

The **informal sector** may be broadly characterized as consisting of units engaged in the production of goods or services with the primary objective of generating employment and incomes for the persons concerned. These units typically operate at a low level of organization, with little or no division between labour and capital as factors of production and on a small scale. Labour relations - where they exist - are based mostly on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees.

## Further information

- [Building the System of National Accounts - informal sector](#) (Background article)

## Related concepts

- [National accounts \(NA\)](#)
- [Non-observed economy \(NOE\)](#)
- [System of national accounts \(SNA\)](#)

## Source

- [The SNA 2008](#) , European Commission, IMF, OECD, UN, World Bank, 2009, Chapter XXV: Informal aspects of the economy, point 25.36