Measurement of Informal Sector and Informal Employment in St.Lucia

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Background and Objectives[1]

Interregional Cooperation on the Measurement of Informal Sector and Informal Employment is a multilateral Development Account project which aims to improve data on the informal sector and on informal employment for the promotion of evidence-based social policies at the national and interregional levels. The project is implemented by the Statistics Division of three Regional Commissions - Economic and Social Commission for Asia and the Pacific (ESCAP), Economic and Social Commission for Western Asia (ESCWA) and Economic Commission for Latin America and the Caribbean (ECLAC) with ESCAP being the lead agency for managing the project while ESCWA and ECLAC are responsible for implementing project activities in their respective regions. The project will be implemented in close collaboration with United Nations Statistics Division (UNSD), International Labour Organization (ILO), the Delhi Group, Economic Commission for Europe (ECE) and Economic Commission for Africa (ECA) and project activities will be executed over the period 2007 – 2009.

The first component of the project is to raise awareness among the national statistics offices and other government agencies in the participating countries of importance of collecting and disseminating informal sector and informal employment data and incorporating it into employment and GDP estimates. The second component is to enhance capacity to collect, compile, analyze and disseminate informal sector and informal employment data complying with international methodological standards. The expected outputs are published informal sector and informal employment data and country reports covering data collection, compilation, dissemination and analysis experience throughout the project.

The advocacy workshops, thus, pertain to the first component of the project in that they are designed to convey the importance of making informal sector and informal employment data and its analysis available, to the concerned stakeholders.

The framework for advocacy of improving informal sector and informal employment data has three dimensions:

1. **Statistical Capacity Building**: Data collection will be implemented in two phases. In the first phase informal employment data will be collected. For this, the Regional Commissions will work primarily with countries which have an ongoing labour force survey program. Regional Commissions and the NSOs will work together to incorporate an informal sector module or improve the existing one, in the labour force survey questionnaire. In the second phase, data on informal sector production units will be collected through an enterprise survey. Thus, in the course of the project NSO staff will be trained in collecting, compiling and disseminating informal sector and informal employment data. The availability of more and robust informal sector and informal employment data will be invaluable for labour statistics in the countries. In addition, the participating countries will be able to generate more accurate national accounts by estimating the informal sector's contribution to GDP. Staff from participating NSOs will be trained on best practices and methodologies to incorporate informal sector statistics into national accounts. This will have prominent implications for measuring economic growth.

2. **Millennium Development Goals:**

a) Reducing poverty: The concept of the working poor integrates employment and poverty. Most poor are economically active but have income below the poverty line and working conditions below decent work standards, e.g. they do not benefit from social protection or employee rights. This is the case especially for those who participate in informal sector. Therefore, knowing the dimensions of the informal sector and its contributions to employment and to GDP is essential for more robust poverty analysis and a realistic assessment of the progress towards the achievement of MDG 1, i.e. halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day in the participating countries.

b) Gender dimension: There are contradicting accounts on the scale of female participation in informal sector in different case studies. This project by making available more and sound data on informal sector and informal employment will allow better analysis of the gender dimension of related phenomena. It is important, especially for policymakers, to know the magnitude of female and male participation in the informal sector as well as gender-disaggregated information on working conditions. This in turn has implications for MDG 3 which calls for promoting gender equality and empowerment of women.

3. **<u>Evidence-based policymaking</u>**: In conjunction with the monitoring of MDGs, more and sound data on informal sector and informal employment will allow the policymakers to design evidence-based and better targeted social (poverty reduction, promotion of gender equality, elimination of child labour, etc.) and economic (employment and industrial policies for Small and Medium Enterprises (SMEs)) policies. Considering that informal employment often constitutes a significant part of economic activity in developing countries, information on its magnitude and working conditions is likely to have implications for a large number of people.

Objectives:

(1) To raise awareness on the importance and use of sound and up-to-date informal sector and informal employment data and measures of informal sector production in micro- and macro- economic analyses in support of evidence-based policy making;

(2) To enhance understanding of the statistical challenges in measuring informal sector and informal employment and informal sector production; and

(3) To create a network of national stakeholders advocating for and contributing to improving measurement of the informal economy, including the regular provision of funds for related statistical activities.

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[1] *document prepared by ECLAC*

Implementation of the Project

[2]The methodology which was employed was the 1-2 survey methodology; where the Labour Force Questionnaire is used in stage one, then the HUEM questionnaire in stage two. This therefore necessitates the use of an ongoing LFS survey in the country. St. Lucia conducts a quarterly Labour Force Survey, which commenced as a bi-annual survey in 1992. The LFS is a two stage, self weighting, stratified, systematic random sample with 1/3 overlap between survey rounds on one replicate of a sample size of 2% per Quarter from 2002. The main objective of the LFS is to measure main labour market indicators on employment and unemployment.

The 1-2 Survey was helpful in setting the broad framework within which all enterprises and employees in St Lucia could be located

Criterion 1: The individual has to be an **active worker** (or owner of a business) aged 15 years old or above.

Cr. 2: This worker has to be the head of a business (**self-employed** as own-account worker or employer).

Cr 3: The business does not keep formal accounts. (No Profit and Loss Account of balance Sheet)

Cr. 4: The type of ownership is a **household/individual unincorporated** enterprise.

Cr. 5: At least a part of **the production is sold**.

1-2 Survey in combination with the investment climate survey helped to assist policy makers identify areas to assist with the development of small businesses

1-2 Characteristics of informal business

Obstacles to the growth of business in Saint Lucia

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[1] *Excerpt from paper written by Edwin St. Catherine "ISIE St. Lucia Presentation Nov. 2009"*

Sampling Methodology

Recall that the Informal Sector survey is the second stage of the survey methodology. The sample procedure for phase two is based on phase 1, which is the LFS. The sample procedure for the LFS is outline below.

Definition: A Master Sample is a large sample of EDs (or PSU - Primary Sampling Units) for countries that have major and continuing integrated survey programmes. It is intended to provide a "Bank" of sample cases to support multiple surveys over several years without there being the need to interview the same respondents repeatedly.

Design of the "Grand Sample"
•	The target population is all the resident, non-institutional population of St Lucia
•	All Districts (Geographic Domains) of Study are represented.
•	The Sample is Self-Weighing. Each household has an equal, non zero chance of being selected.
•	EDs (or PSUs) are selected with probability proportionate to size (PPS)
•	It Allows the reliability (precision, margin of error) of any given survey estimate to be calculable. This is why probability sampling is highly recommended.

Design of the "Grand Sample"
•	"Grand Sample" utilizes the Census of 2001 database as the base
•	Utilizes the Administrative Districts as the main Domains (geographic units for publication of results) for sample surveys
•	Ranks each Enumeration Districts within the Domains of Study on the basis of a stratification variable from the Census of 2001

Definition: Stratification - the technique of organizing a sample frame into subgroups that are internally homogenous and externally heterogeneous to ensure that sample selection is "spread" properly across important population subgroups - Anthony Turner (UNSD, 2006)

•	For this Grand Sample the stratification variable is the % of agricultural workers to the total employed in the Enumeration District for rural districts or the % of professionals/semi-professionals to total employed for Urban districts
•	The choice of the stratification variable is specifically to optimize the conduct of the survey for the publication of labour market indicators
•	Sectors are assigned in a "Grand Sample" on the basis of the relative size of the main geographic domains of Study
•	Based on having pre-determined that the sample frame (or Grand Sample) must have nine subsamples to allow it to support a continuous sample survey program.
•	We assign a total number of clusters per sector of 432 (a multiple of 9), the Size of the District is assigned clusters based on a multiple of this number.
•	Having determined the Average Cluster size we assign clusters to each Enumeration District

• In order to assign nine replicates to each Census Division such that the total number of clusters is a multiple of the 432 by the number of sectors we assign a random start and a sample interval of 16.

• Therefore, the sample fraction associated with the selection of one replicate is (1/16 * 1/9) = 1/144 or 0.69%

Selection of the Sample from the "Grand Sample" for the Informal Sector Survey St Lucia April - December 2008

Selection of a Sample

• The Labour force 2008 sample is a two Stage Systematic Stratified Random Sample performed each quarter

• First Stage:

– We select EDs or PSUs within the Admin Districts

– We select three replicates each quarter

– There is one third overlap between the replicates

– Total expected sample size 2.1% per quarter is (1/16 * 3/9) = 1/48 based on three replicates

For the Informal sector Survey three quarters of the LFS were selected

– EDs in Urban districts were Over-sampled using the replicates from the First Quarter of 2008 of the LFS

– Second Stage: We select households within selected EDs systematically using a random start

– On Average 750 households or 2,500 are interviewed per quarter

First the size of the sample desired was determined based on:

• The key statistic/indicator to be generated by the labour force is the unemployment rate, on the informal Sector Survey side; key indicators are, related to the numbers of persons whose status is

– 5. Self-employed with employee

– 6. Self-employed without employee

– Total of 450 cases expected, 350 obtained

• Therefore, we select the sample in such a way that it be large enough to reliably estimate some of the indicators stemming from the smallest sub-populations. In this case, it is numbers of self employed persons or the "unemployment rate". These considerations resulted in a selection of a sample of size 6.3%.

The survey instrument used was the questionnaire which was designed by the consultant attached to the project - Mr. Sebastien Merceron. It was fully adopted with the exception of the insertion of one theme – banks micro-finance Services and Other Support Structures. In addition to this new theme, the questionnaire was recreated in TELEFORM to facilitate scanning and verification. Once finalised it captured information under seven thematic modules:

1. Organization and Status of the Business
2. Employment
3. Production and sale
4. Expenditures on Raw Materials and Stocks
5. Equipments, investment, financing and debt
6. Business environment
7. Problems and prospects
8. Banks micro-finance services and other support structures

The HUEM survey began with a public search for additional enumerators. The existing LFS enumerators were automatically selected, but given the additional number of households that needed to be interweaved and the length of the questionnaires, the office decided to increase manpower. Prospective enumerators were interviewed and the selected ones trained. The training of enumerators began in March 2008 and was conducted mainly by the consultant and aided by office staff. However, when the actual data collection began, there was a drop out of trained enumerators which necessitated two additional trainings, one held in July and the other in September 2008, both conducted by office staff.

Field work began in April 2008. Enumerators were given HUEM packages along with the LFS questionnaires. They were to complete their packages within two weeks. However, there was considerable delay in the interview process since HUEM owners were difficult to schedule appointments with and even to contact. The length of time needed to complete phase 1 and phase 2, also created a lag in the enumeration process. Thus, LFS packages which would have normally been returned were now outstanding. This led to a long delay in the processing of the LFS. Measures had to be taken by the office to address this.

By the end of the first quarter field enumerators complained about the length of the interview (45minutes for the HUEM and 15-20 minutes for the LFS), which resulted in respondent and enumerator fatigue. To address this, the office requested additional funds to compensate respondents and the remuneration per questionnaire was increased. The additional funds were approved by the co-ordinating office (ECLAC). Data collection which ran for three quarters was complete by the end of January 2009. The total number of HUEMS collected was 406.

Checking and Editing Questionnaires

Once the questionnaires were returned to the office, two office supervisors edited them. They were both provided with a list of guidelines to aid in the process. This is shown below:

   1. Ensure that only individuals who were supposed to be interviewed were by cross checking the LFS with the screening form. Where it was found that interviewers skipped persons who should have been interviewed they are asked to return to the household.

   2. Ensure that phase 2 questionnaires are properly filled with identification information from the LFS to ensure proper linking of the questionnaires.

   3. As with the LFS, supervisors check questionnaires to ensure that skips are followed. Where skipped questions are answered supervisors ask enumerators to clarify since responses cannot be removed by supervisors. Since it may be a case, among others, where the interviewee gave a response to the previous question that did not lead to a skip. Also, supervisors were to ensure that all questions that should have been answered were and the same held for the contrary. Enumerators would have to justify the omissions or inclusions by supplying notes. For example – "the interviewee was reluctant in answering". This would ensure that it was not as a result of interviewer error.

Data validation (range) checks are done where:

-   Relational checks:
    -   Identities, e.g. variable a = variable b+ variable c+… (variable a should equal to sum of its components) for example:

What was the total amount of your *turnover* for the last month of operation?

=

 Products sold after transformation (monthly total)

+

Products sold without transformation (monthly total)

+

Services offered (monthly total)

The same would apply for the costs

- Rationale or logic (consistency) checks:
  Where responses do not seem logical the interviewer is asked for further clarifications

  General RULES

  ❖ Questions with options should have one response
  ❖ Skip instructions must be followed

More Specifically

Q1.1   If answer to 1.1 is yes then the name of the business should be seen on the first page

Q1.2   The main activity should be the same as in the LFS Q39

Q1.4   Question should have 1 response

Q1.5.1 Response 1-6 should have an answer in 1.5.3 and not 1.5.2

Response 7-99 should have an answer in 1.5.2 and none in 1.5.3

Q1.5.4 There should be a either 'yes' or 'no' answer

Q1.6.2 Ensure that interviewer followed skip if 'no'

Q1.6.3 Ensure that interviewer followed skip if 'no'.

