**Ministry of Employment and Social Affairs**

**Seychelles**

**Country Input**

# Objectives of the report

The Special Rapporteur on contemporary forms of slavery, including its causes and consequences, wishes to focus his next thematic report to the General Assembly on contemporary forms of slavery in the informal economy.[[1]](#footnote-1) The report intends to analyse to what extent there are manifestations of contemporary forms of slavery in different sectors and in different countries/geographic regions. Furthermore, the thematic study wishes to clarify what the profile of the victims/survivors is and what measures would be needed to prevent and address contemporary forms of slavery in the informal economy.

# Key questions and types of input sought

1. What is your understanding of the term “informal economy”?

Seychelles recognizes the Informal economy as the total employment in the informal sector plus the total of informal employment in formal sector plus the total informal employment in households.

The established criteria used in regards to categorization in the informal sector is as per below:

* An employer; no booking keeping, non-registration of business, non-payment of taxes and non-payment of pension for employees
* An employee; non-payment of pension and no legal coverage in terms of annual leave, sick leave, maternity etc.

1. What are examples of informal employment in your country?

From observations made by the Employment Department examples of informal employment in Seychelles include informal taxi services, individuals undertaking informal cleaning activities such as landscaping, domestic workers, individuals having small agricultural activities at their household, selling of fruits and vegetables and street venders.

1. In which sectors (e.g. domestic work, agriculture, manufacturing, street vending, rubbish collection, among others) does labour exploitation take place? Please provide details on the nature and extent of such exploitation, including forced/bonded labour, domestic servitude and child labour, including its worst forms)?

Complaints on labour exploitation received at the Employment Department are mostly from workers employed in small construction companies with license class No. 3 & 4, and the Agricultural sector.

The complaints relate to non-payment of salary or overtime, working long hours, non-issuance of an employment contract, no rest days and working without a valid Gainful Occupation Permit (GOP).

1. What percentage of the workforce is in the informal sector/economy in your country?

As per the Quarterly Labour Force Survey conducted by the National Bureau of Statistics, the Annual 2020 data is as per below:

|  |  |  |  |
| --- | --- | --- | --- |
| **Indicator** | **Male** | **Female** | **Total** |
| **Informal Employment Rate** | 25.3% | 8.8% | 16.9% |
| **Youth Informal Employment Rate** | 27.8% | 11.7% | 19.5% |
| **Informal employment** | 73.3% | 26.7% | 100% |
| **Youth informal employment** | 69% | 31% | 100% |

1. Who is employed in the informal sector in your country? Please provide details with regard to gender, sexual orientation, race, ethnicity, age, nationality, as well as social and/or economic status. Are some categories of workers affected by contemporary forms of slavery more than others? If so, please explain.

Kindly note data on informality is only available by sex, age and economic activity as per below tables *(Source: Quarterly Labour Force Survey, 2020, National Bureau of Statistics).*

**Attached also in excel document**

**Table 1: Informal Sector by Sex**

|  |  |  |  |
| --- | --- | --- | --- |
| **Informal/Formal economy** | **Sex** | | |
| **Male** | **Female** | **Both sexes** |
| **Informal** | 5,477 | 1,357 | **6,835** |
| **Formal** | 18,302 | 23,181 | **41,483** |
| **Household** | 111 | 279 | **390** |
| Total | 23,890 | 24,817 | 48,707 |

**Table 2: Informal sector by age-group**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Informal/ Formal economy** | | | |
| **Age (Aggregate)** | **Informal** | **Formal** | **Household** | **Total** |
| **15-24** | 979 | 4,866 | - | **5,844** |
| **25-54** | 4,862 | 30,207 | 288 | **35,357** |
| **55-64** | 753 | 5,850 | 70 | **6,673** |
| **65+** | 240 | 561 | 32 | **833** |
| **Total** | **6,835** | **41,483** | **390** | **48,707** |

**Table 3: Informal sector by Occupation**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Informal/Formal economy** | | | |
| **Occupation (ISCO-08)** | **Informal** | **Formal** | **Household** | **Total** |
| **1 - Managers** | 293 | 2,950 | 0 | **3,243** |
| **2 - Professionals** | 337 | 5,339 | 0 | **5,676** |
| **3 - Technicians and Associate Professionals** | 221 | 4,702 | 0 | **4,923** |
| **4 - Clerical Support Workers** | 148 | 3,578 | 0 | **3,726** |
| **5 - Services and Sales Workers** | 855 | 11,541 | 54 | **12,450** |
| **6 - Skilled Agricultural, Forestry and Fishery Workers** | 1,066 | 1,338 | 41 | **2,444** |
| **7 - Craft and Related Trades Workers** | 1,422 | 3,745 | 7 | **5,174** |
| **8 - Plant and Machine Operators, and Assemblers** | 619 | 2,588 | 0 | **3,207** |
| **9 - Elementary Occupations** | 1,089 | 5,460 | 287 | **6,836** |
| **0 - Armed Forces Occupations** | 0 | 211 | 0 | **211** |
| **X - Not elsewhere classified** | 785 | 32 | 0 | **817** |
| **TOTAL** | **6,835** | **41,483** | **390** | **48,707** |

