

3.2.1. Informal employment

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Sources indicated that employment is predominantly informal[965] and with low productivity, and that wage-paying jobs were rare and concentrated for the most educated.[966] According to Nigeria's NBS, in June 2024, about 93 % of employment in the country was informal,[967] meaning that 'a vast majority of the country's workforce is engaged in jobs or businesses that are not formally registered, regulated, or taxed by the government'.[968] Women are more likely than men to be in informal employment (96 % compared to 90 %).[969] Informality rates are higher in rural areas (97.5 %) than in urban areas (90%).[970] With respect to disability in informal employment, 96.4 % of individuals with disabilities who were employed worked in the informal sector, in contrast to 93 % of non-disabled individuals.[971] Informal jobs include activities such as street vending, small-scale farming, artisanship, and other small businesses that operate without formal contracts, protections, or access to social security benefits. Labour market experts interviewed by Nigerian news source Business Day indicated that underemployment and informality obscure the actual extent of joblessness in the country, noting that these factors impact government efforts to broaden the tax base for revenue shortfalls and present challenges related to job security, access to credit, and economic vulnerability.[972]

The Jobberman report indicated that the informal market is largely regulated by 'gatekeepers' such as trade associations and cooperatives, which provide financial, administrative, and political support; oversee market operations; and 'maintain order, safety, and security'. They also act as intermediaries between trade groups and the government at state and local levels. According to the same source, many young people refrain from engaging with 'gatekeepers' due to their resistance to innovation and the perception that they serve as vehicles for extortion through 'membership levies and fees'. The Jobberman report indicated that although these associations are considered 'exploitative, many local traders and service providers are indebted to them due to their credit facilities, training, apprenticeships, and protection support'.[973] Corroborating information could not be found among the sources consulted within the time constraints of this report.

The Jobberman report indicated that survivalist[974] workers and enterprises are the most vulnerable in the informal labour force, suffering from poverty, limited education, and few opportunities; often facing precarious employment with long hours, poor pay, and hazardous conditions. They commonly work in public spaces and include casual labourers, unskilled service providers, recyclers, street vendors, industrial outworkers, hawkers, and waste pickers.[975]

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  The Jobberman report defined ‘informality’ as ‘all economic activities (excluding illicit activities) by workers and economic units that are in law or practice not covered or insufficiently covered by formal institutional arrangements. Conventional views use the term ‘informal sector’ to describe a group of industries and occupations characterised by the absence of, or noncompliance to, regulatory frameworks that make jobs, enterprises and workers visible to the state’. Jobberman, Nigeria’s informal sector: A Pathway to Sustainable Economic Transitions for Young People, 2024, url, p. 22

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  ILO, ILO Brief: Navigating Nigeria’s economic and labour market challenges: Pathways to inclusive growth and structural transformation, November 2024, url, p. 1; Nigeria, NBS, Nigeria Labour Force Survey (NLFS) Report, Q 2024, November 2024, url, p. 2

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  Nigeria, NBS, Nigeria Labour Force Survey (NLFS) Report, Q2 2024, November 2024, url, p. 2. See also: ILO, ILO Brief: Navigating Nigeria’s economic and labour market challenges: Pathways to inclusive growth and structural transformation, November 2024, url, p. 1

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  Business Day, Jobless rate rises on multinationals’ exit, factory closures, 25 September 2024, url

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  Nigeria, NBS, Nigeria Labour Force Survey (NLFS) Report, Q2 2024, November 2024, url, p. 10. See also: ILO, ILO Brief: Navigating Nigeria’s economic and labour market challenges: Pathways to inclusive growth and structural transformation, November 2024, url, p. 1

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  Nigeria, NBS, Nigeria Labour Force Survey (NLFS) Report, Q2 2024, November 2024, url, p. 11. See also: Jobberman, Nigeria’s informal sector: A Pathway to Sustainable Economic Transitions for Young People, 2024, url, p. 45

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  Nigeria, NBS, Nigeria Labour Force Survey (NLFS) Report, Q2 2024, November 2024, url, p. 11

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  Business Day, Widening skills gap keeps millions of Nigerians jobless, 19 March 2025, url

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Jobberman, Nigeria’s informal sector: A Pathway to Sustainable Economic Transitions for Young People, 2024, url, p. 36

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  The Jobberman report defines ’survivalist workers and enterprises’ as ‘the most vulnerable segment of the

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  Jobberman, Nigeria’s informal sector: A Pathway to Sustainable Economic Transitions for Young People, 2024, url, p. 25

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