If 'yes' then another HUEM questionnaire should be in the package for that owner

Q1.8.2 Ensure that skip is followed if 'no' and bold skip on the questionnaire

Q1.10   The HUEM questionnaire must only be filled for persons without a complete set of written accounts. If complete set of written accounts is selected please investigate to ensure that the answer is accurate. If accurate, place questionnaire on a side.

Q2.1 The number for total must always be at least 1. Never 0

Q2.2 The operator must always be on the first line. His Status Code must always be 1 or 2; Contract code must be 1; recruitment code 1; Payment code as specified

Calculate monthly total. Please pay close attention to the period codes. The total must relate to a month

Q2.3.3 Monthly total must be the sum of 2.3.2 and 2.3.1

Q2.6.1 Should not be blank if yes in 2.6

Q3.1 The total amount of your turnover must be equal to the breakdown or at least serve as a guide to the supervisor to ask about differences

Q3.2 Items must be listed and corresponding information on each line

Calculate monthly total from the information in the table

Manufactures should be in 'products sold without transformation' and their raw materials must be seen in 4.1. Retailers etc must be in 3.3 and their purchase in 4.2

Q3.4   Services offered must be captured in 3.4

Q3.5   Business cycle – the box should have a pattern (all boxes should have an X)

Q4.4   All other expenses as listed are placed in this section. Pay attention to period codes. Calculate monthly total

Q5.1   Capital equipment used for the business in the past twelve months

Q5.2.1 All loans can never be smaller than main loan. Pease ensure that relevant codes are used

Q6.1.1 Where the answer is 'yes' 6.12:

6.1.3 and 6.2 must be answered

The remaining questions are 'yes' 'no'; please check that skip instructions were followed where necessary

Once the questionnaires were edited they were passed on to be scanned and verified in Teleform.

[3]Data Treatment

Check for duplicated observations in the HUEM file

- Over lapping (two different dates : retain the most recent), or

- additional sheets needed for report of products or workers (try to aggregate amounts in the same observation).

Automatic check that the identification has been properly done:

Sampling weights of HUEMs =individual weights of the operator from LFS.

Need to reestimate the weights of the HUEMs in Phase2 to get the accurate economic aggregates (such as VA), as a correction for the loss of identified units in the LFS:

New_weight=weight * X_{ik}

where: X_{ik}=1+ (missing HUEMs in Phase2)$_{ik}$/(HUEMs identified in LFS)$_{ik}$ [weighted]

i= 1- employer / 2 -own-account

k= 1- with professional premises / 2- without professional premises

Quality of the St Lucia raw data sets : Good for qualitative questions, but many issues within the tables (production, costs, labour).

► Report of outliers for strategic aggregate quantitative value, such as:

- Costs (too high : stocks instead of costs of consumed/sold products),

- Turnover (zero or too high),

- Value added (negative value).

→ When detected put it to missing and impute (by hot deck).

► Report of missing values of strategic qualitative variables from the cleaned data sets:

LFS:

- Employment status,

- Type of accounts, type of ownership ,

- Registration,

- Type of contract.

→ imputation by non-linear model if employee

→ use Phase 2 if self-employed.

Phase 2:

- Registration, activity (→ use LFS).

- Main aggregates: see outliers (zero).

For Qualitative variables: (Example: registration.)

Imagine $X_0=0$ or 1 (« dichotomic » variable)

2 main methods:

1. **Econometric non-linear regression**: regression to estimate the probability to work in a registered business:

$P(X_0=1)=F(X_1..X_n)$ where F is logic or prohibit function.

By using the parameters estimated above in F, we can estimate the value of predicted $P(X_0=1)$ for the individuals where X_0 is missing:

for example, $P(X_0=1)_i = 0.8$ for the individual i.

Then pick randomly a value x_i between 0 and 1 (uniform function U[0;1] or normal function N(0;1)): if $x_i \leq 0.8$ then impute $X_0(i)= 1$, if $x_i >0.8$ then impute $X_0(i)=0$.

2. **Hot deck :**

Use the existing value of another respondent, randomly picked in a group of respondents with similar profile.

Make accurate groups of individuals, classified by their values at annex variables $X_1..X_n$ which are correlated to the variable of interest X_0. Minimize standard error of X_0 within each group and maximize standard error of X_0 between the groups.

Then randomly pick an individual whose answer at X_0 is not missing and who belongs to the same group as the individual where X_0 is missing.

Warning: you must have a sufficient number of « donors » within each group (more than 10, and more than 50% of the group).

Quantitative variables: 3 main methods:

1. **Linear econometric regression:**

Similar as for qualitative variables:

Estimation of X_0 by a linear regression of X_0 on explanatory variables for the $N-R_0$ individuals: $\qquad X_0 = a_1 X_1 + .. + a_n X_n$

- Impute directly X_0 by using the calculated parameters (determinist imputation): all individuals who have the same values at $X_1..X_n$ will have the same imputed value of X_0.

- OR randomly add a residual randomly taken within the sub-sample of $N-R_0$ residuals of regression (stochastic imputation).

2. **Hot deck** : same as previously.

3. **Median (or average) values by class**.

As for « hot deck », create accurate groups of individuals with annex variables that are correlated with X_0.

Median is usually better than average. This method is easy but artificially reduces the standard error.

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[3]*The cleaning of the data was done by consultant Sebastien Merceron. This is an excerpt from his paper on the methods that he employed.*

RESULTS

Characteristics of the Business

Organisation and Status of the Business

The first set of questions in the questionnaire was aimed at find out general characteristics of the business in terms of its type of premises, status of registration, availability of basic operating amenities like telephones, water supply and electricity and the scope of its operation in terms of number of activities engaged in; number of locations for the main activity and other activities that the operator may be engaged in. The following tabulation is a summary of the findings.

Table 1: General Characteristics of Informal Establishments

Characteristics	Yes (%)	No (%)
Does your enterprise have a specific business name	21	79
In this place of business do you have land telephone	20	80
In this place of business do you have running water	51	49
In this place of business do you have a mobile telephone	65	35
In this place of business do you have electricity	45	55
Can you actually sell your place of business	25	76
Do you have a bank account in the name of the business	22	78
Do you have a business registration number at the registrar of the high court	16	84

The data showed that on average 80% of the enterprises have no business name; no bank account in the name of the business; and no registration number issued by the registrar; no land telephone in the place of the business. 65% have mobile telephones in the business place and 51% have running water. A smaller proportion 45% indicated that they had electricity in their place of business.

Further probing was done to determine the type of premises that informal enterprises operate in. That is, whether they operated within professional premises or without professional premises. Professional premises were defined as follows:

- In fixed factory or office
- In fixed shop or store
- In some other fixed specialised business premise
- In a market place license stall
- In a construction or mining site

Non professional premises were defined as follows:

- In your or the business owner's home without separate work space
- in your or the business owner's home with separate workspace
- on the sidewalk, street, beach, public space
- on an empty private lot
- as a walking vendor
- in a taxi bus or other vehicle

The responses are shown graphically in figure 1 on the following page

Figure 1 Type of Premises of Informal Establishments

in fixed factory or office

in fixed shop or store

in some other fixed specialised business premise

in a market place license stall

in a construction or mining site

other professional premises

In your or the business owner's home without seperate work space

in your or the business owner's home with seperate workspace

on the sidewalk, street, beach, public space

on an empty private lot

as a walking vendor

in a taxi bus or other vehicle

other non professional premises

Of those who said that they were not operating within formal premises 63% said that it's because this present location is more convenient and profitable. This is shown in the table below.

Table 2: Reasons for Operating Outside of Formal Premises

Could not find professional premises	
cannot afford to rent or to buy professional premises	6%
I do not need it	26%
It is the most convenient and profitable location	63%
Other	4.80%

Those who operated in professional premises were asked "what is the occupancy or tenure status of the place?" The following are the responses which were given:

Figure 2: What is the Occupancy or Tenure Status of the Place?
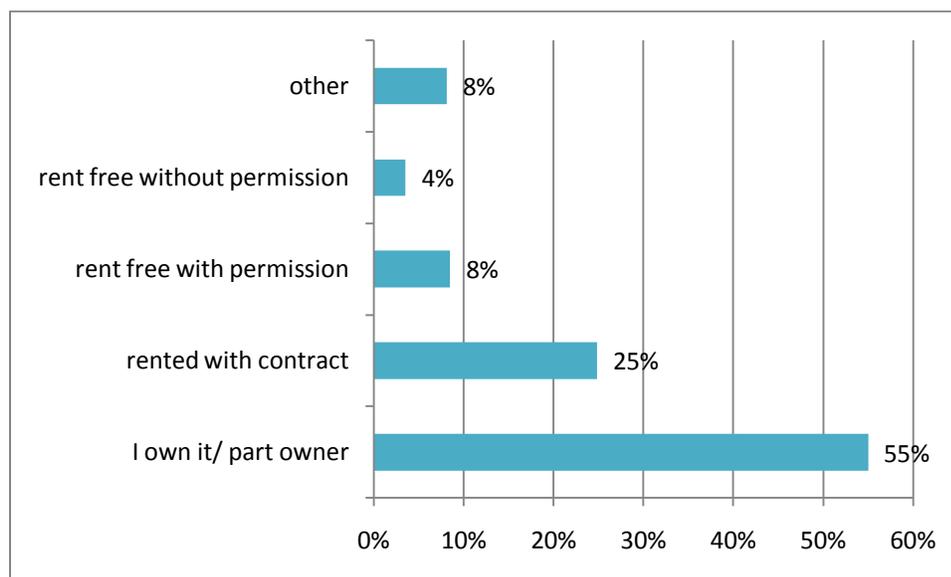
The data showed that 55% of operators operated within their own premises while the least of them (4%), operated on premises rent free but had with no permission.

When asked whether other business activities apart from the main business, were carried out at the present location, 94% said "no" and 6% said "yes". Operators were also asked whether they had another place where they conducted this main activity; 96% said "no" and 4% said "yes". The respondents who answered yes they had other places where they conducted this main activity (4%), were then asked how many other places? Their responses are shown graphically below.

Figure 3: How many other places do you conduct this type of business?
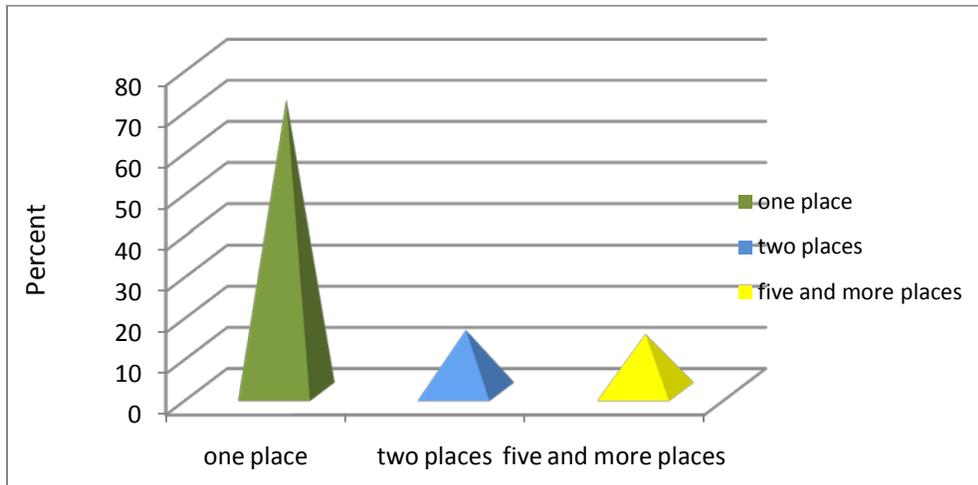
None of the respondents said that they had 3 or 4 other places.

To arrive at an estimate of the value of the place of business, operators were asked "how much do you think you could get for it?" The following table shows their responses

Figure 4: How much do you think you would get for selling your place of business?
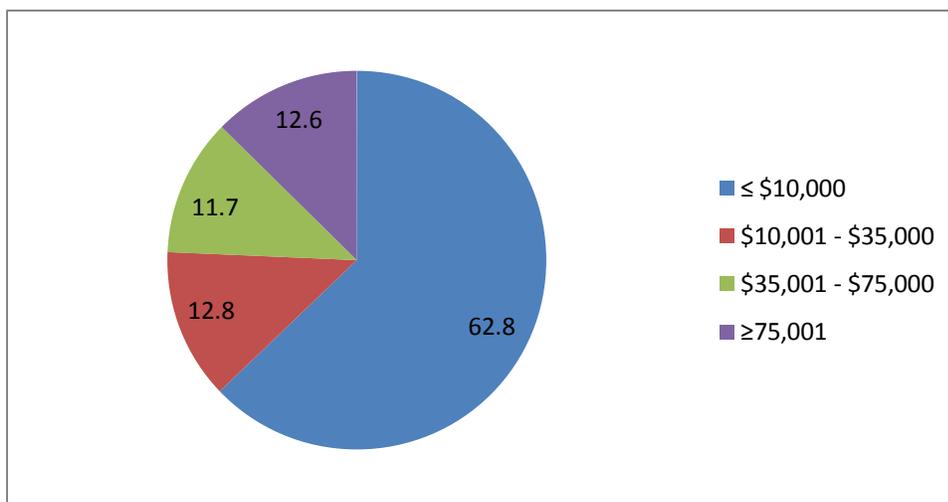
Note that more than 50% valued their place of business at $10,000 or less.