**Table 4: Informal sector by industry**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Informal/Formal economy** | | | |
| **Economic activity (ISIC Rev 4)** | **Informal** | **Formal** | **Household** | **Total** |
| **A - Agriculture, forestry and fishing** | 870 | 1,057 | 5 | **1,931** |
| **B - Mining and quarrying** | 0 | 15 | 0 | **15** |
| **C - Manufacturing** | 455 | 2,411 | 0 | **2,866** |
| **D - Electricity, gas, steam and air conditioning supply** | 0 | 783 | 0 | **783** |
| **E - Water supply; sewerage, waste management** | 22 | 378 | 0 | **400** |
| **F - Construction** | 890 | 1,454 | 8 | **2,352** |
| **G - Wholesale and retail trade; repair of motor vehicles and motorcycles** | 855 | 3,931 | 12 | **4,798** |
| **H - Transportation and storage** | 524 | 4,271 | 0 | **4,795** |
| **I - Accommodation and food service activities** | 571 | 3,965 | 0 | **4,536** |
| **J - Information and communication** | 64 | 874 | 0 | **938** |
| **K - Financial and insurance activities** | 26 | 1,437 | 0 | **1,463** |
| **L - Real estate activities** | 15 | 192 | 0 | **207** |
| **M - Professional, scientific and technical activities** | 82 | 943 | 0 | **1,025** |
| **N - Administrative and support service activities** | 731 | 2,879 | 29 | **3,640** |
| **O - Public administration and defence; compulsory social security** | 7 | 7,561 | 0 | **7,568** |
| **P - Education** | 85 | 2,239 | 0 | **2,325** |
| **Q - Human health and social work activities** | 161 | 5,428 | 27 | **5,617** |
| **R - Arts, entertainment and recreation** | 194 | 879 | 0 | **1,073** |
| **S - Other service activities** | 165 | 487 | 5 | **657** |
| **T - Activities of households as employers** | 149 | 145 | 290 | **584** |
| **U - Activities of extraterritorial organization bodies** | 0 | 16 | 0 | **16** |
| **X - Not elsewhere classified** | 968 | 139 | 13 | **1,119** |
| **Total** | **6,835** | **41,483** | **390** | **48,707** |

1. What are the main factors in the informal economy which push workers into these practices (e.g. a lack of employment contract, access to employment benefits and protection, complaints mechanisms, and wider regulation/protection by States)?

A report published in July 2020 by the Department of Economic Planning in partnership with the World Bank entitled “Informality in Seychelles: Evidence from Labour Force and Informal Business Surveys” established that push factors of informal employment in Seychelles include:

* Limited flexibility in formal employment arrangements.
* Informal activities are often a secondary source of livelihood which is meant to supplement formal income
* Workers with lower levels of education are more likely to be informal, and this also applies to informal entrepreneurs.
* Financial inclusion for informal businesses seems to be quite limited, for example no requirement for opening of business bank account for operating in the informal economy
* Businesses reported remaining informal due to tax burden, lack of clarity around registration procedures, and the fees and paperwork involved for registration.

In addition, observations made by the Employment Department on push factors include:

* Flexibility of the informal sector allowing workers to be paid on a daily basis
* Individuals can demand higher payment for certain types of jobs/tasks compared to the formal sector
* Individuals having problem accessing formal employment, due to for example education level, years of work experience or family commitment would opt for work in the informal economy

1. Are contemporary forms of slavery in the informal economy more prevalent in rural or urban areas? Please provide details.

Due to the size of the country, Seychelles makes no distinction between rural and urban areas however as stated above most complaints related to labour exploitation are in regards to non-payment of salary or overtime, working long hours, non-issuance of contract, no rest days and working without a valid Gainful Occupation Permit (GOP).

1. What legislative and other measures are in place to address the informality of employment in your country?

Measures to address informality in the country include:

* Casual work is recognized as a type of employment in the Employment Act, 1995, although there is no requirement to have an employment contract in writing
* The promotion of voluntary contribution to the Seychelles Pension Fund
* Provision of incentive for registration of businesses especially in the fisheries and agricultural sector, incentives include subsidization of fuel cost and animal feed and lower tax burden for companies in their sectors

To note, due to lack of data in regards to drivers on informality in the country, the Department of Employment is planning on undertaking an informality study in Seychelles.

1. What kind of complaint/grievance mechanisms exist for informal workers to address violations of their human rights, including contemporary forms of slavery?

Individuals employed as casual can access the grievance procedure within the Department of Employment. For any related human right violation or slavery, they report to the Police Department or Human Rights Commission.

1. Is the labour inspectorate in your country mandated to inspect the informal sector and to take action in case abuse/labour exploitation is detected?

Yes, especially the aspect of Health and Safety at the workplace. Any presume cases of labour exploitation is referred to the police for further investigation.

1. What kind of financial, legal or other assistance exists for victims/survivors of contemporary forms of slavery in the informal economy?

Seychelles under the Ministry of Internal Affairs currently operates a Trafficking in Persons Secretariat responsible for handling such cases. As such through the Secretariat victims of trafficking are provided with shelter, food provision, legal aid and witness protection. Furthermore, interpreter and ensuring free medical care are provided.

1. What role, if any, do civil society organisations and trade unions play in preventing informal workers from being subjected to contemporary forms of slavery in your country? Please provide examples.

The Unions try their utmost to sensitize the workers on their rights and responsibilities. Trade Unions also provide representation to affected workers during any negotiation and/or legal proceeding.

1. The main characteristics of employment in the informal sector include casualisation of employment, a lack of employment contracts, of benefits like annual/sick leave, as well as of formal regulation and protection by States.

   [↑](#footnote-ref-1)