometrics mostly rely on historical / statistical data, which may not reveal true picture of real-time outcomes in the informal sector. Equally, professional engagements with sociological and anthropological approaches may be helpful in addressing the reality as it happens in the informal sector, using both direct and indirect methods. In all cases mentioned, the outcome would be a resultant effect of probing into activities in the informal employment sector, and for which both the state and citizens are sure to gain through improved revenue generation that can be channeled into central government's account.

- Governments around the world must endeavour to create positive environment for those engaged in informal employment activities to feel valued about their endeavours, more so in empowering themselves to become economically active in their endeavours. Where necessary, efforts must be dedicated in ensuring that informal sector institutions of all types are encouraged and where necessary, making available initial funds / finances to support their continued existence in the sector. State institutions [e.g., the Judiciary and labour ministry] responsible for monitoring the operations of the informal economy must ensure their actions are free of connivance, which is likely to compromise the regulatory power of the sector, and from which essential rewards like taxes generated would be continuously realised. In line with the ILO (ITUC-Africa, n/d) instrument to tackle / protect the informal economy, efforts must be devoted to ensuring that those employed in the informal economy are protected through establishment of legal contracts that protect their future on contributions made towards pensions and payment of taxes to central government for the provision of essential services like payment for free health care to the under 5s, senior citizens and also free education those in the compulsory stage [under 5 – 18yrs].
- State actors / institutions must seek to encourage the establishment of bureaucratically free organisations [such as Trade Union], which is focused in addressing barriers faced by the informal economy in recognition of their relevance in support of decent work capacity for economic growth through employment provision by individual economies.

CROSS-REFERFENCES

- Employment

- Gender Issue
- Market Failure

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