Registration:

Table 1 showed that 84% of the enterprises do not have a registration number. In addition, 11% said that they had a business certificate issued by the ministry of commerce; 25% said that they did not have one and 64% "did not know". Owing to this was the fact that 84% had no contact with the local authority in relation to registration; 5% and 8% had been contacted and had tried to register respectively. According to the enterprise operators, the main reason for not registering is because they do not need to. The complete list is shown below

- In the process of being registered   5%
- Do not need to register my business   55%
- Do to know if I have to register   22%
- Too many requirements to complete registration   2%
- Have to pay too much to register   2%
- Could be bad for my business   1%
- Other   13%

Operators were then asked "what was the main advantage of registration?"

Figure 5: What was the main advantage of registration?
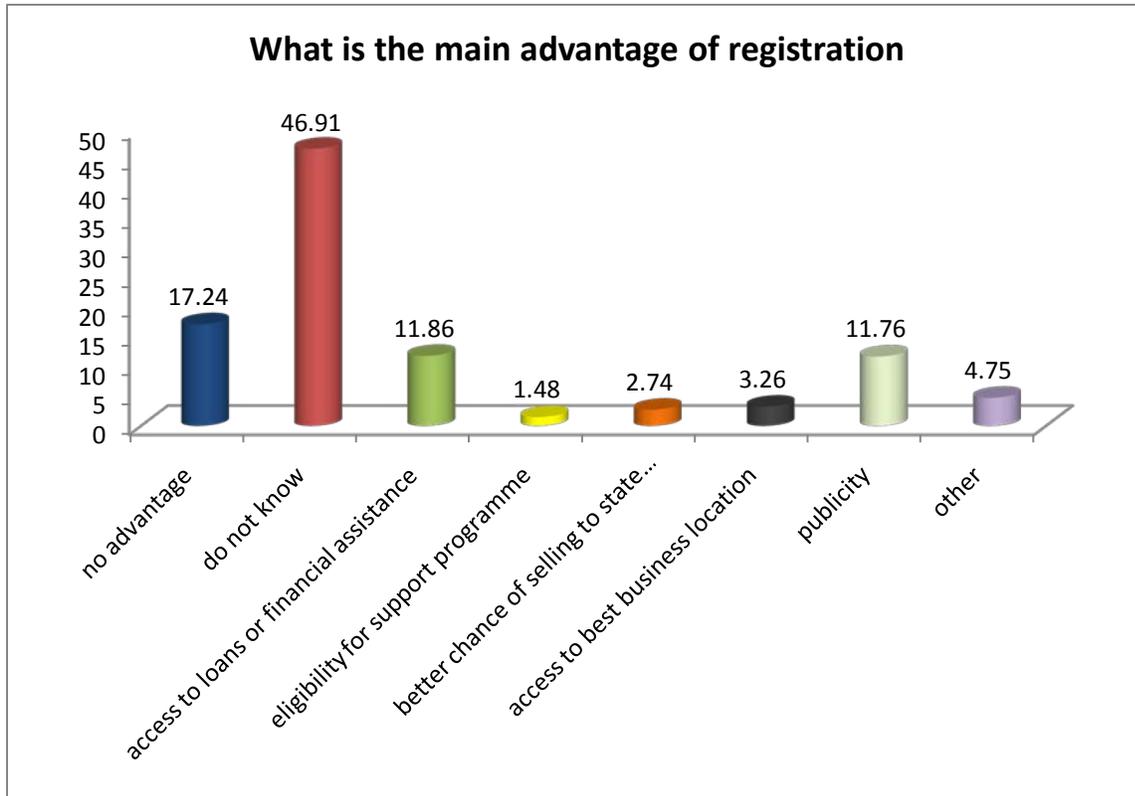
Note that from figure 5, a combined 64% did not know of any and saw no advantage in registering. While a cumulative 24% felt that it would help with access to loans or financial assistance and publicity.

Figure 6: Type of Accounts

What type of accounts do you keep for this business
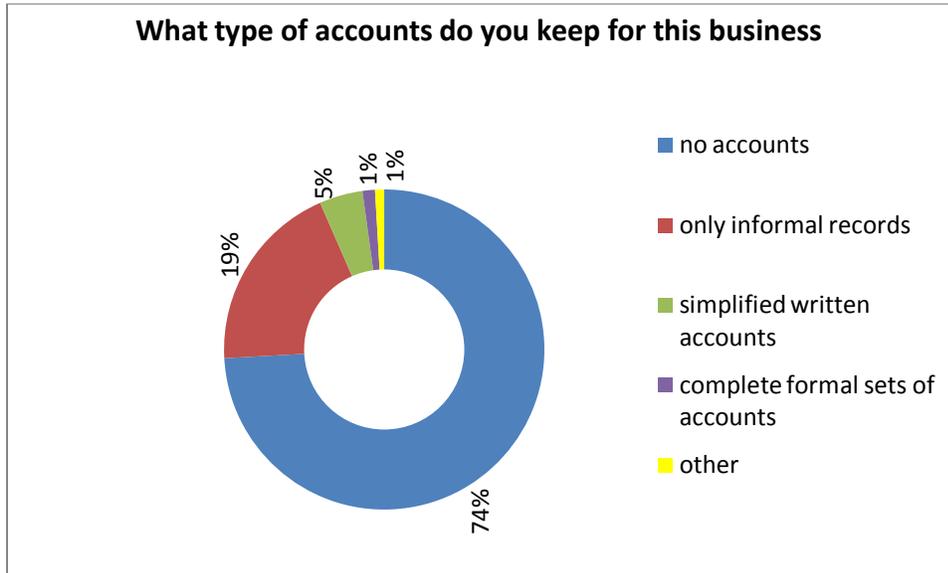
The data shows that most of the informal sector enterprises (74%) do not keep accounts.

Matters Relating to Employment

Table 3 If you employ workers have you had the following problems with your workers?

Problem	Yes %	No %
Lack of workers	7	93
Lack of skilled workers	8	92
High turnover of workers	7	94
Discipline problems / workers are not serious about their jobs	13	87
Wages / salaries are too high	8	92
Problems with labour unions	3	98
Other problems	2.	98

Table 4: How do you usually set your workers salaries/wages?

	%
Following the official salary scale	5
Comparable to what competitors pay	5
According to what I think will be beneficial to the business	22
Negotiating on case to case basis	8
Other	7
There are no wage/salary earners in this enterprise	53

Figure 7: Are you planning to increase manpower in the next twelve months?

Are u planning to increase your manpower within the next twelve months
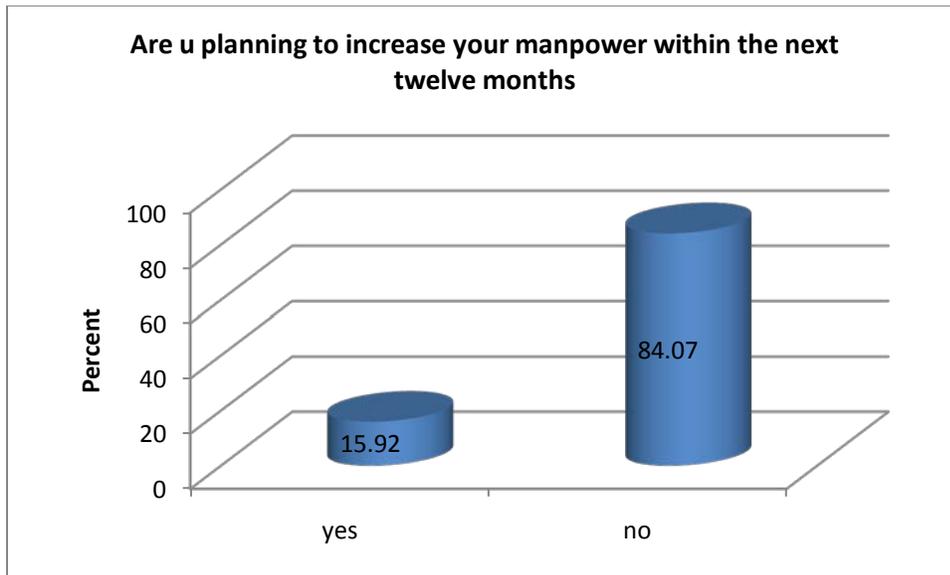
Of the 16% who said that they plan to hire additional workers within the next twelve months, 59% said 1 additional worker; 29% said 2; 6% said three; 5% said 4 and 1% said 5 or more.

Figure8: If you were to engage wage earners whom would you prefer to hire?
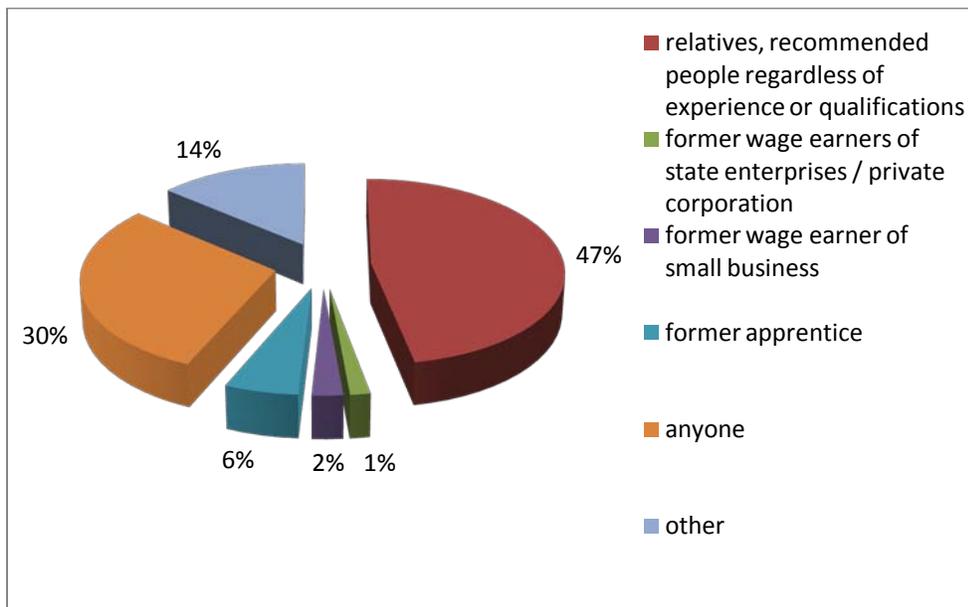
Did you employ temporary workers during the past twelve months?

Yes   19%

No   81%

Those who employed workers during the last twelve months (19%), were then asked how many temporary workers were there in the month they were in their maximum number

The response is shown in table 5

Table 5: How many temporary workers were there in the month they were in their maximum number?

No. of Temporary Workers	Percent
1	40
2	36
3	18
4	4
5	1
8	1

Customers Suppliers and Competitors

Figure 9: Who is your main customer?
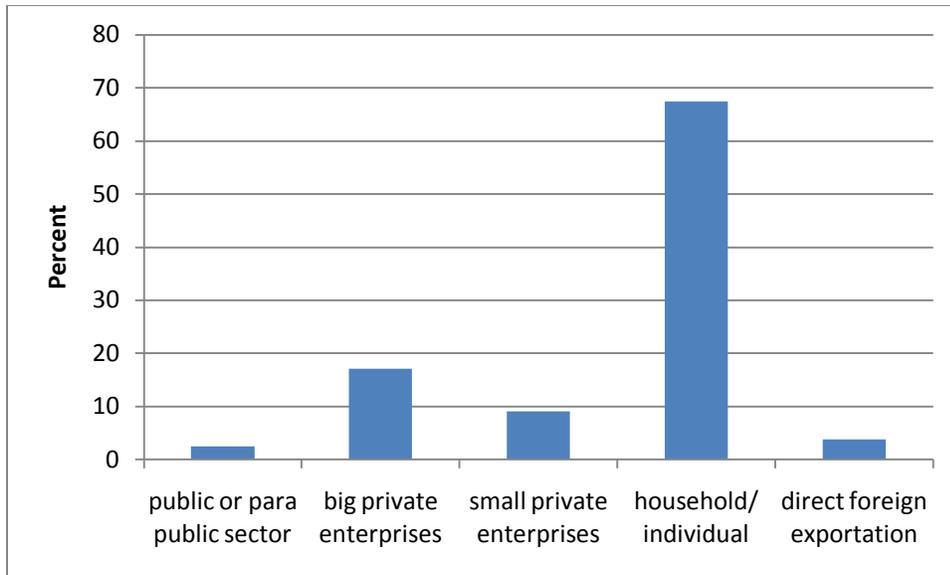
The data shows that informal enterprises sell mostly to households / individuals

Figure 10: Who is your principal supplier?

However, when it comes to suppliers, big private enterprises are the main partners.

Do you export part of your production?

87% of informal enterprises said no they do "no" export while 13% said "yes".

Do you have competitors in the local domestic market?

When asked do you have competitors in the local domestic market 82% said "yes", while 8% said "no". They identified their competitors as the following, with the most competitive first and the least competitive last.

- households/ individuals
- small private enterprises
- big private enterprises
- public or para public sector

Do you sell imported or foreign made goods?

Yes   9%

No   91%

Figure 11 shows how the enterprise has positioned itself with regards to its main competitors. It graphically depicts the responses for the following questions:

- How are your sale prices for local products compared to your competitors
- How are your sale prices for imported products compared to your competitors
- How are your cost prices for imported products compared to your competitors
- How are your cost prices for local products compared to your competitors
- How is your quality for imported products compared to your competitors
- How is your quality for local products compared to your competitors
- How is the sale of your imported products compared to your competitors
- How is the sale of your imported products compared to your competitors

Figure 11: How has the enterprise positioned itself with regards to its main competitors?
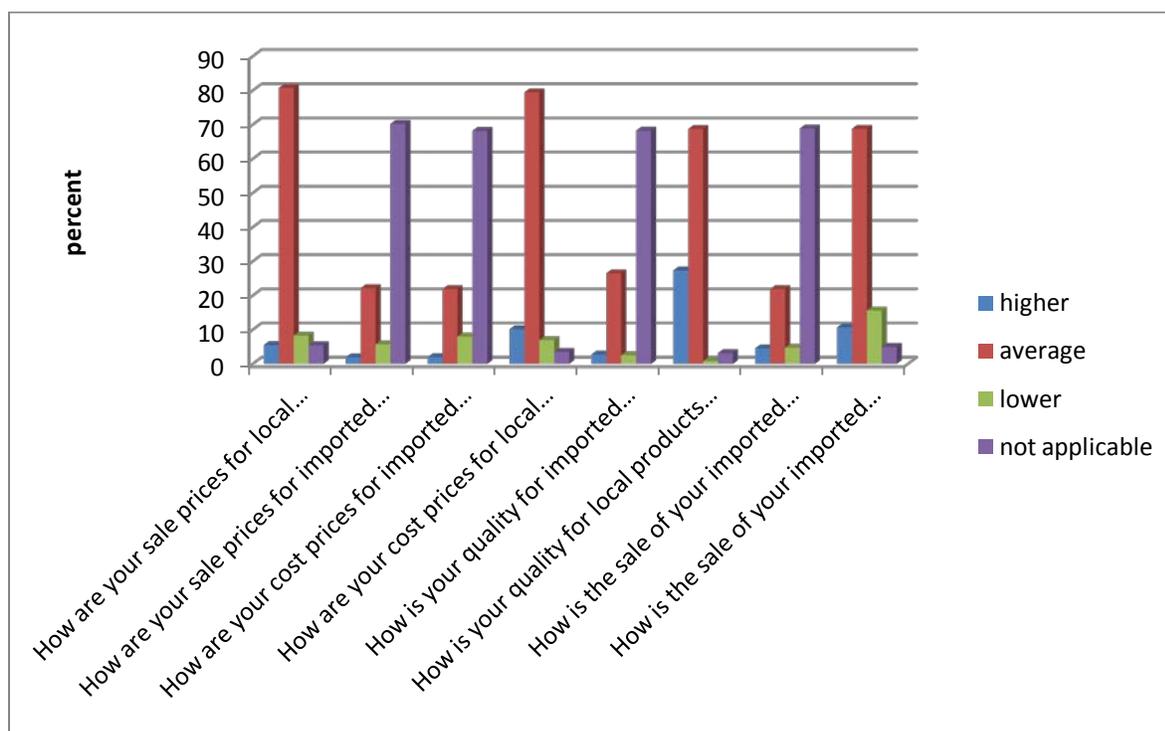
Why are your prices higher than your main competitors that are big enterprises?

Main reason: "Cost of my supplies is higher "

Why are your prices lower than those of big enterprises?

Main reason: "My customers are less rich"

Figure 12: How do you determine the prices of your main product or service?
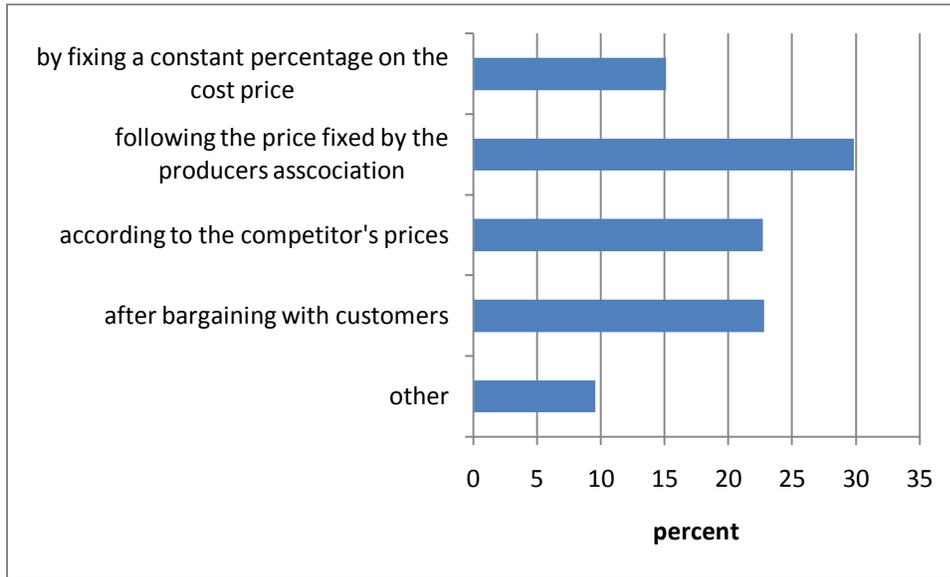
Problems and Prospects

Table 6: What is the main reason you chose this business activity?

What is the main reason you chose this business activity	Percent
Family tradition	21
It is the profession that I know	40
It gives better income/higher profits than other products or services	13
More stable returns than other products or services	7
Other	19

Table 7: Do you have problems relating to the following?

	Yes (%)	No (%)
Supply of raw materials	14	86
Lack of customers	22	78
Too much competition	22	78
Financial difficulties	13	87
Lack of Space	5	95
Lack of machines and equipment	8	90
Management difficulties	7	93
Too much control from the state	6	94
Other	1	99

Table 8: Do you wish for help in the following?

	Yes (%)	No (%)
Technical training	34	66
Organisational and financial management	35	65
Obtaining supplies	36	64
Accessing modern machines	32	68
Access to loans	28	72
Access to information on the market	39	61
Access to large business orders	36	64
Registration of business	17	83
Advertising of new products or services	24	76
Any other assistance	12	88

Figure 13: Do you belong to a professional organisation of your domain activity?
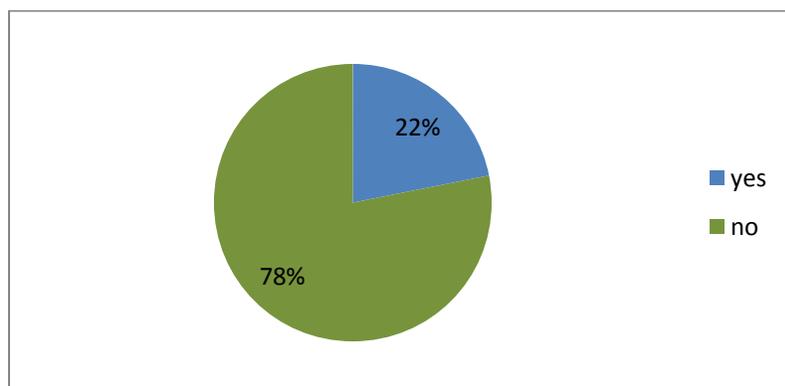
Those who said that they belong to an organisation of their domain were then asked if that organisation can help them with the following:

Table 9: How can the organisation help you?

	Yes (%)	No (%)
Do you belong to a professional organisation of your domain activity	22	78
Of the 22% who said that they belong to a professional organisation:		
Technical training	47	53
Training in organisation and financial management	40	60
Assistance in obtaining supplies	61	39
Access to modern machines	40	60
Access to Loans	40	60
Access to information on the market	64	36
Access to large business orders	39	61
Access to problems and linkages with government	58	42
Litigation with the competitors	39	61
Security problems	39	61
Other problems	4	96

Banks, Microfinance Services and Other Support Structures

Figure 14: Have you ever applied for a bank loan?
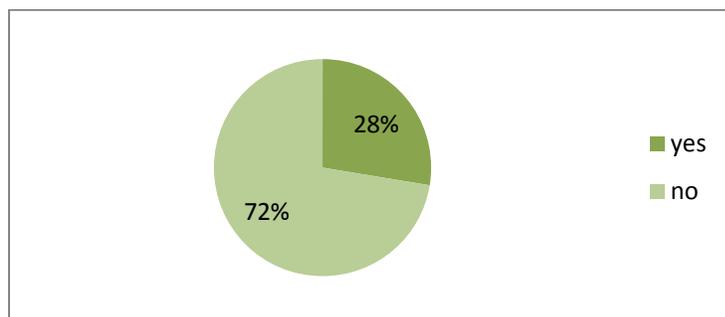
The data also showed that those who had never applied for a bank loan said that the main reason was because they did not need it.

Figure 15: Were you successful in obtaining your loan?
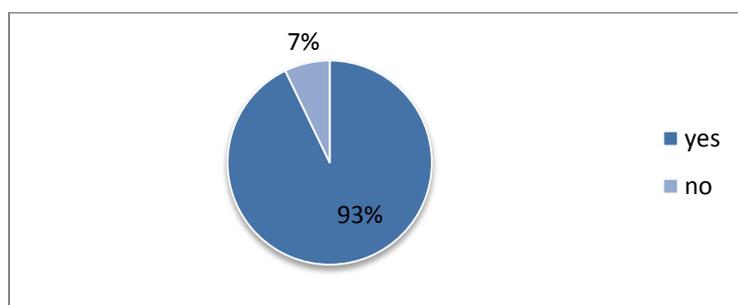
Notice from the above diagram, that of those who applied (28%), 93% were successful in obtaining the loan.

When asked whether they knew of any other micro-finance services apart from banks 52% said "yes" while 48% said "no".

The question of "how did you come to know them" was asked to those who said "yes". The response is shown below

Table 10: How did you come to know about micro finance?

• through word of mouth	44%
• through professional milieu or environment	5%
• through an association of my village	3%
• through a visit to one of the institutions	4%
• through an advertisement	44%

Of those who said that they knew of other micro-finance services, 9% applied for a loan from them and of that 9%, 98% received the loan. The impact of the loan on their business is shown on the following table.

Table 11: How did the loan impact your business?

	Yes (%)	No (%)
Did the loan result in less working hours	15	84
Did the loan result in increase in volume production	74	26
Did the loan result in utilisation of less manpower		100
Did the loan result in diversification of production	21	79
Did the loan help with financial difficulties	26	74
Did the loan result in the increase of volume of sales	51	48
Did the loan result in improvement of competitiveness	69	31
Did the loan result in recruitment of additional manpower	15	85

Those who did not apply for a loan from micro-finance sited the main reason as do not need a loan.

Respondents were asked whether they knew of any other institutions apart from the ones previously mentioned (banks, micro-credit institutions) - 80% said "no" and 20% said "yes".

The Informal Sector – Employment and Contribution to GDP

Weights Applied

The following tables show the generation of the applied weights used to produce the subsequent set of information

Table 12

HUEM_phase1 from initial LFS responses (unweighted)			
		freq	%
other workers	0	2761	85.4
operators of HUEM (unique job holders)	1	455	14.1
operators of HUEM (multiple job holders)	2	18	0.6
	Total	3234	100.0
number of identified operators of HUEMs :		*473*	

After imputation of missing values for the question of accounts the following was obtained:
Table 13

HUEM_phase1 from imputed LFS responses (unweighted)			
		freq	%
other workers	0	2715	84.0
operators of HUEM (unique job holders)	1	501	15.5
operators of HUEM (multiple job holders)	2	18	0.6
	Total	3234	100.0
number of identified operators of HUEMs :		*519*	

Table 14

HUEM_phase1 from imputed LFS responses (weighted)			
		freq	%
other workers	0	179438	84.1
operators of HUEM (unique job holders)	1	32809	15.4
operators of HUEM (multiple job holders)	2	1207	0.6
	Total	213454	100.0
weighted number of identified operators of HUEMs :		*34016*	

Table 15

	size		Total		
	1 worker	2 or more workers			
identified operators of HUEM in LFS (unique and multiple job holders)	23181	10836	30673		
unweighted number of HUEMs in Phase2	252	154	406		
weighted number of HUEMs in Phase2	16556	9927	26483		

Size of the operated businesses for identified operators of HUEM in LFS

(imputed weighted LFS responses)

Therefore the ratio to be used to update the sampling weights in PHASE2, by size of business is:

own account workers	1.400
2 or more workers	1.092
total (average)	1.158

Table 16: Key Economic Indicators by Administrative Districts

Key Economic Indicators by Administrative Districts						
	Number in the sample (informal HUEMs)	Wages and salaries				
		total value (sum) '000	average value	% of total	average per worker*	average per hour worked**
Total	**334**	**4,426**	**156.5**	**100.0%**	**48.5**	**1.3**
No. of persons working in the business:						
1	**227**	**0**	**0**	**0**	**0**	**0**
2-5	104	3,426	470	77.4%	165.5	4.9
6-10	3	100	4385.1	22.6%	732.0	14.1
> 10***	0	Na	na	na	na	na
Sex of owner/operator:						
Male	196	3,617	219.6	81.7%	66.5	1.8
Female	138	808	68.4	18.3%	23.5	0.5
Main administrative areas:						
District 1	33	332	111.7	7.5%	26.2	0.4
District 2	26	223	103.6	5.0%	37.3	0.6
District 3	38	632	196.0	14.3%	46.6	1.0
District 4	41	405	137.3	9.2%	41.6	1.1
District 5	4	0	0.0	0.0%	0.0	0.0
District 6	21	126	92.0	2.9%	31.3	1.6
District 7	11	54	57.9	1.2%	19.3	0.3
District 8	15	276	211.0	6.2%	57.3	0.6
District 9	50	595	125.9	13.4%	35.6	1.2
District 10	49	1,207	304.0	27.3%	118.3	3.6
District 11	28	349	140.2	7.9%	37.0	1.2
District 12	18	226	119.8	5.1%	39.9	0.2
No. of years in operation:						
< 2	41	723	214.0	16.3%	50.7	0.8
2-5	69	748	122.1	16.9%	33.0	1.2
6-10	56	387	80.1	8.8%	33.0	1.6
> 10***	168	2,568	184.1	58.0%	60.2	1.3
With or without professional premises:						
With	121	1,771	175.0	40.0%	55.1	1.6
Without	213	2,655	146.2	60.0%	44.9	1.1
values divided by the total number of workers in the business, including the operator						
*** including the hours worked by the operator and partners (not paid)*						
**** according to the definition of informal sector, which includes a size threshold of 10 workers, there are no informal HUEM with 10 workers or above*						
Note on district 5 : Too low number of units, only own account workers. Low returns and very low value added.						
The number of units by district might be too low for analysis by district						

Table 17: Key Economic Indicators by Administrative Districts

	Gross annual output (EC $)					Gross annual value added (EC $)				
Key Economic Indicators by Administrative Districts										
	total value (sum) '000	Avg value	% of total	Average per worker*	Average Per hour worked**	total value (sum) '000	Avg value	% of total	Avg per worker*	Avg per hour worked **
Total	997,351	35140	100	26222	586.22	565,333	19919	100	26222	586
No. of persons working in the business:										
1	596,075	28563	59.8	28563	640	351,525	16845	62.2	28563	640
2-5	372,559	51137	37.4	19678	437	199,660	27405	35.3	19678	437
6-10	28,706	126073	2.9	21012	432	14,148	62137	2.5	21012	432
> 10***	na	na	Na	na	na	na	na	Na	na	Na
Sex of owner/ operator:										
Male	598,092	36317	60.0	25602	496	360,675	21901	63.8	25602	496
Female	399,248	33513	40.0	27079	710	204,658	17179	36.2	27079	710
Main administrative areas:										
District 1	92,669	31216	9.3	25584	850	57,548	19386	10.2 %	25584	850
District 2	75,896	35200	7.6	26789	292	44,200	20500	7.8	26789	292
District 3	93,852	29117	9.4	23010	415	42,623	13223	7.5	23010	415
District 4	62,908	21334	6.3	15216	405	48,019	16284	8.5	15216	405
District 5	423	1417	0.0	1120	60	116	389	0.0	1120	60
District 6	29,625	21593	3.0	16803	307	18,692	13623	3.3	16803	307
District 7	22537	24199	2.3	23778	471	16,840	18082	3.0	23778	471
District 8	56,045	42788	5.6	18454	332	36,120	27568	6.4	18454	332
District 9	168,725	34989	16.9	30159	834	91,052	18882	16.1	30159	834

District 10	232,095	58486	23.3	36576	938	140,332	35363	24.8	36576	938
District 11	96,981	38929	9.7	28397	577	40,772	16366	7.2	28397	577
District 12	65,581	34685	6.6	31972	240	29,029	15353	5.1	31972	240
No. of years in operation:								0.0		
< 2	109,965	31621	11.0	19756	374	53,014	15244	9.4	19756	374
2-5	185,521	30293	18.6	25954	535	103,113	16837	18.2	25954	535
6-10	189,588	39207	19.0	33961	1152	108,416	22421	19.2	33961	1152
> 10***	512,265	36737	51.4	25269	465	300,790	21571	53.2	25269	465
With or without professional premises:								0.0		
With	424,026	41493	42.5	30106	686	225,135	22031	39.8	30106	686
Without	573,314	31566	57.5	24037	530	340,198	18731	60.2	24037	530
* values divided by the total number of workers in the business, including the operator										
** including the hours worked by the operator and partners (not paid)										
The number of units by district might be too low for analysis by district										

Table 18: Key Economic Indicators by Administrative Districts

	Gross fixed capital formation		
	total value (sum) '000	average value	% of total
Total	499,097	17585	100.0%
No. of persons working in the business:			
1	292,167	14000	58.5%
2-5	202,547	27802	40.6%
6-10	4,382	19246	0.9%
> 10***	na	na	Na
Sex of owner/operator:			
Male	367,210	22298	73.6%
Female	131,887	11071	26.4%
Main administrative areas:			
District 1	17,440	5875	3.5%
District 2	31,327	14529	6.3%
District 3	9,527	2956	1.9%
District 4	83,449	28299	16.7%
District 5	3,237	10817	0.6%
District 6	29,877	21776	6.0%
District 7	24,541	26351	4.9%
District 8	35,602	27180	7.1%
District 9	39,481	8187	7.9%
District 10	167,560	42224	33.6%
District 11	34,691	13925	7.0%
District 12	22,366	11829	4.5%
No. of years in operation:			
< 2	40,961	11778	8.2%
2-5	62,298	10172	12.5%
6-10	85,460	17673	17.1%
> 10***	310,379	22259	62.2%
With or without professional premises:			
With	194,503	19033	39.0%
Without	304,594	16770	61.0%

* values divided by the total number of workers in the business, including the operator

** including the hours worked by the operator and partners (not paid)
*** according to the definition of informal sector, which includes a size threshold of 10 workers, there are no informal HUEM with 10 workers or above

Note on district 5 : Two low number of units, only own account workers. Low returns and very low value added.
The number of units by district might be too low for analysis by district

Table 19: Key Economic Indicators by International Standard of Industrial Classification (ISIC)

	Number in the sample (informal HUEMs)	Wages and salaries				
		total value (sum) '000	% of total	average	average per worker*	average per hour worked**
A - agriculture and forestry	132	1,788	40.4%	58.0	58.0	1.4
B - Mining and quarrying		Na	na	na	na	Na
C - Manufacturing	30	145	3.3%	56.4	26.0	0.3
D - Electricity, gas, steam and air conditioning supply		Na	na	na	na	Na
E - Water supply; sewerage, waste management and remediation activities		Na	na	na	na	Na
F – Construction	24	1,298	29.3%	637.5	165.0	2.8
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	73	269	6.1%	41.6	16.4	1.1
H - Transportation and storage	20	78	1.8%	43.3	14.4	1.0
I - Accommodation and food service activities	30	135	3.0%	50.1	25.0	0.2
J - Information and communication		Na	na	na	na	Na
K - Financial and insurance activities		Na	na	na	na	Na
L - Real estate activities		Na	na	na	na	Na
M - Professional, scientific and technical activities	2	5	0.1%	36.4	18.2	0.4
N - Administrative and support service activities		Na	na	na	na	Na
O - Public administration and defence		Na	na	na	na	Na
P - Education	1					
Q - Human health and social work activities	1	245	5.5%	3400.0	680.0	7.5
R - Arts, entertainment and recreation	2	395	8.9%	2498.0	466.3	22.2
S - Other service activities	19	68	1.5%	42.0	17.7	0.4
T - Activities of households as employers		Na	na	na	na	Na
U - Activities of extraterritorial organizations and bodies		Na	na	na	na	Na
Total	334	4,426	100.0%	156.5	48.5	1.3

Table 20: Gross Annual Output b y Industry

	Number in the sample (informal HUEMs)	Gross annual output ($EC)				
		total value (sum) '000	% of total	average	average per worker*	average per hour worked**
A - agriculture and forestry	132	372,222	37.3%	35017	22838	552
B - Mining and quarrying		Na	na	na	na	Na
C - Manufacturing	30	94,087	9.4%	36680	28553	465
D - Electricity, gas, steam and air conditioning supply		Na	na	na	na	Na
E - Water supply; sewerage, waste management and remediation activities		na	na	na	na	Na
F - Construction	24	77,098	7.7%	37881	25056	428
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	73	135,198	13.6%	20901	17934	379
H - Transportation and storage	20	8,3681	8.4%	46452	42647	532
I - Accommodation and food service activities	30	152,543	15.3%	56626	49268	867
J - Information and communication		na	na	na	na	Na
K - Financial and insurance activities		na	na	na	na	Na
L - Real estate activities		na	na	na	na	Na
M - Professional, scientific and technical activities	2	3,289	0.3%	21917	10959	166
N - Administrative and support service activities		na	na	na	na	Na
O - Public administration and defence		na	na	na	na	Na
P - Education	1	1,452	0.1%	15840	15840	528
Q - Human health and social work activities	1	17,488	1.8%	242591	48518	532
R - Arts, entertainment and recreation	2	12,051	1.2%	76222	14639	731
S - Other service activities	19	48,230	4.8%	28109	24926	1590
T - Activities of households as employers		Na	na	na	na	Na
U - Activities of extraterritorial organizations and bodies		Na	na	na	na	Na
Total	334	997,351	100.0%	35140.3	26222.073	586.2233

	Number in the sample (informal HUEMs)	Gross annual value added (EC $)				
		total value (sum) '000	% of total	average	average per worker*	average per hour worked**
A - agriculture and forestry	132	236,400	41.8%	22240	14917	354
B - Mining and quarrying		na	na	na	na	na
C - Manufacturing	30	65,760	11.6%	25636	20949	348
D - Electricity, gas, steam and air conditioning supply		na	na	na	na	na
E - Water supply; sewerage, waste management and remediation activities		na	na	na	na	na
F - Construction	24	54,060	9.6%	26562	20714	343
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	73	59,300	10.5%	9167	7726	146
H - Transportation and storage	20	38,544	6.8%	21396	19640	291
I - Accommodation and food service activities	30	57,324	10.1%	21279	19328	326
J - Information and communication		na	na	na	na	na
K - Financial and insurance activities		na	na	na	na	na
L - Real estate activities		na	na	na	na	na
M - Professional, scientific and technical activities	2	1,216	0.2%	8101	4050	56
N - Administrative and support service activities		na	na	na	na	na
O - Public administration and defence		na	na	na	na	na
P - Education	1	925	0.2%	10091	10091	336
Q - Human health and social work activities	1	11,824	2.1%	164018	32804	360
R - Arts, entertainment and recreation	2	5,081	0.9%	32138	6291	324
S - Other service activities	19	34,898	6.2%	20339	18646	1460
T - Activities of households as employers		na	na	na	na	na
U - Activities of extraterritorial organizations and bodies		na	na	na	na	na
Total	334	565,333	100.0%	19919	26222	586

Table 22: Gross Fixed Capital formation by Industry

	Number in the sample (informal HUEMs)	Gross Fixed Capital Formation		
		total value (sum) '000	% of total	average
A - agriculture and forestry	132	282,251	56.6%	26553
B - Mining and quarrying		na	na	na
C - Manufacturing	30	39,346	7.9%	15339
D - Electricity, gas, steam and air conditioning supply		na	na	na
E - Water supply; sewerage, waste management and remediation activities		na	na	na
F - Construction	24	8,949	1.8%	4396
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	73	50,463	10.1%	7801
H - Transportation and storage	20	79,063	15.8%	43889
I - Accommodation and food service activities	30	30,432	6.1%	11297
J - Information and communication		na	na	na
K - Financial and insurance activities		na	na	na
L - Real estate activities		na	na	na
M - Professional, scientific and technical activities	2	610	0.1%	4063
N - Administrative and support service activities		Na	na	na
O - Public administration and defence		Na	na	na
P - Education	1	60	0.0%	650
Q - Human health and social work activities	1	1,090	0.2%	15125
R - Arts, entertainment and recreation	2	3,953	0.8%	25000
S - Other service activities	19	2,881	0.6%	1679
T - Activities of households as employers		na	na	na
U - Activities of extraterritorial organizations and bodies		na	na	na
Total	334	499,097	100.0%	17585

The Table below Integrates the Official National Accounts Statistics with the results from the Informal Sector Survey

Figure 16: Contribution of the Informal Sector the Economy

SAINT LUCIA

GROSS DOMESTIC PRODUCT BY ECONOMIC

In Millions of EC $

Nominal Prices

Year 2008

Industry By ISIC Rev. 3.1	Formal Sector	Informal Sector	Total	Contribution to Economy
Agric., Livestock, Forestry, Fishing	103.34	78.80	182.14	0.433
Mining and Quarrying	7.22		7.22	-
Manufacturing	126.93	21.92	148.85	0.147
Construction	142.01	18.02	160.03	0.113
Electricity and Water	110.09		110.09	-
Wholesale and Retail Trade	299.67	19.77	319.44	0.062
Hotels and Restaurants	292.48	19.11	311.59	0.061
Transport and Communication	448.14	12.85	460.99	0.028
Financial Intermediation	244.7		244.70	-
Real Estate and Owner Occupied dwellings	204.53		204.53	
Produces of Government Services	323.71		323.71	-
Other Services	67.29	17.98	85.27	0.211
Less FISIM	-198.61		(198.61)	-
Total	**2171.5**	**188.44**	**2359.94**	**0.08**

Informal Sector Contribution to GDP 8%

Summary of the Economic Tables

From the preceding tables on economic indicators by administrative district and ISIC one can draw the following conclusions:

- 58% of informal enterprise operators are male and 42% female with the majority of the enterprises being sole proprietors.
- The district with the most number of HUEMs was Micoud (district 10) and the least being Laborie (district 7)
- While agriculture pays out the most in wages and salaries the average per worker is much lower when compared to construction. Agriculture recorded $58 per worker while construction recorded $637 per worker.
- The informal sector contributes 8% to nominal GDP with agriculture contributing the largest share.

Table 23: Employment

Production units by type	ALL EMPLOYED PERSONS		Jobs by status in employment					
			Employers, Own-account workers, Member of producers' cooperatives*		Employees		Unpaid family workers	other dependant workers (p27=9 or p27=0)
	Total	Informal employment (as % of total)**	Total	Informal employment (as % of total)***	Total	Informal employment (as % of total)	Total (Informal Employment)	Total
	c1	c2	c3	c4	c5	c6	c7	c8
All enterprises								
Incorporated/formal sector enterprises	40094	21.5	1653	na	36166	22.2	47	2272
Public sector	*13855*	*13.8*	*39*	na	*13794*	*13.5*	*0*	*66*
Private sector	*26240*	*25.5*	*1615*	na	*22371*	*27.1*	*47*	*2206*
HUEMs	27375	38.7	12009	na	13676	71.8	404	1286
Informal sector enterprises	*19414*	*35.6*	*10046*	na	*8197*	*77.2*	*221*	*949*
HHs producing exclusively for own final use**	3682	70.2	551	na	3028	83.9	0	104
Total	71151	30.6	14214	na	52870	31.5	451	3618

According to the table above the size of the informal sector in terms of employment is 27.3%. It also shows informal employment as a percentage of total employment. Informal employment here is defined as employees who have no written contract and do not have a pay slip. In the table employees are also disaggregated based on status in employment.

This table shows employment by occupation and their status in employment

Table 24: Employment by occupation and their status in employment

	ALL EMPLOYED PERSONS		Jobs by status in employment					
			Employers, Own-account workers, Member of producers' cooperatives		Employees		Unpaid family workers	other dependant workers (p27=9 or p27=0)
	Total	Informal employment (as % of total)	Total	Informal employment (as % of total)	Total	Informal employment (as % of total)	Total (Informal Employment)	Total
	c1	c2	c3	c4	c5	c6	c7	
0-missing	6523	41.3%	775	na	3457	40.9%	89	709
1- Legislation, senior officials and managers	6378	14.3%	1798	na	4396	17.3%	25	303
2- Professionals	2650	14.1%	631	na	5457	13.6%	22	268
3- Technicians and associate professionals	5421	16.3%	119	na	2396	13.3%	0	135
4- Clerks	14576	18.0%	22	na	5134	16.6%	0	265
5- Service workers	5880	30.8%	1705	na	12088	32.4%	46	736
6- Skilled agricultural workers	8895	14.4%	4706	na	717	91.5%	176	281
7- Craft and related trade workers	3570	48.6%	1857	na	6804	61.0%	0	233
8- Plant and machine operators and assemblers	12228	30.5%	1069	na	2390	42.8%	0	111
9- Elementary occupations	5030	46.8%	1530	na	10029	52.3%	92	576
	0		0		0		0	0
Total	71151	30.6%	14213	na	52869	36.1%	450	3618

Table 25: Employment by Age Group

Age groups	ALL ENTERPRISES		Type of production unit						
			Incorporated enterprises (Public and Private)		HUEM				HH producing for own use	
					Total		Informal			
	c1		c2		c3		c4		c5	
			3							
15-19	3222	4.5%	1948	4.9%	1122	4.1%	440	5.5%	152	4.1%
20-24	8757	12.3%	5894	14.7%	2704	9.9%	801	10.0%	159	4.3%
25-29	8556	12.0%	5671	14.2%	2394	8.7%	864	10.8%	491	13.3%
30-34	8266	11.6%	5197	13.0%	2703	9.9%	1018	12.8%	367	10.0%
35-39	8545	12.0%	4814	12.0%	3170	11.6%	1069	13.4%	561	15.2%
40-44	9316	13.1%	5153	12.9%	3637	13.3%	1132	14.2%	526	14.3%
45-49	7739	10.9%	4027	10.0%	3249	11.9%	937	11.7%	463	12.6%
50-54	6707	9.4%	3593	9.0%	2676	9.8%	646	8.1%	438	11.9%
55-59	4157	5.8%	1873	4.7%	2006	7.3%	397	5.0%	278	7.6%
60-64	2996	4.2%	1046	2.6%	1838	6.7%	411	5.1%	112	3.0%
65+	2890	4.1%	860	2.1%	1896	6.9%	269	3.4%	134	3.6%
ALL	71151	100.0%	40076	100.0%	27393	100.0%	7984	100.0%	3682	100.0%

Conclusions and Recommendations

The objectives of the survey as outlined in the "background" were to raise awareness on the importance and use of sound and up-to-date informal sector and informal employment data and measures of informal sector production in micro- and macro- economic analyses in support of evidence-based policy making; to enhance understanding of the statistical challenges in measuring informal sector and informal employment and informal sector production; and to create a network of national stakeholders advocating for and contributing to improving measurement of the informal economy, including the regular provision of funds for related statistical activities.

The results of the survey have thrown light on an economic activity that most people knew existed but had no idea of its magnitude in terms of its contribution to GDP and employment. Today it can be stated, based on the results of the survey that Informal Sector Enterprises contribute 8% of GDP and 27.3% of employment. It has also brought to light the many different characteristics of these types of enterprises in terms of location, operating amenities, reasons for engaging in the activity and its competitive environment, to name a few. This no doubt would be beneficial to evidence based policy makers and would greatly enhance the understanding of statistical challenges in measuring informal sector and informal employment. Creating a network of national stakeholders advocating for and contributing to improving measurement of the informal economy, including the regular provision of funds for related statistical activities is an objective that is yet to be realised.

In terms of recommendations it is strongly advocated that:

- Care must be taken at each step of the process to ensure that data collection, data entry procedure and data verification are done in an in-depth manner.

- Appropriate piloting must be done to control field errors and to correct survey and questionnaire design problems.

- Efficient administration in terms of quicker decision making (incentives) and more local autonomy (modification of the generic model) should be allowed

- Public awareness / sensitization should not be downplayed, but rather there should careful planning and budgeting for it

- Perhaps a more **concise** data collection instrument which would reduce incidence of recall and interviewing time. A short but comprehensive set of internationally acceptable questions capturing the 'essence' of informal sector characteristics could be used in between years.

APPENDIX

Questionnaire

Draft

Saint Lucia - Central Statistical Office

Place an X in the box for multiple choice options ☒

For optimum accuracy, please print carefully and avoid contact with the edges of the box. The following will serve as an example:

1	2	3	4	5	6	7	8	9	0

2008 Survey on
Household Unincorporated Enterprises & Informal Sector
The information collected is strictly confidential under the Statitsics Act No. 13 of 1973 and will not be used for tax purposes.

---

0. GENERAL INFORMATION

Name of Business:

Name of Operator:

DATE OF THE INTERVIEW

☐ ☐ / ☐ ☐ / 0 8

Interviewer's name ☐

Supervisor's name ☐

Verifiers' name ☐ ☐

QUALITY OF THE INTERVIEW

☐ 1. Very good   ☐ 4. Bad

☐ 2. Good   ☐ 5. Very bad

☐ 3. Average

Result of the interview:

☐ Completed

☐ Partially completed

☐ Dwelling closed

☐ Dwelling vacant

☐ No contact

☐ Refusal

☐ no suitable respondent at home

☐ Unable to find address

☐ Other : specify_____

Date of data

☐ ☐ / ☐ ☐ / 0 8

Contact Number

☐ ☐ - ☐ ☐ ☐ ☐

Identification Code
(To be copied from the LFS Form of Operator

District Code	ED Number	Household Number	Person ID No.	Job 1- Main 2-2nd
☐ ☐	☐ ☐ ☐ ☐	☐ ☐ ☐ ☐	☐ ☐	☐

Characteristics of the operator
(To be copied from the LFS Form of Operator)

Relationship to head of the household (Q2) ☐

Sex (Q3) ☐

Age (Q6) ☐ ☐

Characteristics of the HUEM
(To be copied from the LFS Form of the interviewee)

Accounts (Q27A/37A) ☐

Type of ownership (Q31A/42A) ☐

Registration at the Registrar (Q31B-2/ Q42B-2) ☐

Premises (Q31C/42C) ☐ ☐

Size (Q31D/42D) ☐ ☐

Industry (Q29/39)_____

DURATION OF THE INTERVIEW

	hr	mn
Starting time	☐ ☐	/ ☐ ☐
End time:	☐ ☐	/ ☐ ☐

Second visit: date and duration.

Date ☐ ☐ / ☐ ☐ / 0 8

	hr	mn
Starting	☐ ☐	/ ☐ ☐
End	☐ ☐	/ ☐ ☐

Mins

Total Duration (MN) ☐ ☐

1. Organization and Status of the Business

In the LFS interview, you/the respondent mentioned that in your main/secondary job, you are owner or operator of a business enterprise. I would now like to ask you to provide information on this business.

1.1. **Does your enterprise have a specific business** ☐ yes   ☐ no

1.2. **What is the main activity (product made and sold/ service provided for pay) of your business?**————————————————————————
Interviewer: Refer to Q29/39.

1.3. **In which year was this business established?** ☐☐☐☐

1.4. **What was your main reason for engaging in this business?**

☐ 1. Could not get salaried work   ☐ 4. It is a family tradition

☐ 2. To get higher income   ☐ 5. Need additional income

☐ 3. Prefer to be my own boss   ☐ 6. Other (specify)_____

1.5.1. **In which type of premises do you conduct this business activity?**

With professional premises

☐ 1. In a fixed factory, office
☐ 2.In a fixed shop, store
☐ 3 In some other fixed, specialized business premise
☐ 4. In a market place licensed stall (where goods are removed each day).
☐ 5. In a construction or mining site.
☐ 6. Other(specify)_____   *If 1-6, go to 1.5.3*

Without professinal premisses

☐ 7. In your or the business owner's home, without separate workspace.
☐ 8. In your or the business owner's home, but a separate workspace (whether inside or attached to the home).
☐ 9. On the side walk of the street, beach, public space.
☐ 10. On en empty, private lot.
☐ 11. As a walking vendor.
☐ 12. In a taxi/bus, other vehicle.
☐ 13. Other (specify) _____
☐ 99. Unknown.
                                                              If 7-99, go to 1.5.2

1.5.2. **Without professional premises. Why do you conduct your business activity in this place? (after this question, go to 1.5.4).**

☐ 1. Could not find professional premises   ☐ 4. It is the most convenient and profitable location

☐ 2. Cannot afford to rent or to buy professional premises   ☐ 5. Other (specify) _____

☐ 3. I do not need it

1.5.3. **With professional premises: What is the occupancy/tenure status of this place?**

☐ 1. I own it/ Am part owner   ☐ 4. Rent-free, without permission (squatting)

☐ 2. Rented with contract (long-term; daily)   ☐ 5. Other (specify) _____

☐ 3. Rent-free, with permission (borrowed)

1.5.4. **In this place of business, do you have:**

Running water? ☐ Yes   ☐ No   **Land line telephone?** ☐ Yes   ☐ No

Electricity? ☐ Yes   ☐ No   **Mobile phone?** ☐ Yes   ☐ No

1.5.5. **If it were possible to sell your place of business, how much do you think you could get for it?**

$ AMOUNT ☐☐☐☐☐☐

1. Organization and Status of the Business

1.5.5.1. Can you actually sell your place of business? ☐ Yes ☐ No

1.6.1. In addition to the main activity you described, do you carry out other activities in this place of business? ☐ Yes ☐ No

1.6.2. Do you have other places of business where you also conduct your main activity? ☐ Yes ☐ No

➡ If No Skip to 1.6.3

1.6.2.1. If YES to 1.6.2, how many other places?

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 and more

1.6.3. Do you have other places of business where you conduct a different type of business activity? ☐ Yes ☐ No

➡ If No Skip to 1.7

1.6.3.1. If YES to 1.6.3, how many other places?
(Interviewer: administer a separate questionnaire for such other different businesses)

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 and more

1.7. Do you have a bank account in the name of this business? ☐ Yes ☐ No

1.8.1. Did you ever have any contact with the local authority in relation to registration of your business?

☐ Yes, I have tried to register ☐ Yes, they asked me to register ☐ No contact

1.8.2. Do you have a business registration number at the Registrar of the High Court? ☐ Yes ☐ No

➡ If No Skip to 1.9.1

1.8.3. Do you hold a business certificate issued by the Ministry of Commerce?

☐ 1. Yes, a micro-business certificate ☐ 3. No

☐ 2. Yes, a small scale business certificate ☐ 4. Don't know

1.8.4. Do you pay an income tax?

☐ Yes, a monthly fixed income tax rate ☐ Yes, a non-fixed income tax rate ☐ No

GO to 1.9.2 if YES in 1.8.2 OR 'Don't know' in 1.8.2 & 1.8.3

1.9.1. What is the main reason for not registering your business?

☐ 1. In the process of being registered ☐ 5. Have to pay too much to register

☐ 2. Do not need to register my business ☐ 6. Could be bad for my business

☐ 3. Do not know if I have to register ☐ 7. Other (specify) _____

☐ 4. Too many requirements to complete registration

1.9.2. In your opinion, what is the main advantage of registration?

☐ 1. No advantage ☐ 5. Better chance of selling to state enterprise /private companies

☐ 2. Do not know ☐ 6. Access to best business location

☐ 3. Access to loans or financial assistance ☐ 7. Publicity

☐ 4. Eligibility for support programs (non-financial) ☐ 8. Other (specify) _____

1.10. What type of accounts do you keep for this business?

☐ 1. No accounts ☐ 4. Complete formal sets of accounts (detailed balance sheets)

☐ 2. Keep only informal records of orders, sales, purchases for personal use

☐ 3. Simplified written accounts ☐ 5. Other (specify) _____
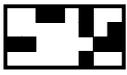
Draft

2. EMPLOYMENT

| 2.1. | How many persons, including yourself, worked in your business even for just an hour during the last month of operation? | TOTAL: | | | |
| | | Of which, wage earners: | | | |

2.2.   Characteristics of those who worked during the last month your business operated

Name	Sex	Age (yrs)	Status	Out-worker	Con-tract	Recruitment	Payment	Total Working Hours	Wages & Salaries (EC $)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
01									
02									
03									
04									
05									
06									
07									
08									
09									
10									
11									
12									
13									

2.2.1. MONTHLY TOTAL $

Sex codes
1- Male
2- Female

Status codes
1- Boss/employer
2- Own-account worker
3- Wage earner
4- Paid apprentice
5- Non-paid apprentice
6- Unpaid family worker
7- Partner

Outworker Codes
1- Employee who works outside business
2- Not outworker

Contract Code
1-Operator
2-Writtencontract w/o fixed duration
3- Written contract with fixed duration
4- Verbal agreement
5- On trail probation
6- No contract

Recruitment codes
1- Operator
2- Relatives/friends
3- From operator
4- Media Advertisements
5- Employment Agency
6- Other

Payment Codes
1- Fixed monthly/weekly salary
2- Daily or per hour of work
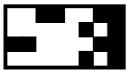
2.3. **Allowances and bonuses (convert into monthly value). These include:**
Social insurance paid by employer
Other allowances and bonuses such as: end of year bonuses, paid leaves.

2.3.1. Total social insurance paid by employer:	$ AMOUNT						

2.3.2. Total of all other allowances/bonuses:	$ AMOUNT						

2.3.3. MONTHLY TOTAL	$ AMOUNT						

2.4. **If you employ workers, have you had the following problems with your workers?**

a) Lack of workers, in general ☐ Yes ☐ No

b) Lack of skilled workers ☐ Yes ☐ No

c) High turnover of workers ☐ Yes ☐ No

d) Discipline problems/ workers are not serious about their jobs ☐ Yes ☐ No

e) Wages/salaries are too high ☐ Yes ☐ No

f) Problems with labour unions ☐ Yes ☐ No

g) Other (specify) _____ ☐ Yes ☐ No

2.5. **How do you usually set your workers' salaries/wages?**

☐ 1. Following the official salary scale

☐ 2. Comparable to what competitor's pay

☐ 3. According to what I think will be beneficial to the business

☐ 4. Negotiating on case-to-case basis

☐ 5. Other (specify) _____

☐ 6. There are no wage workers in this enterprise

2.6 **Are you planning to increase your manpower within the next 12 months?** ☐ Yes ☐ No

➡ **If NO skip to 2.7**

2.6.1. If YES to 2.6, how many additional persons are you planning to hire?

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 and more

2.7. **If you were to engage wage-earners, whom will you prefer to hire?**

☐ 1. Relatives, recommended people, regardless of experience or qualifications

☐ 2. Former wage-earner of a state enterprise or private corporation

☐ 3. Former wage-earner of a small business

☐ 4. Former apprentice

☐ 5. Anyone (no particular preference)

☐ 6. Other (specify) _____

3. PRODUCTION AND SALE (last month of operation)

Period codes: 1- Day 2- Week 3- Fortnight 4- Month 5- Quarter 6- Year

Destination codes: 1- Public or para-public sector 2- Big private enterprise 3- Small private enterprise 4- Household/individual 5- Direct exportation 6- Own final use

3.1. What was the total amount of your turnover for the last month of operation? **$ AMOUNT** ☐☐☐☐☐☐

3.2. PRODUCTS SOLD AFTER TRANSFORMATION

Name of the product	Period	Unit	Quantity	Unit price (in EC $)	Total value for period (EC $)	Destination
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐

MONTHLY TOTAL: ☐☐☐☐☐☐

3.3. PRODUCT SOLD WITHOUT TRANSFORMATION

Name of the product	Period	Unit	Quantity	Unit Price (in EC $)	Total Value for Period (EC $)	Destination
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐
	☐	_____	☐☐☐☐	☐☐☐☐☐	☐☐☐☐☐☐	☐

MONTHLY TOTAL: ☐☐☐☐☐☐

3. PRODUCTION AND SALE (last month of operation)

Period codes: 1- Day   2- Week   3- Fortnight   4- Month   5- Quarter   6- Year

Destination codes:
  1- Public or para-public sector   2- Big private enterprise   3- Small private enterprise
  4- Household/individual   5- Direct exportation   6- Own final use

3.4. SERVICES OFFERED

Name of the Service	Period	Unit	Quantity	Unit price (in EC $)	Total value for period (EC $)	Desti-nation
	☐	_____				☐
	☐	_____				☐
	☐	_____				☐
	☐	_____				☐
	☐	_____				☐
	☐	_____				☐
	☐	_____				☐

MONTHLY TOTAL:$ ☐☐☐☐☐☐

3.5.   How did your business activity fluctuate within the past 12 months?

	RHYTHM	M 1	M2	M 3	M 4	M 5	M 6	M 7	M 8	M 9	M 10	M 11	M 12 Month =
3	Maximum	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
2	Average	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
1	Minimum	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
0	No production	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐

3.6.   Maximum monthly returns and minimum monthly returns: in EC $

3.6.1. Maximum return: $ ☐☐☐☐☐☐ or ☐☐☐ %   More than average

3.6.2. Minimum return: $ ☐☐☐☐☐☐ or ☐☐☐ %   Less than average

3.7.1. Did you employ temporary workers within the past 12 months?

☐ Yes   ☐ No   ➡ **If No skip to 4.1**

3.7.2. If yes, how many temporary workers were there in the month they were at the maximum number?

☐☐
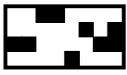
4. Expenditures on Raw Materials and Stocks (last month of

Period codes: 1- Day   2- Week   3- Fortnight   4- Month   5- Quarter   6- Year

Origin codes:
1- Public or para-public sector   2- Big private enterprise   3- Small private enterprise
4- Household/individual   5- Direct importation   6- Own production

4.1. How much did you spend on raw materials used for your business?

Name of the Product	Period	Unit	Quantity	Unit price (in EC $)	Total value for period (EC $)	Origin

4.1.1. MONTHLY TOTAL: $

4.2. For products sold without transformation, how much did you spend to buy your stocks?

Name of the product	Period	Unit	Quantity	Unit price (in EC $)	Total value for period (EC $)	Origin

4.2.1. MONTHLY TOTAL: $

4.3.1. In the last month of operation, did some of your customer-enterprises give you raw materials to transform for them?

☐ Yes ☐ No ➡ If No Skip to 4.3.2

4.3.1.1. What was the share (%) of your total turnover from these customer-enterprises? ☐☐☐ %

4.3.1.2. Which kind of enterprise is your most important customer of this type?

☐ 1 Public or para-public sector ☐ 4 Household/Individual

☐ 2 Big private enterprise ☐ 5 Direct foreign exportation

☐ 3 Small private enterprise

4.3.2. (Subcontracting) In the last month of operation did some of your customer enterprises (other than the ones in 4.3.1) impose on you, in advance, norms or timetables for your production?

☐ Yes ☐ No ➡ If NO skip to 4.4

4.3.2.1. What was the share (%) of your total turnover from these customers? ☐☐☐ %

4.3.2.2. Which kind of enterprise is your most important customer of this type?

☐ 1 Public or para-public sector ☐ 4 Household/Individual

☐ 2 Big private enterprise ☐ 5 Direct foreign exportation

☐ 3 Small private enterprise

OTHER BUSINESS EXPENSE				
4.4.	**What were your other business expenses during the last month of operation?**			
No.	**Charges**	**Period**	**Value in Period In EC $**	**Origin**
1	Wages and salaries (from 2.2.1)	4		
2	Social insurance (from 2.3.1)	4		
3	Bonuses & allowances (from 2.3.2)	4		
4	Raw materials (from 4.1.1)	4		
5	Purchase cost of products sold (from 4.2.1)	4		
6	Fuel, gasoline & lubricants			
7	Water			
8	Electricity			
9	Transportation, including insurance			
10	Post, communication, internet			
11	Rental of place & equipment			
12	Spare parts			
13	Repair & maintenance of facilities & equipment			
14	Other services, advertisement, marketing			
15	Paid interests			
16	Taxes			
17	Patent license, other fees			
18	Insurance			
19	Other charges_____			
	MONTHLY TOTAL			

Period code : 1- Day 2- Week 3- Fortnight 4- Month 5- Quarter 6- Year

Origin codes: 1- Public or para-public sector 2- Big private enterprise 3- Small private enterprise
4- Household/individual 5- Directe importation 6- Own production

5. EQUIPMENTS, INVESTMENT, FINANCING AND DEBT

5.1.   What are the capital equipments you used for your business activity during the past 12 months?

Mode of acquisition/disposal codes: 1- Bought new   2- Bought used   3- Made major improvements
4- Own-produced   5- Sold   6- Loss

Ownership codes: 1- Personal property   2- Rent   3- Lease   4- Share property

TYPE		Characteristics (Short Description)	Mode of Acquisition/ Sale	Owner-ship	Date of acquisition/sale/ loss (month / year)	Present/Sale Value (replacement cost) EC $
1	Land	A)			/	
		B)			/	
		O)			/	
2	Buildings, structures	A)			/	
		B)			/	
		O)			/	
3	Other construction	A)			/	
		B)			/	
		O)			/	
4	Equipment & machinery	A)			/	
		B)			/	
		O)			/	
5	Transport equipment	A)			/	
		B)			/	
		O)			/	
6	Office furniture & equipment	A)			/	
		B)			/	
		O)			/	
7	Others	A)			/	
		B)			/	
		O)			/	

5.2 Within the past 12 months, did you borrow money for use in your business operations?

☐ Yes   ☐ No   ➡ **If NO skip to 6.1**

5.2.1.   If YES to 5.2, how many loans did you take out? ☐☐

	Amount of loan EC	Amount payable EC $	Origin	Use	Contract	Repay-ment	Maturity	Difficulty
Main Loan								
All Loans								

Origin Code :   1- Family or friends   2- Customers   3- Suppliers   4- Usurers (money lender)
 5- Producers' Association 6- Bank/ credit unions   7- Micro-financing institution   8- Other_____

Use of loan code: 1- Purchase of raw materials   2- Improvement of premises   3- Acquisition/maintenance of equipments
4- Payment of salary   5- Training of manpower   6- Repayment of previous debts   7- Expansion of the activity
8- Other (specify) _____

Type of contract code: 1- Legally recognised agreement   2- Simple written agreement 3- Verbal agreement 4- No contract

Mode of repayment code: 1- In cash   2- Goods or services   (in kind)   3- Other (specify)_____

  Maturity code: Total duration of the credit in months (code as 99 if 99 months and above)

  Repayment) Difficulty code
    1- Bad business period   2- Interest rate too high   3- Maturity period too short   4- Without difficulty
    5- Other (specify)_____
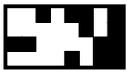
6. BUSINESS ENVIRONMENT

6.1.1. Did you have problems with state agents from the following institutions in the exercise of your business in the past 12 months?	6.1.2. If yes, which type?	6.1.3. How was the problem settled?	6.2. In total, what is the amount of gifts and fines that you paid to these state agents in connection with your business during the past 12 months?	
			6.21 "gifts"	6.22 "fines"
1 Local administration office ☐ Yes ☐ No	☐	☐	☐☐☐☐☐☐	☐☐☐☐☐☐
2 CUSTOMS ☐ Yes ☐ No	☐	☐	☐☐☐☐☐☐	☐☐☐☐☐☐
3 Professional inspection ☐ Yes ☐ No	☐	☐	☐☐☐☐☐☐	☐☐☐☐☐☐
4 Tax administrations ☐ Yes ☐ No	☐	☐	☐☐☐☐☐☐	☐☐☐☐☐☐
5 Police and justice ☐ Yes ☐ No	☐	☐	☐☐☐☐☐☐	☐☐☐☐☐☐
6 Other_____ ☐ Yes ☐ No	☐	☐	☐☐☐☐☐☐	☐☐☐☐☐☐

Type of problem codes (6.1.2)

1- Related to the premises
2- Related to taxes and licence
3- Related to products used/sold
4- Related to the prices
5.-Related to other rules & regulations
6.-Other (specify) _____

Settlement of the problem codes (6.1.3):
1- In compliance with the law
2- Amicable settlement
3- Payment of a fine
4- Payment of a gift
5- No settlement
6- Other (specify) :_____

Customers, Suppliers and Competitors

6.3. Who is your main customer? (To whom do you mainly sell?)
☐ 1 Public or para-public sector
☐ 2 Big enterprise
☐ 3 Small enterprise
☐ 4 Household/individual
☐ 5 Direct exportation

6.4. Who is your principal supplier? (From whom do you mainly buy?)

☐ 1 Public or para-public sector
☐ 2 Big enterprise
☐ 3 Small enterprise
☐ 6. Not applicable
☐ 4 Household/individual
☐ 5 Direct importation

6.5. Do you export part of your production? ☐ Yes ☐ No ➡ If No Skip to 6.6

6.5.1. If YES to 6.5, what percentage? % ☐☐☐

6.5.2. To which country, mainly? _____

6.6. In the local/domestic market, do you have competitors (i.e., enterprises selling same products/offering same services). ☐ Yes ☐ No ➡ If No Skip to 6.7

6.6.1. Who is your main competitor?
☐ 1 Public or para-public sector
☐ 2 Big enterprise
☐ 3 Small enterprise
☐ 4 Household/individual

6.7. Do you sell imported/foreign-made products? ☐ Yes ☐ No ➡ If No Skip to 6.8

6.7.1. From which country, mainly? _____
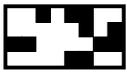
6.8. If NO in 6.6, skip to 6.10. With regard to your main competitors in the internal market indicate how you are situated:

With regard to competitors	1- Local/domestic products	2- Imported/foreign products
6.8.1. Your sale prices are :	☐ 1- Higher ☐ 2- Average/ about the same ☐ 3- Lower ☐ 4- Not applicable	☐ 1- Higher ☐ 2- Average/ about the same ☐ 3- Lower ☐ 4- Not applicable
6.8.2. Your cost prices are :	☐ 1- Higher ☐ 2- Average/ about the same ☐ 3- Lower ☐ 4- Not applicable	☐ 1- Higher ☐ 2- Average/ about the same ☐ 3- Lower ☐ 4- Not applicable
6.8.3. Your quality is	☐ 1- Higher ☐ 2- Average/ about the same ☐ 3- Lower ☐ 4- Not applicable	☐ 1- Higher ☐ 2- Average/ about the same ☐ 3- Lower ☐ 4- Not applicable
6.8.4. The sale of your products is	☐ 1- Rapid ☐ 2- Average/ about the same ☐ 3- Slow ☐ 4- Not applicable	☐ 1- Rapid ☐ 2- Average/ about the same ☐ 3- Slow ☐ 4- Not applicable

6.9. How are your prices compared with those of your main competitors that are big enterprises selling the same products or services like you?

☐ **1 Higher**	☐ **2 Average**	☐ **3 Lower**	☐ **4 Don't know**
➜ Skip to 6.9.1	➜ If No Skip to 6.10	➜ If No Skip to 6.9.3	➜ If No Skip to 6.10

6.9.1. By how much higher? (% higher) ☐☐☐

6.9.2. Why are your prices higher than those of these competitors? (main reason)

☐ 1 My equipment are less productive   ☐ 4 Quality of my products/services is better

☐ 2 I do not have enough customers   ☐ 5 Cost of my supply is higher

☐ 3 I do not have access to credit   ☐ 6 Other (specify) _____

Skip to 6.10

6.9.3. By how much lower? (% lower) ☐☐☐

6.9.4. Why are your prices lower than those of these big competitors?

☐ 1 I do not pay taxes or pay less taxes   ☐ 4 My customers are less rich

☐ 2 My labour costs are lower   ☐ 5 Quality of my products/services is lower

☐ 3 My inputs costs are lower   ☐ 6 Other (specify) _____

6.10. How do you determine the prices of your main products or main services?

☐ 1 By fixing a constant percentage on the cost price   ☐ 4 Following the price fixed by the producers' association

☐ 2 After bargaining with customers

☐ 5 Other (specify) _____

☐ 3 According to the competitor's prices
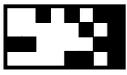
7. PROBLEMS & PROSPECTS

7.1.   What is the main reason you chose this business activity?

☐ 1 Family tradition

☐ 2 It is the profession that I know

☐ 3 It gives better income/higher profits than other products or services

☐ 4 More stable returns than other products/services

☐ 5 Other (specify) _____

7.2   Do you have problems/difficulties related to the following domains?

a) Supply of raw materials (quantity or quality) ☐ Yes ☐ No

b) Sale of products- lack of customers ☐ Yes ☐ No

c) Sale of products- too much competition ☐ Yes ☐ No

d) Financial difficulties (e.g., difficult to get loan) ☐ Yes ☐ No

e) Lack of space, adapted premises ☐ Yes ☐ No

f) Lack of machines or equipment ☐ Yes ☐ No

g) Organization, management difficulty ☐ Yes ☐ No

h) Too much control, taxes, requirements from the State ☐ Yes ☐ No

i) Other (specify) _____ ☐ Yes ☐ No

7.3   To solve your present problems, do you wish to have help in the following domains?

a) Technical training ☐ Yes ☐ No

b) Training in organizational and financial management ☐ Yes ☐ No

c) Assistance in obtaining supplies ☐ Yes ☐ No

d) Access to modern machines ☐ Yes ☐ No

e) Access to loans ☐ Yes ☐ No

f) Access to information on the market ☐ Yes ☐ No

g) Access to large business orders ☐ Yes ☐ No

h) Registration of business ☐ Yes ☐ No

i) Advertising of new products/services ☐ Yes ☐ No
j) Other (specify) _____ ☐ Yes ☐ No

7.4.   Do you belong to a professional organization of your domain of activity?   ☐ Yes   ☐ No ➡ | If No Skip to 8.1 |

7.5   For which type of difficulties could this organization help you?

a) Technical training ☐ Yes ☐ No

b) Training in organizational and financial management ☐ Yes ☐ No

c) Assistance in obtaining supplies ☐ Yes ☐ No

d) Access to modern machines ☐ Yes ☐ No

e) Access to loans ☐ Yes ☐ No

f) Access to information on the market ☐ Yes ☐ No

g) Access to large business orders ☐ Yes ☐ No

h) Problems/linkages with government ☐ Yes ☐ No

i) Litigation with the competitors ☐ Yes ☐ No

j) Security problems ☐ Yes ☐ No

k) Other (specify) _____ ☐ Yes ☐ No
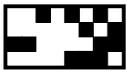
8. BANKS, MICRO-FINANCE SERVICES & OTHER SUPPORT STRUCTURES

8.1. **Have you ever applied for a bank loan for your business?** ☐ Yes ☐ No ➡ If No Skip to 8.2

8.1.1. **Did you succeed in obtaining a loan?** ☐ Yes ☐ No Skip to 8.3

8.2. **If you never applied for a bank loan, what is the main reason?**

☐ 1 Procedures are too complicated

☐ 2 Interest rates are too high

☐ 3 Guarantee/collateral asked for is too much

☐ 4 Available loans do not correspond to my needs

☐ 5 I am not interested in getting a loan

☐ 6 Other (specify) _____

8.3. **Other than bank services:**
Do you know of any micro-finance ☐ Yes ☐ No ➡ If No Skip to 8.6

8.3.1. **If yes, how did you come to know them?**

☐ 1 Through 'word-of-mouth' (family, friends, neighbours, etc.)

☐ 2 Through professional milieu/environment

☐ 3 Through an association of my village

☐ 4 Through a visit to one of the institutions

☐ 5 Through an advertisement (mass media, internet, poster)

☐ 6 Other (specify) _____

8.3.1.1. Have you applied for a loan from them? ☐ Yes ☐ No ➡ If No Skip to 8.5

8.3.1.2. **If YES to 8.3.1.1, did you get a loan?** ☐ Yes ☐ No ➡ If No Skip to 8.4

8.3.1.3. **If YES to 8.3.1.2, what was the main impact of the loan on your business activity?**

a) Increase in the volume of production	☐ Yes	☐ No	f) Working less time	☐ Yes	☐ No
b) Diversification of production	☐ Yes	☐ No	g) Utilisation of less manpower	☐ Yes	☐ No
c) Increase of the volume of sales	☐ Yes	☐ No	h) Financial difficulties	☐ Yes	☐ No
d) Improvement of competitiveness/profitability	☐ Yes	☐ No	e) Recruitment of additional manpower	☐ Yes	☐ No

i) Other (specify)
_____

➡ Skip to 8.6

8.4. **What was the main reason your application was rejected?**

☐ 1 Incomplete documents   ☐ 4 Insufficient initial capital

☐ 2 Complete but not convincing documents   ☐ 5 Activity/enterprise was deemed not viable

☐ 3 Insufficient guarantees/collateral   ☐ 6 Other (specify) _____

➡ Skip to 8.6
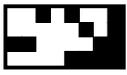
8.5. **If you did not apply for a loan from the micro-finance organisations, what was the main reason?**

☐ 1 Amount of loan offered is insufficient

☐ 2 Procedures are too complicated

☐ 3 Interest rate is too high

☐ 4 Maturity period is too short

☐ 5 Guarantees/collateral required is too much

☐ 6 Do not need a loan

☐ 7 Other (specify) _____

8.6. **Apart from the institutions previously mentioned (banks, micro credit institutions), do you know of other support structures to small businesses like yours?**

☐ Yes ☐ No ➡ END

8.6.1. **Did you have contact with any one of these support**

☐ Yes ☐ No ➡ END

8.6.2. Results of contact with support institutions

Institution	Contacted?	If contacted:	
		Type of Assistance Requested	**Outcome**
1 International program/project	☐ Yes ☐ No	☐	☐ 1- Granted ☐ 2- Not granted
2 Government program/project	☐ Yes ☐ No	☐	☐ 1- Granted ☐ 2- Not granted
3 Local government	☐ Yes ☐ No	☐	☐ 1- Granted ☐ 2- Not granted
4 Professional association/NGO	☐ Yes ☐ No	☐	☐ 1- Granted ☐ 2- Not granted

Codes for Type of AssistanceRequested:
1- Technical training
2- Training in organizational and financial management
3- Assistance in obtaining supplies
4- Acess to modern machines
5- Access to information on the markets
6- Access to large business orders
7- Registration of business
8- Advertising of new products/services
9- Other (specify) _____

Would you like us to share this information with the Ministry of Trade and Commerce?
☐ Yes ☐ No

THANK YOU FOR YOUR COLLABORATION!
END OF THE QUESTIONNAIRE

COMMENTS: