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**STATISTICAL INFORMATION AND MONITORING PROGRAMME ON CHILD  
LABOUR (SIMPOC)  
INTERNATIONAL PROGRAMME ON THE ELIMINATION OF CHILD LABOUR (IPEC)  
INTERNATIONAL LABOUR OFFICE (ILO)**

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# **In-depth analysis of child labour and education in Panama**

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**Prepared by:**

**Margarita Aquino Comejo  
May 2003**

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## Foreword

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With the International Programme for Elimination of Child Labour, the International Labour Office (ILO) has converted a progressive process for the prevention and elimination of child labour into a universal cause.

Child labour is a globally widespread complex and many-faceted phenomenon. Furthermore, a lack of reliable information and quantitative analysis makes it even more difficult to find effective ways of confronting the problem. For many years, the lack of information on its causes, magnitude, nature and consequences has been a considerable obstacle to the implementation of effective actions to confront, halt and eliminate this phenomenon that affects millions of boys, girls and adolescents throughout the world.

Since 1988, the International Programme for Elimination of Child Labour has administered the Statistical Information and Monitoring Programme on Child Labour (SIMPOC), in order to assist the participating countries to generate cross-country comparable data on child labour. SIMPOC's global objective is to use Household Surveys to generate quantitative data on school activities, and on the children's economic and non-economic activities outside school, in addition to collecting qualitative data and establishing databases containing information on child labour. These data were the basis for different studies prepared in the participating countries.

The collection of reliable data and their analysis provides support for development of effective interventions against childhood labour. With the data gathered in the different countries and the studies drafted based on these data, we hope to facilitate development, implementation, and monitoring of policies and programmes to counter this phenomenon, as well as promoting social attitudes in favour of sustainable prevention and progressive eradication of child labour.

I am certain that the information presented in this study on child labour in Panama will contribute to improve understanding and increase sensitivity towards the situation of working boys, girls and adolescents and will allow better strategies to be drafted to combat this phenomenon.

For each one of the participating countries, the availability of a panorama of ever-greater clarity regarding this phenomenon will undoubtedly lead to a more effective process and a shortened path to achieving a world without child labour.

Guillermo Dema  
Sub-Regional Coordinator  
ILO/IPEC Programme for Central America,  
Panama, Dominican Republic, Haiti and Mexico

## Preface

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This report originated from the need to provide information on the current child labour situation in Panama, and describes in detail the methodological framework used and the findings from the data analysed. Special reference is made to the magnitude, nature, and working conditions, as well as causes and consequences on children's health, education, and physical development.

This report is the result from an agreement subscribed between the International Labour Organization (ILO), within the action plan of the International Programme on the Elimination of Child Labour (IPEC), and the General Audit Office of the Republic (Contraloría General de la República), which is in charge of regulating and directing national statistics. The Ministry of Labour and Labour Development collaborated on this endeavour.

IPEC has the objective of working for the prevention and gradual eradication of child labour, emphasising the prompt elimination of the worst forms of child labour. These include, among others, forced labour, debt bondage, commercial sexual exploitation, child trafficking, use of children in armed conflicts, and work that due to its nature or the conditions in which it is carried out endangers children's physical, mental, and/or moral wellbeing.

In order to accomplish this objective, IPEC provides technical and financial assistance to countries in the creation of national strategies involving different social actors, and in sensitisation and awareness-raising efforts regarding the causes and consequences of child labour. It also provides direct attention to working children through action programs aimed at the prevention, rehabilitation, and removal of children from labour.

The analysis presented herein has been possible as a result of carrying out the Child Labour Survey in 2000 and the collection of qualitative information about this issue. This information provides a larger and better understanding of the subject, as well as insights for the formulation of policies and programmes aimed at fighting child labour.

The phases that preceded the preparation of this document were developed with the technical assistance of ILO/IPEC's Statistical Information and Monitoring Programme on Child Labour (SIMPOC), and the funding of the Department of Labor of the United States of America.

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# CHAPTER I

## INTRODUCTION

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Today, it is undeniable that there is a close and reciprocal link between education and labour insertion. The increased commercial and financial openness to more competitive and less regulated markets with heterogeneous and changing demands, and an increasing integration of technology to make production more efficient and diversified, have become even more dynamic in the current context of international and national economic transformations.

Without better trained human resources to face the requirements of this production restructuring, this process shall not have a successful outcome. Within this context, the higher the degree of qualifications of the labour force, the greater its opportunities of engaging in higher quality occupations that provide greater benefits.

This means that education is a crucial element in the country's economic, social, and political development. The investment in more and better education as well as greater access to education in a framework of equality sets solid bases to open up the opportunities for a better living standard for the whole population in a society governed under equality, justice, and social inclusion.

In this context, thinking of the social community, several questions arise: How should the relation between children's participation in the work force and education be interpreted? What are the present and future life-long opportunities posed to them by entering the labour force at an early age? Does their presence in the labour market respond to the interests of a democratic and fair society that pursues the achievement of real human sustainable development?

The issue of child labour is not a new phenomenon. Until recent decades, it was mainly seen as a natural phenomenon associated to the ancestral cultural formation and the needs of families.

The International Labour Office (ILO), since its foundation, has actively sought to abolish child labour and to regulate it properly in order not to violate children's rights. In this huge task, the ILO has joined efforts with other international organizations with different mandates, that have contributed to visualising the problem and addressing it with a comprehensive approach at international and national levels. Among these efforts, the international summits and conventions that emerged in the nineties as an initiative of the United Nations may be emphasised.

The Republic of Panama, in addition to the commitment assumed by the State insofar as the Universal Declaration of Human Rights, has adopted the Convention on the Eradication of All Forms of Discrimination against Women (Law No. 4 of January 29, 1999), Convention No. 138 on the Minimum Age for Admission to Employment (Law 17 of June 15, 2000), and Convention No. 182 on the Worst Forms of Child Labour and Immediate Action for their Elimination (Law 18 of June 15, 2000). The last two conventions were adopted by the General Conference of the International Labour Organization.

In the country, the legal and regulatory framework dealing with child labour is comprised by the Political Constitution, the Labour Code, and the Family Code.

The national institution that is most directly involved in dealing with this problem is the Ministry of Labour and Labour Development (MITRADEL), which coordinates the Committee for the Eradication of Child Labour and Protection of Working Children, comprised by seventeen

governmental, business, labour, and civil society entities. ILO participates in this Committee as advisor together with other international organisms. It is worth mentioning that the creation in 1997 of the Ministry of the Youth, Women, Children, and Family (MINJUMNFA) conferred special importance to the differentiated care of population in vulnerable situation, of which children and adolescents that participate in the labour market are part. Other participating institutions are the Office of the Attorney General, the Ministry of the Presidency, the Ministry of Education, the Ministry of Health, and the Ministry of Economy and Finances. Among the decentralised entities are the Institute for the Formation and Development of Human Resources (IFARHU), the Panamanian Institute of Special Habilitation (IPHE), and the National Institute of Professional Formation (INAFORP).

At the level of social policies and plans that in one way or another deal with actions related to the prevention and care of child labour problems it is worth mentioning the Social Agenda, the Social Development Policy and Strategy, the Educational Agenda, the Health Policy, and the Panama-UNICEF Operations Master Plan for the 2002-2006 period, among others.

In addition, in the country, children have the possibility of joining the regular educational system. According to the Basic Law of Education in force, general basic education is universal, free, and compulsory for 11 years up to the age of 14, while middle school is free and diversified and encompasses the ages of 15 to 17. Social public expense in education in the country is characterised by being high; in the year 2000, it represented close to 29% of the total social public expenses. In addition, the contribution of the gross domestic product (GDP) to this sector was 5.7%<sup>1/</sup>. For this same year, the cost per student in preschool and elementary education was estimated in B/.382.77 and in B/.595.62<sup>2/</sup> in middle school<sup>3/</sup>.

Among the major programs executed in the country by different governmental institutions—mainly by the Ministry of Education—to expand educational coverage, enhance its quality, and improve the development and permanence in school, we can mention the following: Basic Education; Middle Education; Educational Development; Construction, Rehabilitation, and Maintenance of Academic and Student Centres; School Procurement; Mother to Mother; Initial Education Family and Community Centres (CEFACEI); School Nutrition; Special Education; Scholarships and School Subsidies; Care and Training Centres for Indigenous and Peasant Children; and Labour Training in Fixed Centres, Companies, and Mobile Actions<sup>4/</sup>.

Several civil society organizations carry out actions in favor of the protection and care of Panamanian children. Among the organizations that focus their attention on prevention, protection, and rehabilitation actions in favor of working children, mainly those found on the streets, special attention should be given to Casa Esperanza with its active and direct comprehensive model and emphasis on education. Other institutions include the Panamanian Red Cross, Fundación Pro Niños del Darién, Comité Ecuménico Fe y Alegría, Patronato de la Ciudad del Niño, Fundación Profamilia, and Asociación de Servicio de Pazy Justicia.

The investment in education is manifested in the favorable indicators presented by the country. It is worth mentioning that in the 1999-2000 period, in the elementary level, the gross enrollment

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<sup>1</sup> / According to figures of the Directorates of the Nation's Budget and Social Policies of the Ministry of Economy and Finance.

<sup>2</sup> / The balboa (B/.) is equivalent to the dollar of the United States of America

<sup>3</sup> / General Audit Office of the Republic, Statistics and Census Bureau, "Panama en Figures years 1997-2001", Panama, November 2002.

<sup>4</sup> / Ministry of Economy and Finance (MEF), Directorate of Social Policies (DPS), "Social Development Policies and Strategies 2000-2004. Report on the Execution of the Operational Plan for the year 2000," Panama, August 2001.

rate was 109.5% and the net schooling rate<sup>5/</sup> was 97.7%. *“These indicators in particular indicate that the country is close to having education be universal, which allows the system to be more focused on the groups that have not yet been cared for and to improve the performance and quality of education”*<sup>6/</sup>.

In this context, we should ask: Why are there children who do not go to school and enter the labour market? Why are there boys and girls with low school achievement? Why are there children who lag in school? Why are there children who drop out of the school system?

According to the Living Conditions Survey of 1997, 37.3% of the country's population is poor and 18.8% live in extreme poverty<sup>7/</sup>. The ratio of people living in poverty corresponds to 15.3% in the urban areas, 58.7% in non-indigenous rural areas, and 95.4% in indigenous areas. This means that 50.4% of the population between the ages of 5 and 9 and 45.8% of those between 10 and 14 are poor. The degree of inequality or concentration in the consumption or income distribution in the population, measured by the Gini coefficient<sup>8/</sup>, is also of concern in the country: 0.49 for consumption and 0.60 for income.

This is due in part to the questions posed expressing inequality, disparity, and social exclusion. It also helps to understand—but not to justify—that there are still groups of citizens that perceive child labour only as a solution to poverty and not as a problem that directly affects the educational formation of working children.

Child labour in Panama is a reality. Its magnitude, whether large or small, does not justify its existence. Measuring the problem only in quantitative terms simply contributes to making it invisible and taking the importance away from its qualitative dimensions that are even more relevant. Behind the “cold” numbers that indicate “high or low” lie those qualitative dimensions of human life. We have to make sense out of the numbers and see the reality that maybe, out of convenience, we do not want to see and which legitimises it implicitly and silently. Child labour is a problem and not a solution to poverty.

*“Of great concern, for some; a simple manifestation of an ancestral practice or struggle for survival, for others; child labour has acquired importance in the region, under circumstances that persist or even increase adults' unemployment and underemployment. However, it has only been recently that it has become a research and national policy issue; and not always is there awareness of its implications (which, from our point of view, are very negative) for the child engaged in it, his/her relatives, and society as a whole.”*<sup>9/</sup>.

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<sup>5/</sup> The Gross Enrollment (or Schooling) Rate is the total number of students enrolled in elementary school—regardless of their age—expressed as a percentage of the population officially in elementary school in a specific year. The Net Enrollment (or Schooling) Rate is the registration in elementary school of the group that officially has the age to attend elementary school, expressed as a percentage of the corresponding population. Taken from “Education for All: Evaluation in 2000, Technical Guidelines,” International Consultative Forum on Education for All comprised by UNESCO, UNFPA, UNDP, UNICEF, and the World Bank.

<sup>6/</sup> Ministry of Education, National Directorate of Educational Planning, “Educational Statistics 2000,” Panama, 2000.

<sup>7/</sup> MEF, DPS. “Profile and Characteristics of the Poor in Panama,” Living Conditions Survey 1997, Panama, March 1999.

<sup>8/</sup> The Gini coefficient is one of the best known statistical measures of inequality in the distribution of any resource (income, land, wealth, etc.) which implies that different individuals (households, social groups, etc.) have different amount of that resource. The value of this coefficient varies from 0 (equal distribution) to 1 (unequal distribution); that is, the closer it gets to 1, the higher the inequality.

<sup>9/</sup> International Labor Organization (ILO). “Child Labor Situation in Latin America,” ILO, Lima, May 1997.

In order to learn about child labour objectively, its magnitude, characteristics, causes and consequences, in particular, its compatibility with education, it is necessary to have accurate and detailed statistical information to qualify and make this social problem visible. The information and its subsequent analysis allows for the design, implementation, and evaluation of policies, programmes, and actions using criteria related to priority, relevance, equity, effectiveness, and efficiency.

ILO, interested in complying with its mandate to fight against child labour, created the International Programme on the Elimination of Child Labour (IPEC) that advises and supports national initiatives to deal with this problem. In order to improve the knowledge about the problem and strengthen national capacities, IPEC has helped different entities in the country to compile the relevant information through the Statistical Information and Monitoring Programme on Child Labour (SIMPOC). The most complete information source that it has supported is the Child Labour Survey, that provides reliable data which, as a whole and individually, are valuable to formulate programmes that progressively eradicate child labour, by incorporating prevention, rescue, rehabilitation, and protection activities as well as by determining priority actions regarding their right to education.

The Child Labour Survey carried out in October 2000 by the General Audit Office of the Republic, through the Directorate of Statistics and Census<sup>10/</sup> fills the void of the fragmented and partial information that existed before<sup>11/</sup>. Contrary to former surveys, for the first time, the study included labour among children under 10 years old<sup>12/</sup>.

The availability of this statistical wealth undoubtedly allows for the translation and implementation in concrete actions of the public commitment to eliminate child labour. This may be done under the understanding, as stated by Amartya Sen that: *"... the quality of childhood is important not only because of what happens during childhood but also because of the child's future life"* and that *"since we not only value living well and satisfactorily, but we also appreciate having control over our own lives, the quality of life has to be judged not just by the way in which we end up living, but also by the opportunities we have."*<sup>13/</sup>

With its micro-social characterisation, we expect to establish that household poverty is a cause of child labour, but not the only one. The lacks of these families have multiple causes that are very complex and involve more than the economic, occupational, educational, cultural, and intergenerational aspects. Child labour is caused by a combination of causes and relations turning it into a serious consequence which, like a spiral, also has its own effects. Some of these effects are the loss of academic achievement and the reproduction of poverty. Under this perspective, child labour has an impact on society's development as a whole.

In this sense, this report aims at analysing the information derived from the survey making emphasis on the causality relations of child labour and educational opportunities.

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<sup>10/</sup> / According to the Constitution, the General Audit Office has the power to "direct and create the national statistics," which it does through the Directorate of Statistics and Census as a coordinating entity of the whole national statistical system.

<sup>11/</sup> / It is worth mentioning that in the country there is information about child laborers on studies undertaken by the governmental, academic, and non-governmental entities; yet, this information is related to specific issues and has different coverage levels.

<sup>12/</sup> / It is necessary to clarify that since the sample framework of the survey included households with children between 5 and 17 years old, it did not include information about street children who are engaged in hazardous, illicit, and abusive occupations that endanger their dignity and safety.

<sup>13/</sup> / Amartya Sen. "Investing in Childhood: Its Role in Development," retrieved from <http://www.eumed.net>.

Within this framework, it is convenient to point out at least three methodological referents that guide the analysis. First, the focus is on the household conditions in which working children live. The interest is centered on the participation of children that were actually working at the time of the survey, their main occupations, and their working conditions, the remuneration received, and especially, the possibilities of reconciling work and study, its effects, and the influence of their homes in their achievements or educational losses. A second aspect is to position the complex frame of factors that influence on the work-school relation based on comparisons between employed and unemployed children and adolescents and between different socio-economic groups according to the presence or absence of working children in the households. This allowed analysing empirical relations on these issues. The third referent is that the totality of the information is segregated spatially into nine provinces and the indigenous areas and into urban and rural areas. However, in making comparisons by areas and taking into account the ethnic particularities, the indigenous areas are presented separately even when the information related to them is included in the rural areas division as well.

The five chapters that comprise this report share a common thematic structure. This introduction contextualizes the overall importance of analysing the child labour situation from the perspective of its relation with other factors that influence on its link with labour. The second chapter explains who the child workers are, their number, their location, and their most common occupations. The third chapter identifies the demographic, labour, economic, and educational characteristics of their households, comparing their situation with homes in which there are no working children. The fourth chapter, which is the backbone of the report, analyses their educational characteristics and the differences among working children depending on whether or not they are attending school; it compares indicators such as school lag; observes the educational gain obtained at home relating it to their economic support and the income other household members receive. This chapter has the purpose of knowing the relationship between schooling and opportunities, and determining if they reproduce the educational deficit of their homes; it also compares them with homes without working children in order to determine differences regarding social exclusion and inequality. Finally, the fifth chapter includes some final remarks related to the information analysed that could be used for reflecting on the approach to the child labour problem and the creation of socially inclusive policies.

## CHAPTER II

# CHILDREN'S WORK SITUATION

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The Child Labour Survey (CLS) registered 755,032 persons between 5 and 17 years old, more than half of whom are men. This group represents 37.8% of the total population in the households with children in that age group. Of the totality of the population, these children comprise 36.5% in urban areas, 39.8% in rural areas, and 40.6% in indigenous areas. By province, the number of boys and girls between 5 and 17 years old is higher in Panama and Chiriquí and lower in Darién, Los Santos, and Bocas del Toro. By age group, in order, 39.9% are between 5 and 9, 39.3% are between 10 and 14, and 20.8% are between 15 and 17.

In the analysis of work activities, this population group between 5 and 17 years old is the group that is potentially exposed to engaging partially or totally in economic activities in detriment of the educational, social, and recreational opportunities that provide them with the appropriate socialisation and enjoyment of their rights. By activity status, the group includes 57,524 boys and girls either working or searching employment (47,976 working and 9,548 looking for work; the latter are divided into 5,824 laid off and 3,724 aspirants) and of 697,508 economically inactive children.

### II.1 CHILD LABOUR FORCE

The economically active population over 5 years of age and older<sup>14/</sup> included in the survey amount to 729,299 people, with a specific activity rate<sup>15/</sup> of 41.2%, that increases to 66.2% for the labour force of 18 and older. The child labour force with an activity rate of 7.6% represents 7.9% of the totality of the labour force. The quantitative dimensions of the child labour force participation are relatively low. To interpret them correctly, the criteria used should be different from those applied to the adult population since the quantified information also depends on the qualitative dimensions of human life. Its only presence in the labour supply reflects the pressures, usually economic, that force them to enter the labour force early. This is a population that because of its age and the exercise of its rights should be fully devoted to educational activities as a means to develop its capabilities and relations to society, and not through an economic activity that attempts against its physical, mental, cognitive, and social integrity.

The participation of children in the labour force tends to increase as they get older, that is, in descending order they are distributed as follows: 62.9% of them are 15 to 17 years old, 32.3% are 10 to 14 years old, and 4.8% 5 to 9 years old. Their activity rate also increases with age; the rate for the adolescents is almost 4 times than that of the 10 to 14 age group, and between the latter and the group between 5 and 9 years old it is 7 times larger (see Table II.1). Men participate more than women, and their activity rate is higher. This applies to all age groups analysed.

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<sup>14/</sup> Traditionally, the Directorate of Statistics and Census (DEC) of the General Audit Office of the Republic (CGR) defines the economically active population starting at 15 years old and older. For the purposes of the analysis of the population under study, it includes also the population between 5 and 14 researched in the survey.

<sup>15/</sup> The participation or activity rate that is used refers to the specific rate; that is, the ratio of the economically active population as compared with the totality of the population by age group or sex it deals with.

**Table II.1**  
**Panama. Child labour force, by sex and age group, by area and province (in %)**

Area and province	Participation rate by sex (for each 100 persons)			Participation rate by age group (years)		
	Total	Men	Women	Children		Adolescents
				5-9	10-14	15-17
Total	7.6	11.1	3.9	0.9	6.3	23.0
Urban	4.9	6.4	3.4	0.2	3.1	16.0
Rural	11.1	17.0	4.7	1.7	10.3	34.2
Indigenous	14.3	19.9	8.9	3.2	15.5	41.4
Bocasdel Toro	7.9	12.0	3.7	3.4	8.9	16.2
Coclé	9.2	14.4	2.9	0.2	5.7	32.6
Colón	4.8	8.2	1.3	0.1	2.6	17.3
Chiriquí	6.2	9.3	2.8	0.1	5.4	19.6
Darién	9.5	15.9	2.9	0.8	8.2	38.3
Herrera	7.6	12.6	2.1	0.9	7.3	20.6
Los Santos	8.6	13.9	3.4	0.1	7.5	25.4
Panama	5.6	7.5	3.6	0.3	3.5	18.9
Veraguas	13.4	19.4	6.4	3.5	14.1	31.0

Source: CLS, 2000.

By area and province, girls between 5 and 9 years old do not participate in the labour market, and if they do, their participation is significantly lower than for boys, which is explained by their higher ratio in the economically inactive group and slightly higher ratio of school attendance. It is important to remember that they participate actively in domestic chores at home so that adults may go to work; this could prevent them from attending school.

When the distribution by area of the child labour force and the labour force of all those over 5 years old are compared, it is noticed that the former is mainly rural, whereas the latter is mainly urban. This contrast may mean that, in addition to cultural and economic factors, in rural areas children are also pressured to enter the labour market in order to substitute those wage earners older than 18 who migrate to urban areas to join the labour force in that area. Consequently, children's participation rate in rural areas reaches two-digit figures. Regarding the population in indigenous areas, the totality is considered rural; therefore, its labour force is also rural and presents the highest activity rate by area.

Of every hundred boys and girls who comprise the child labour force, 26 participants are between 5 and 13 years old and 37 are between 5 and 14 years old. This means that the minimum legal age to enter the labour market is not complied with and that there is leniency regarding their entry into the labour market under certain conditions.

The analysis of its structure sheds a profile of those who participate in the labour market. First, their presence in the labour supply where they compete with adults under disadvantageous circumstances shows the precarious socioeconomic situation and cultural habits of their households, their lower access to full-time school attendance due to household-related and system-related reasons, as well as the not very effective application, on the one hand, of the several international conventions ratified by the country which confers them a right to get an education and to be protected against economic exploitation, and on the other, of the national legal instruments that limit their incorporation to the labour market. Second, boys enter the labour market more often, as it happens with the labour force of 5 years of age or more in general. This indicates that according to their sex, they reproduce the same labour insertion dynamics as the overall population. Third, it seems that the socioeconomic situation of rural households (including indigenous people) exerts a higher pressure on children to enter the labour market.

The survey registered 9,548 children who did not work but were searching for work, most of whom are men. However, it is among women where the highest job-seeking rate is to be found. By area, the highest rate is in the urban area. By age group, adolescents have the highest rate which generates social risks due to the greater chance for them to enter or re-enter the labour force by devoting themselves to dangerous, illicit, abusive, or detrimental occupations that attempt against their dignity, freedom, safety, physical and mental health, and overall wellbeing. These activities include commercial sexual exploitation, drug trafficking, and theft, among other harmful activities.

## II.2 EMPLOYED CHILD LABOUR FORCE

At the time of the survey a total of 47,976 boys and girls were working. Most of them were male - distribution that stays the same by areas and provinces. Most of them are found in rural areas. In all areas, the distribution by sex is very similar. Eight out of every ten children in the labour force are working. In rural and indigenous areas and in the provinces of Darién, Los Santos, Veraguas, and Bocas del Toro the employment rates surpass 90% (see Table II.2). The 5 to 9 and 10 to 14 age groups have higher rates than the average, while the 15 to 17 age group, despite comprising almost 60% of the employed children, has a lower rate. However, the fact that more than three quarters are employed implies that if they do not study or have dropped out, it would be difficult for them to enter the educational system.

Three of every ten working children are under 14 years of age. Most are boys (84.4%) and are mostly found in rural areas (78.1%). Their employment rate is high (95%), situation that verifies the lack of compliance with ILO conventions ratified regarding the minimum age to enter the labour market and the legal regulations that authorise labour as of 14 years of age under special conditions. The high employment rates in the 5 to 9 age group interferes, among other aspects, with these children's cognitive, psychological, and physical development as these are ages in which playing and learning from the environment are an integral part of their formation. It also interferes with their school attendance which has to be constant, with the timely entrance to the educational system and good performance, and with their possibilities to reach a basic educational level with a lower age lag. The lacks in the educational system regarding the preschool supply and infrastructure in hard-to-reach places promote their participation in the labour market.

**Table II.2**  
**Panama. Employment rate of children, by sex and age group, by area and province (in %)**

Area and province	Employment rate by sex			Employment rate by sex and age group (years)					
	Total	Men	Women	Men			Women		
				5-9	10-14	15-17	5-9	10-14	15-17
Total	83.4	85.6	76.8	98.4	91.0	81.2	100.0	88.4	72.4
Urban	70.7	71.8	68.5	100.0	78.9	67.9	100.0	90.0	62.8
Rural	90.8	92.3	85.1	98.1	95.1	89.5	100.0	87.2	83.4
Indigenous	94.9	94.7	95.4	100.0	95.6	91.7	100.0	90.1	96.8
Bocas del Toro	90.9	91.4	89.2	100.0	94.6	83.6	100.0	94.0	79.2
Coclé	87.8	90.8	70.1	100.0	93.0	89.9	...	100.0	59.4
Colón	75.3	73.8	84.6	...	85.0	70.3	100.0	100.0	81.8
Chiriquí	75.7	79.3	62.6	100.0	83.2	76.4	...	100.0	53.1
Darién	96.0	98.4	82.6	100.0	95.3	99.7	...	65.0	100.0
Herrera	87.2	87.5	85.6	86.0	90.8	85.3	...	86.8	84.9
Los Santos	93.4	97.1	78.0	100.0	97.6	96.8	...	77.6	78.3
Panama	73.2	75.5	68.1	100.0	83.1	71.6	100.0	85.9	64.7
Veraguas	91.6	95.4	78.3	96.2	98.8	92.0	100.0	85.1	70.7

... No cases are recorded.

Source: CLS, 2000.

More than half started working between the ages of 10 and 14, which is the range that prevails in the different areas and provinces. The beginning of the working life at younger ages (4 to 9) is high in indigenous areas and in the provinces of Bocas del Toro and Veraguas. The earlier they enter the labour market, the higher are their possibilities of not entering the educational system, entering late, failing and repeating, and dropping out permanently, and higher are the accumulated risks to their health.

## II.2.1 Occupations

Among the most common occupations in which children engage are agricultural activities, which encompass more than half of working children. This goes together with the higher number of working children in rural areas and their higher employment rate, which is even higher among men. The second place is occupied by peddling and domestic work, where most participants are girls. In third place are service jobs and store and market vendors, which are more common among girls. It is worth mentioning that girls are occupied in activities that require higher qualifications. In general, it is estimated that working children follow a labour-insertion model similar to that of those people over 18 who are employed. Nevertheless, in the latter group, occupations vary more and are of a better quality, given the diversity of ages and studies.

### II.2.1.1 Occupations according to the level of wellbeing they provide

The Economic Commission for Latin America and the Caribbean (ECLAC) classified occupations into three groups according to the different levels of wellbeing they provide, taking into account variables related to occupation, education, and average monthly income<sup>16</sup>. To facilitate drawing inferences in relation to the wellbeing that the occupations may offer, only the classification to present the occupational structure has been adopted without relating to different variables (see Box II.1).

#### Box II.1. Classification of occupations and levels of wellbeing

ECLAC, based on an analysis of 6 countries (Brazil, Colombia, Costa Rica, Honduras, Chile, and Uruguay), classified eight occupation into three groups:

Group I. Occupations that provide sufficient wellbeing: professionals and technicians, directive posts. Schooling of 12 or more years and average monthly income between 5 and 12 poverty lines.

Group II. Occupations that provide intermediate wellbeing: administrative and accounting posts, vendors, and clerks. Schooling of 9 to 11 years (some cases of 12 years or more of schooling) and average monthly income of 3 to 4 poverty lines.

Group III. Occupations that offer insufficient wellbeing: industrial, transportation, and storing workers; construction workers; domestic workers; waiters, and watchmen; agricultural workers. Schooling of 8 or less years and average monthly income between 2 and 3 poverty lines.

For purposes of this analysis, the occupation classification was adapted as shown next:

Group I. Occupations that provide sufficient wellbeing: members of the executive and

<sup>16</sup> / Economic Commission for Latin America and the Caribbean (ECLAC). "Social Panorama of Latin America 1997", Santiago de Chile, 1997.

legislative powers; directors of public administration entities, private organizations, and social interest organizations; professionals, scientists, and other intellectuals.

Group II. Occupations that provide intermediate wellbeing: middle-skilled technicians and professionals; office clerks; service workers; and store and market vendors.

Group III. Occupations that offer insufficient wellbeing: labourers; artisans; assemblers; machine operators and drivers; agricultural, forestry, fishing, and hunting workers; peddlers, domestic workers, and others not included in the other groups. Labourers include mine, construction, industrial, and manufacturing workers; mechanics and related occupations; and fixed and machine operators, assemblers, drivers, and mobile machine operators.

Source: ECLAC, Social Panorama of Latin America 1997; CGR-DEC, Results of the Child Labour Survey according to the national occupation classification.

An analysis of the occupational structure by wellbeing levels shows the following (see Table II.3):

- First, the average schooling years achieved is low, as they have not yet completed the educational cycle due to their ages.
- Second, there is a larger concentration in occupations that provide insufficient wellbeing and a lower in occupations of the intermediate level. This is also true for the distribution by sex and age group.
- Third, the relative importance of the occupations that provide intermediate wellbeing among girls more than doubles that for boys, which may be associated with the difference by sex and the years of schooling achieved, which favours women.
- Fourth, as the children get older, the relative weight of occupations of intermediate wellbeing, increases as they require a higher educational level, training, and experience. However, there is a clear exception in the case of girls in intermediate wellbeing occupations, since the progress is interrupted in the 10 to 14 age group and that of 15 to 17 as a result of female adolescents' participation in occupations of insufficient wellbeing, mainly as "peddlers, domestic workers, and others."
- And, fifth, in the urban area, occupations of intermediate wellbeing are more important, while in the rural area the occupation of insufficient wellbeing are more common, which evidences a more flexible occupational mobility.

Regarding the working population of 18 years and more, which also includes the employed members in households where working children live, it is worth noticing that the highest incidence is in insufficient wellbeing occupations. There is larger occupational mobility in urban areas, and there is a clear differentiation by sex in favour of women participating in intermediate wellbeing occupations while men's number is larger in insufficient wellbeing occupations.

A comparison between working children and the working population that is 18 or older according to this occupational structure related to the wellbeing, indicates that children and adolescents who work follow a pattern similar to that of the adult population. Based on this observation, we wonder if in the future they would reach higher educational levels that might allow them to have better occupational mobility and wellbeing. Thus, education seems to be a determinant to have better opportunities that result in wellbeing and quality of life with equality.

**Table II.3.**  
**Panama. Distribution of the working children and of working population 18 and older, by occupation group associated to wellbeing level, by area, province and sex**

Area, province and sex	Working children			Working population 18 and older		
	Level of wellbeing provided by occupation			Level of wellbeing provided by occupation		
	Sufficient	Intermediate	Insufficient	Sufficient	Intermediate	Insufficient
Total	0.1	17.4	82.5	9.4	29.4	61.2
Men	0.1	12.8	87.1	6.5	21.8	71.7
Women	0.1	32.7	67.2	14.8	44.5	40.7
Urban	0.1	34.1	65.8	12.7	38.0	49.3
Men	0.1	25.2	74.7	9.6	30.1	60.3
Women	0.1	52.3	47.6	17.2	49.7	33.1
Rural	0.1	9.8	90.1	3.6	14.7	81.7
Men	0.1	8.2	91.7	2.3	10.5	87.2
Women	...	17.1	82.9	7.7	28.8	63.5
Indigenous	...	6.9	93.1	2.3	8.3	89.4
Men	...	5.6	94.4	2.9	5.5	91.6
Women	...	9.7	90.3	0.7	16.2	83.1
Bocasdel Toro	0.7	13.3	86.0	8.4	19.1	72.5
Men	0.9	11.3	87.8	5.0	12.0	83.0
Women	...	20.3	79.7	18.1	39.8	42.1
Coclé	...	16.5	83.5	5.6	20.2	74.2
Men	...	13.7	86.3	2.9	14.6	82.5
Women	...	37.8	62.2	12.8	34.5	52.7
Colón	...	23.5	76.5	6.4	36.0	57.6
Men	...	16.1	83.9	3.2	27.5	69.3
Women	...	63.8	36.2	12.5	52.4	35.1
Chiriquí	...	16.1	83.9	10.2	24.8	65.0
Men	...	14.0	86.0	6.8	17.8	75.4
Women	...	26.0	74.0	17.4	40.3	42.3
Darién	...	8.0	92.0	4.2	15.0	80.8
Men	...	3.4	96.6	2.8	10.1	87.1
Women	...	39.1	60.9	8.5	29.6	61.9
Herrera	...	8.4	91.6	8.9	23.7	67.4
Men	...	6.2	93.8	6.2	14.6	79.2
Women	...	25.0	75.0	16.0	47.4	36.6
Los Santos	1.9	6.3	91.8	8.6	21.0	70.4
Men	1.8	6.0	92.2	5.8	13.3	80.9
Women	2.4	7.3	90.3	16.0	41.1	42.9
Panama	...	32.5	67.5	11.4	37.5	51.1
Men	...	22.6	77.4	8.6	29.6	61.8
Women	...	56.7	43.3	16.1	50.1	33.8
Veraguas	...	9.6	90.4	8.8	18.5	72.7
Men	...	7.6	92.4	5.8	12.6	81.6
Women	...	18.3	81.7	15.6	32.1	52.3

... No cases were recorded.

Source: CLS, 2000.

### II.2.1.2 Occupational structure by industry and status in employment

The occupational structure by industry corroborates that working boys and girls are mainly engaged in agriculture and in the rural areas. Commerce has more relevance in urban areas and more girls engaged in it. Community and personal activities have more importance in the urban areas. This distribution evidences the labour insertion in activities that require less education and that provide a lower income (see Table II.4).

**Table II.4.**  
**Panama. Percent distribution of working children in the main industries and status in employment, by area and sex**

Area and sex	Industry			Status in employment			
	Agriculture	Trade	Community and personal activities	Domestic workers	Private sector employees	Self-employed or own account	Family worker
Total	51.4	14.7	10.5	6.1	24.6	24.6	44.0
Men	58.2	13.6	10.9	1.0	26.5	27.2	45.0
Women	28.8	18.3	9.3	23.2	18.4	16.2	40.6
Urban	3.5	32.5	23.7	12.7	35.0	40.0	10.5
Men	5.0	34.7	28.5	2.5	37.9	51.7	7.1
Women	0.2	27.9	13.9	33.5	29.2	16.0	17.5
Rural	73.2	6.6	4.5	3.2	19.9	17.6	59.1
Men	78.1	5.7	4.2	0.5	22.2	17.9	59.2
Women	51.7	10.6	5.6	14.9	9.7	16.4	59.0
Indigenous	83.1	3.8	1.6	0.8	5.4	15.4	78.5
Men	92.1	2.2	1.1	...	3.4	14.6	82.0
Women	63.5	7.3	2.5	2.4	9.7	17.1	70.8

... No cases were registered.

Source: CLS, 2000.

The occupational structure according to status in employment shows the quality of employment or work. Most working children are family workers in rural areas, following tradition and cultural patterns. In this sense, what is reproachable deals with the working conditions and the possibilities of studying (lag, unattendance or dropping out, physical risks, appropriation of their income, among others).

Self-employed or own account workers are more common in urban areas. The adolescent group, especially males, predominates. The 5 to 9 age group is almost entirely found in urban areas. However, in the other areas there is also a significant incidence. As a result this creates the opportunity to take focused measures since these age groups should be actively inserted into the formal educational system, but the fact that they work, in addition to the precarious conditions and subsistence, imply additional risks related to their streets jobs.

It is important to mention that three out of every ten children enter the labour market as "employees", mainly in the private sector. These job positions may be considered of better quality, as they are part of the formal sector of the economy. In this category, adolescents take a larger toll. The reasons for their being relatively more numerous in this group than in others are influenced by chronologic reasons, related to higher educational levels, and legal conditions that under certain conditions allow them to work in the formal sector. There are no children ages 5 to 9 reported in this group.

It should be considered that employment in the private sector does not offer full stability and that the deep transformation dictated by competitiveness and globalisation will demand more qualified human resources who master the most modern technologies. Given that the employed population 5 years old and more is larger in the private sector, the factors of competition, stability, and experience, among others, will have an impact on their permanence or access to this sector. This makes us believe that the labour relation that working boys and girls have in the formal sector is weak.

In sum, it may be stated that more than half of the children employed in informal or semiformal activities are self employed, family workers, or domestic workers characterised by precarious and unstable job conditions. This becomes even more serious if they have dropped out of school and have developed the routine of working instead of studying due to their early insertion in the labour force. An informal occupational insertion that relegates education has serious consequences: it does not provide them with the benefits and advantages of the formal sector, such as access to social security, union or guild support, health care, vacations, conventional shifts, access to labour training to develop and increase their skills, talents, and capabilities for a better occupational mobility, among others.

At these ages, schooling is insufficient to opt for better-paid jobs of better quality and with better conditions, depending on their experience and maturity. Having taken this into account, it may be seen as an unavoidable circle of which it is difficult to escape, take more constructive roads for their optimal development as human beings, without discrimination, exclusion, and exploitation, and to have access to their right to receive an education.

The analysis of their occupations allowed us to identify the main workplaces: farms or agricultural sites and related places, the street, private companies, and private homes. As mentioned in a report issued by the ILO: *"... most of the negative social effects of child labour come from the specific working conditions that are adverse for their safety and development. Therefore, it is everyday more common to believe that the efforts made at the national and international levels need to focus much more on the forms of child labour that are truly abusive and hazardous that should receive more attention and should become a priority. Maybe the most significant social argument against child labour is to notice that its effects are highly discriminatory and worsen the disadvantageous situation of the persons and groups that are already socially marginalised and benefiting, in turn, those who are already privileged. Thus, child labour opposes democracy and social justice."*<sup>17/</sup>.

In sum, the most recurrent occupations and workplaces are precisely considered highly dangerous for children's safety and health due to their physical, social, and psychological risks. The panorama is characterised by a lack of protection (even in health care), abuse, and exploitation of different sorts, physical deformities, accidents, ill treatment, and psychic distortions, especially when their jobs take them away from their families, such as in the case of domestic works, risks that they face on an everyday basis, with their foreseeable and unexpected consequences, that could last throughout their lives.

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<sup>17/</sup> ILO. "Child Labor: ¿What to do?" ILO, Geneva, June 1996.

## CHAPTER III

# DEMOGRAPHIC AND SOCIO-ECONOMIC SITUATION OF WORKING CHILDREN'S HOUSEHOLDS

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At present it is acknowledged that there is a close interrelation among the economic, social, family, and cultural conditions that are so common in the context where children grow and develop and their early insertion in the labour market.

In the search for these interrelations, two types of households are contrasted: those with working children (HWWC) and households with non-working children (HWNWC) only, taking the second as a differentiation parameter under the supposition that it presents a better situation.

### III.1 Demographic characteristics

#### III.1.1 Volume, household head, and distribution

Working children are present in 11% of the totality of households with children between 5 and 17 years (391,004), while in 89% of the surveyed households there are no working children.

Most HWWC are in rural areas and most HWNWC in urban areas. Most HWWC with male heads are in rural areas and most of those with female heads are in urban areas. HWNWC's heads, both male and female, are mostly found in urban areas (see Table III.1).

HWWC predominate in the provinces of Panama, Veraguas, Coclé, and Chiriquí, and in the indigenous areas, while half of the HWNWC are located in Panama and, to a lesser degree, in Chiriquí. No matter how HWWC are segregated, most of them are headed by men, which is also valid for HWNWC. It is worth mentioning that, in general, men are self-declared heads or other household members do so due to cultural traditions regarding sex roles and identity differentiation.

#### III.1.2 Marital status

In both types of homes, there is higher presence of a head's spouse; however, in the case of households headed by women, and in particular in HWWC an imbalance is noticeable. This is explained by the existence of single female household heads, who are more socially and economically vulnerable and who may require that all household members, including the underage children, join the labour force.

#### III.1.3 Average number of people per household

The average number of people per household<sup>18/</sup> in HWWC surpasses that in HWNWC. At HWWC headed by men, this average is over the overall average and is higher than the average for those headed by women. At HWNWC there is a similar tendency, but with a smaller difference by sex. Rural HWWC surpass the total average. In the indigenous areas, we find the highest average among the different subdivisions, in particular when the household head is female. The provinces of Bocas del Toro and Coclé are above the national average.

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<sup>18/</sup> / It includes the whole population residing in the households. If "non-relatives and in-house domestic workers" are excluded, the averages vary non-significantly: 6.2 for HWWC and 4.9 for HWNWC.

**Table III.1**  
**Panama. Demographic characteristics of households with and without working children, by area, province, and sex of household head**

Area, province and Sex of household head	Households with working children					Households with non-working children				
	# Households	Average # people per household	Average # children per household	% Other relatives	% Population between 5-17	# Households	Average # people per household	Average # of children per household	% Other relatives	% Population between 5-17
Total	43,259	6.3	3.4	16.5	45.2	347,745	5.0	2.4	15.0	36.7
Men	35,845	6.5	3.5	15.4	44.6	272,290	5.1	2.5	12.6	36.1
Women	7,414	5.5	3.0	22.5	48.4	75,455	4.5	2.2	24.8	38.8
Urban	15,385	5.6	2.9	15.7	45.2	228,746	4.8	2.3	14.4	35.8
Men	11,602	5.8	2.9	14.2	44.1	173,221	4.9	2.3	11.3	35.3
Women	3,783	5.2	2.9	21.1	48.9	55,525	4.5	2.2	25.2	37.5
Rural	27,874	6.7	3.7	16.8	45.2	118,999	5.3	2.7	16.0	38.2
Men	24,243	6.8	3.8	15.9	44.9	99,069	5.5	2.7	14.7	37.5
Women	3,631	5.8	3.2	23.8	47.9	19,930	4.6	2.4	23.8	42.1
Indigenous Areas	6,653	8.9	4.6	27.1	43.7	15,230	7.7	3.6	28.5	39.1
Men	6,036	8.9	4.7	25.3	43.8	13,683	7.9	3.7	28.2	38.7
Women	617	9.3	4.0	43.6	43.5	1,547	6.5	3.2	31.6	43.9
Bocasdel Toro	1,168	7.5	4.4	16.0	47.0	8,316	5.6	2.9	15.5	38.4
Men	961	8.0	4.5	17.8	45.0	7,132	5.7	2.9	14.0	38.1
Women	207	5.1	3.7	3.0	61.5	1,184	4.9	2.4	26.0	40.6
Coclé	4,537	6.5	3.6	16.5	43.0	24,034	5.1	2.5	16.0	37.2
Men	3,896	6.7	3.6	17.3	42.7	18,760	5.3	2.6	14.6	36.3
Women	641	5.3	3.5	10.1	45.6	5,274	4.5	2.4	21.9	41.3
Colón	1,882	6.3	3.5	15.4	45.7	27,243	5.0	2.6	12.1	38.4
Men	1,625	6.5	3.6	14.6	45.7	20,049	5.1	2.7	9.9	37.1
Women	257	5.5	3.0	20.9	45.8	7,194	4.6	2.6	19.2	42.4
Chiriquí	4,481	5.6	3.2	8.0	49.4	47,762	4.7	2.3	14.5	37.2
Men	3,442	5.6	3.3	4.3	48.9	36,297	4.9	2.3	11.2	36.3
Women	1,039	5.5	3.0	20.5	51.2	11,465	4.3	2.1	26.3	40.5
Darién	1,061	6.2	3.7	11.9	50.6	3,970	5.0	2.5	12.6	39.6
Men	914	6.5	3.8	12.2	49.7	3,380	5.2	2.7	10.1	38.8
Women	147	4.5	3.1	8.8	58.8	590	4.4	1.9	29.3	45.5
Herrera	1,719	5.4	2.9	12.5	43.1	13,039	4.5	2.2	11.3	37.0
Men	1,488	5.5	2.9	10.1	41.7	10,932	4.7	2.3	9.4	36.7
Women	231	5.0	2.5	29.7	53.2	2,107	3.8	1.8	23.4	39.5
Los Santos	1,474	4.8	2.5	10.7	44.1	10,130	4.2	2.0	10.1	36.5
Men	1,248	4.9	2.5	8.9	44.1	8,459	4.4	2.0	8.4	36.0
Women	226	4.4	2.5	21.7	43.8	1,671	3.5	1.7	20.8	39.4
Panama	13,902	5.6	3.0	14.5	45.7	174,000	4.8	2.3	14.2	35.5
Men	10,815	5.7	3.0	13.1	45.0	135,042	4.9	2.3	11.1	35.2
Women	3,087	5.3	3.0	20.1	48.2	38,958	4.6	2.3	25.6	36.3
Veraguas	6,382	5.9	3.3	12.7	44.7	24,021	4.8	2.4	14.5	37.8
Men	5,420	6.1	3.4	11.5	43.9	18,556	5.1	2.5	12.3	36.6
Women	962	4.6	2.5	21.6	50.2	5,465	4.1	1.9	24.0	42.6

Source: CLS, 2000.

### III.1.4 Average number of children per household

The average number of children per household is higher in HWWC than in HWNWC. In both types of households, this number is higher in cases where the head is male. In rural HWWC this average is higher than in urban HWWC, although the highest values are in the indigenous areas and in the provinces of Bocasdel Toro and Darién. On the other hand, the lowest averages are found in the provinces of Los Santos, Herrera, and Panama. In HWNWC, the tendency is very similar. The statistical evidence offered by this indicator is coherent with the procreation behavior and the different phases of demographic transition which the country's areas and provinces are going through.

### **III.1.5 Other household members (Kinship relationship)**

Because of the kinship relationship with the household head, the “other relatives” living in the house are more common in the HWWC. This ratio is higher in rural areas, and mainly in indigenous areas. It is worth to mention two aspects. First, these are close blood-relatives that are usually older adults and possibly had a lower access to social security. The relative importance of the group over 60 years old in this category in the HWWC, especially rural and indigenous, supports this. Second, the social, family, and cultural traditions especially in the rural area (including indigenous populations) confer a great deal of importance to women as caretakers who look after their parents or older relatives and have them live in their home for this purpose. Again it is important to raise more awareness in the gender approach at the societal level and at different geographic, population, union, and ethnic levels, among others.

The “non-relatives” are more numerous in the HWWC than in the HWNWC. In both types of households, the number of domestic servants who are members of the household as a whole is the same in relative numbers but not in absolute numbers. Proportionally, in the HWWC, the value is slightly higher in those households headed by women. In the urban areas, it is more significant in the HWWC than in the HWNWC, both as a whole and according to the head's sex. In the rural area, the ratio is minimal and in indigenous areas there are no cases. That is, in the HWWC, especially those under a female head, it seems that for women to be able to work out of their homes and generate some income, they have to spend part of this income to hire someone else to do the house chores and look after her dependants (children and senior citizens).

### **III.1.6 Population between 5 and 17 years old**

As a whole, the ratio of the population between 5 and 17 years old that resides in HWWC is higher than that living in HWNWC. By area, the concentration is very similar to the average in the HWWC, while in the HWNWC it is slightly higher in the rural area. With more than half of its residents belonging to the 5 to 17 age group, the province of Darién stands out. Also worth mentioning are Chiriquí, Bocas del Toro, Colón, and Panama with populations not less than 45%. In the HWNWC, no province even reaches 40%. The province closer to this figure is the Province of Darién.

Regarding the concentration of children between 5 and 17 years old in households according to the head's sex, it is noticed that households with a female head are characterised by having a higher ratio of children (for both types of households) in comparison to households with male heads. This happens in all the subdivisions, with the exception of HWWC in indigenous areas and the Province of Los Santos.

### **III.1.7 Household heads between 15 and 17 years old**

A particularity that is worth mentioning is that there are 186 household heads that are between 15 and 17 years old in HWWC. Almost all of them are men and in urban areas. In the provinces, it happens in Colón, Darién, Herrera, Los Santos, Panama, and Veraguas. In the HWNWC, it was noted that there are 509 adolescents who are household heads. More than half of them are in rural areas and most are men. In all provinces, with the exception of Herrera, there are households headed by adolescents. The average number of people in HWWC headed by adolescents is 3.2 persons and 2.1 persons in HWNWC. In rural HWWC headed by male adolescents, it is noted that only those in the provinces of Colón and Darién have spouses. In the HWNWC, this feature does not appear. In this sense, it would be necessary to consider that when the father leaves the home, it is customary to appoint boys as household heads simply because of their sex. This is particularly common in rural areas.

### **III.1.8 Working children**

Working boys and girls equal 38.9% of the child population that lives in HWWC. This percentage is higher in rural areas (39.2%), mainly in households with female heads (40.5%). The percentage in the provinces of Los Santos, Veraguas, and Herrera surpasses 40%. Similarly, in these provinces the relative weight of working children is higher in comparison to the total population in them. The provinces of Bocas del Toro and Chiriquí have significant concentrations, too. The provinces of Bocas del Toro, Colón, and Panama present percentages of working children slightly above 38.

### **III.1.9 Children seeking work**

When comparing both types of households, it could be expected that in HWNWC there would be no children seeking work. The information contradicts such expectation since the figures hide or soften the reality. In both types of households there are actually boys and girls seeking work. The ratio of job-seeking children to the totality of the population between 5 and 17 years old is slightly higher in HWWC. However, in absolute terms, there are 1,798 children searching for work in the HWWC vis a vis 7,750 in HWNWC, which shows the vulnerability that also surrounds them, given that their children could increase the magnitude of working children in the HWWC. In both types of households, boys and girls searching for work belong to households headed by men and live in the urban area.

### **III.1.10 Conclusion**

The relation between poverty and the existence of households with working children (HWWC) is obvious. These households are characterised by a higher number of dependents and children, by the presence of single female heads, by being predominantly rural or indigenous, by being in the most distant provinces and having cultural patterns that perceive labour since childhood as a natural training and discipline mechanism.

On the other hand, the conditions seem to favor households with non-working children (HWNWC). Nevertheless, in general they are not so different despite the lower ratios they show. This could indicate that these are households exposed to some extent to a certain degree of vulnerability that could push part of their children to entering the labour force.

## **III.2 Labour, educational, and income characteristics of the household**

The previous analysis shows that, due to their demographic characteristics, households with working children (HWWC) require higher economic resources in order to cover the basic needs of a larger number of people.

### **III.2.1 Employed population**

The comparison between the two types of households—HWWC and HWNWC—reveals important differences regarding the inequality and disparity situation in their access to the labour market and the distribution of income. In relative terms, employed household heads in HWWC are more numerous among household headed by men. By area, the number is larger in rural ones. In HWNWC the tendency is similar although at a smaller scale. In HWWC the employed population is proportionally larger. In HWWC the average of employed members per household and the ratio of employed people are larger. Higher proportions of employed people per household are found in urban areas (see Table III.2).

**Table III.2**  
**Panama. Employment indicators of members in household, by household type,**  
**by area, province, and sex of household head**

Area, province, and sex of household head	Households with working children					Households with non-working children		
	% Employed household heads	% Employed members	% Unemployed members	% Working children	% Working children in total of employed persons	% Employed household heads	% Employed members	% Unemployed members
Total	84.9	45.4	2.8	17.6	38.7	80.8	29.8	4.8
Men	91.9	46.2	2.5	17.4	37.7	88.2	30.6	4.2
Women	51.1	40.9	4.4	18.5	45.4	54.2	26.7	7.5
Urban	81.3	46.8	5.8	17.3	36.9	80.0	32.1	6.2
Men	87.7	48.6	5.3	17.2	35.3	87.0	33.1	5.5
Women	61.8	40.5	7.7	17.6	43.4	58.3	28.6	8.8
Rural	86.9	44.7	1.4	17.7	39.6	82.3	26.0	2.5
Men	93.9	45.2	1.4	17.5	38.7	90.3	26.8	2.2
Women	40.0	41.2	1.3	19.4	47.2	42.7	21.5	4.0
Indigenous Areas	88.4	43.7	0.9	16.5	37.8	87.3	22.8	0.7
Men	92.3	44.2	0.9	16.9	38.2	92.1	23.5	0.6
Women	50.1	38.9	...	13.2	33.9	45.0	16.1	0.8
Bocasdel Toro	83.3	44.1	2.3	18.0	40.8	88.6	25.3	2.2
Men	87.2	42.9	2.3	16.2	37.8	92.3	25.1	2.0
Women	65.2	53.2	2.3	30.9	58.1	66.2	26.6	4.1
Coclé	87.2	42.9	2.6	15.9	37.0	75.8	27.0	2.8
Men	96.1	43.9	2.4	15.5	35.3	85.4	28.3	2.4
Women	33.1	34.9	4.4	18.6	53.4	41.6	21.1	4.2
Colón	87.7	44.0	4.3	17.5	39.7	80.1	27.8	6.1
Men	93.7	45.4	4.2	17.4	38.3	87.0	28.9	5.6
Women	49.8	34.1	4.6	18.3	53.6	61.1	24.4	7.6
Chiriquí	79.4	42.8	1.6	18.0	42.2	77.8	27.5	4.1
Men	92.8	43.0	1.4	17.6	41.0	85.9	27.8	3.8
Women	35.1	41.9	2.0	19.4	46.2	52.2	26.4	5.0
Darién	87.6	40.8	0.7	15.6	38.3	90.2	26.7	1.2
Men	96.6	41.9	0.5	15.3	36.6	94.6	27.0	1.0
Women	31.3	31.0	2.4	18.4	59.5	64.9	24.7	2.7
Herrera	88.0	50.0	1.8	18.6	37.3	83.6	29.8	2.2
Men	91.1	50.3	1.9	18.1	36.0	90.1	30.5	2.0
Women	67.5	47.2	1.2	22.2	47.0	49.8	25.5	3.6
Los Santos	85.2	51.7	1.2	21.2	41.0	86.0	31.8	1.8
Men	91.4	52.6	1.2	21.2	40.3	92.8	32.5	1.5
Women	50.9	45.7	1.3	21.1	46.2	51.9	27.5	3.4
Panama	80.8	46.5	5.6	17.4	37.5	80.8	32.4	6.6
Men	87.6	48.1	4.9	17.3	36.0	88.0	33.5	5.7
Women	57.0	40.3	8.2	17.9	44.5	55.4	28.5	10.0
Veraguas	90.4	48.8	1.4	19.8	40.6	81.1	29.9	3.0
Men	96.0	49.1	1.4	19.5	39.7	89.1	30.4	3.0
Women	59.0	46.5	1.6	22.2	47.7	54.0	27.9	3.3

... No cases are recorded.

Note: the percentages have been calculated with regards to the corresponding totals of the population residing in the households in order to reflect the occupational density in the household.

Source: CLS, 2000.

If it were assumed that working children are economically non-active, the ratio of employed people in the HWWC would decrease to 27.8%, lower than in the HWNW. In the urban area, it

would be 29.5%. This reflects the impact that all employed members<sup>19/</sup> who contribute to the HWWC have. It would also corroborate that among them, their participation is not insignificant (38.7%).

### III.2.2 Average monthly income and educational level

The average monthly income in HWWC clearly reveals the inequality in income and opportunities (see Table III.3). When this indicator is compared for the household head, for the working population over 5 years of age, and for working children, several important comments need to be made.

The presence in HWWC of a larger number of employed children does not lead to an improvement in the economic conditions regarding income. The average monthly income in the HWNWC<sup>20/</sup> is almost double than in the HWWC and more than doubles that of the working members. This fact indicates, on the one hand, the insertion of working members of the HWWC in jobs with lower pay and quality, and on the other, the influence exerted by the schooling level in relation to the quality of the labour insertion and income.

It may be stated that the average monthly income of the working population in the HWWC is equivalent to that of the households and it does not differ significantly from that of working children. It is even the same in the indigenous areas. This reveals how important their contribution to the family income is. The schooling level seems to be the factor that sets the difference: the higher it is, the higher is the average. In addition, the schooling level sets a significant difference within the households themselves, both among the heads and between them and the working children, issue that will be addressed later on (see Table III.4.).

The difference according to the sex of the household head regarding this indicator in the HWWC favours working women, which is also related to their schooling level. The difference by area in the HWWC is very high in favour of urban areas, where the children's average income is the same as that of the household heads. In the rural area, and in particular, in the indigenous areas, this indicator seems to be under the overall average. This situation is due to the lower rigidity in the effective labour insertion in the urban area, where informality in the occupations is more common. This turns into the refuge of those who are unemployed and of rural migrants or migrants from marginal areas. The result is an increase in underemployment and the invisibility of the problem. At the province level, in HWWC, the indigenous areas, and the provinces of Coclé, Darién, Herrera, and Veraguas are under the national average. On the contrary, in the HWNWC all provinces have income averages under the national average, with the only exception of Panama which is above the national average. This fact shows how important it is to conduct analyses with disaggregated data.

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<sup>19/</sup> Working members also include household heads who are employed.

<sup>20/</sup> When making reference to the household as a whole, the data are based on the household head.

Table III.3

Panama. Average monthly income of the household head and the employed population by type of household, according to area, province, and sex (in Balboas)

Area, province, and sex	Households with working children			Household with non-working children	
	Heads	Working persons age 5 and older	Working Children	Heads	Employed
Total	186	185	170	342	414
Men	183	177	158	358	426
Women	198	217	202	279	373
Urban	389	442	389	452	553
Men	448	492	391	488	577
Women	293	311	383	346	445
Rural	109	105	103	170	182
Men	110	104	104	176	181
Women	106	110	102	143	192
Indigenous Areas	75	73	73	80	77
Men	78	75	74	80	78
Women	51	51	70	79	73
Bocas del Toro	278	302	302	320	365
Men	298	313	299	322	366
Women	170	235	309	299	357
Coclé	103	104	104	199	211
Men	95	98	98	198	202
Women	123	135	121	192	296
Colón	208	187	187	336	407
Men	214	182	168	360	426
Women	193	202	285	272	367
Chiriquí	239	257	257	280	346
Men	230	256	243	297	354
Women	261	258	319	226	308
Darién	134	142	142	147	162
Men	132	139	140	149	161
Women	150	195	151	129	172
Herrera	155	173	173	233	269
Men	154	170	161	237	268
Women	178	197	259	213	282
Los Santos	203	211	211	237	276
Men	212	215	194	241	276
Women	116	189	239	210	272
Panama	362	406	406	460	562
Men	400	448	387	494	585
Women	262	302	477	346	448
Veraguas	104	105	105	188	213
Men	100	103	99	187	209
Women	113	111	126	191	224

Source: CLS, 2000.

**Table III.4**  
**Panama. Average monthly income of the employed population by type of household and sex,**  
**by area and educational level (in Balboas)**

Highest level of schooling achieved	Households with working children						Households with non-working children		
	Working persons age 5 and older			Employed children			children		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
<b>Total</b>	<b>185</b>	<b>177</b>	<b>217</b>	<b>170</b>	<b>158</b>	<b>202</b>	<b>414</b>	<b>426</b>	<b>373</b>
No schooling	95	96	81	98	113	90	111	107	164
Preschool	231	...	231	231	231	...	307	307	...
Special education	96	96	...	550	550	...	1,075	1,075	...
Incomplete primary	117	115	146	122	121	140	173	177	158
Complete primary	127	124	182	117	112	144	260	261	251
Incomplete secondary	344	372	254	319	314	335	395	415	333
Complete secondary	502	547	347	1,470	1,549	1,420	544	567	430
University, 1 to 3 years	804	729	878	900	...	900	779	821	671
University, 4 and more years	1,530	1,573	965	...	...	...	1,138	1,238	871
Superior, non-university	325	...	325	325	...	325	706	748	617
Vocational	248	602	208	668	347	700	505	529	387
Graduate, master's and doctorate degrees	2,476	2,238	...	...	...	...	1,978	2,191	1,356
<b>Urban</b>	<b>442</b>	<b>492</b>	<b>311</b>	<b>389</b>	<b>391</b>	<b>383</b>	<b>553</b>	<b>577</b>	<b>445</b>
No schooling	293	322	149	338	331	500	350	369	300
Preschool	325	...	325	325	325	...	319	319	...
Special education	856	856	...	856	856	...	1,120	1,120	...
Primary incomplete	369	398	305	366	366	363	320	350	202
Primary complete	359	383	226	338	399	230	367	380	313
Secondary incomplete	450	525	290	404	404	403	459	489	362
Secondary complete	636	726	359	1,623	1,703	1,420	585	614	475
University, 1 to 3 years	812	729	878	900	...	900	812	865	683
University, 4 and more years	1,526	1,526	965	...	...	...	1,178	1,274	896
Superior, non-university	325	...	325	325	...	325	792	820	755
Vocational	686	686	...	696	213	700	530	559	399
Graduate, master's and doctorate degrees	2,500	2,500	...	...	...	...	2,168	2,386	1,411
<b>Rural</b>	<b>105</b>	<b>104</b>	<b>110</b>	<b>103</b>	<b>104</b>	<b>102</b>	<b>182</b>	<b>181</b>	<b>192</b>
No schooling	86	88	70	92	94	89	86	87	79
Preschool	213	...	213	213	213	...	213	213	...
Special education	66	66	...	400	400	...	173	173	...
Primary incomplete	93	94	84	91	93	81	118	119	111
Primary complete	102	99	158	96	94	107	157	158	141
Secondary incomplete	190	197	151	192	204	150	246	256	211
Secondary complete	284	291	219	288	288	...	358	382	267
University, 1 to 3 years	733	733	...	...	...	...	489	480	542
University, 4 and more years	1,556	1,556	...	...	...	...	775	830	462
Superior, non-university	...	...	...	...	...	...	315	355	251
Vocational	205	91	208	363	363	...	330	334	313
Graduate, master's and doctorate degrees	700	700	...	...	...	...	828	867	700

... No cases are recorded.

Source: CLS, 2000.

### III.2.3 Monthly income strata

Another difference between both types of households is found in the distribution according to monthly income strata (see Box III.1).

### Box III.1. Monthly Income Strata

Although households have not been ranked according to their average per capita income to relate income deciles, in order to facilitate the analysis, six income strata have been identified according to the monthly income group of the employed population of 5 years of age and older in the households included in the Child Labour Survey. Undeclared income has been excluded from the stratification. The six income strata are the following:

Very Low: Less than B/. 100 per month  
Low: Between B/. 100 and B/. 249 per month  
Medium Low: Between B/. 249 and B/. 399 per month  
Medium: Between B/. 400 and B/. 599 per month  
Medium High: Between B/. 600 and B/. 999  
High: More than B/. 1,000 per month

The strata identification was based on information about the income-consumption of several sources in the year 2000 or close to it as this was the year of reference in the Child Labour Survey. The population under study ranked by monthly income was taken into consideration. It is important to mention the following statistics:

- The monthly cost of the family shopping basket (FSB) for Panama City for the year 2000 was estimated in B/. 221.06, and in B/. 225.43 including the cost of fuel. Ministry of Economy and Finance (MEF), Directorate of Social Policies (DPS). Calculated from information supplied by the Directorate of Statistics and Census of the General Audit Office of the Republic.
- The overall poverty line was estimated at a consumption level of B/. 905 a year per person and the extreme poverty line at B/. 519 per person a year. MEF-DPS, "Profile and Characteristics of the Poor in Panama," March 1999, based on the Life Levels Survey of 1997.
- In 1999, the overall average monthly income per capita was estimated at B/. 66.75 or poor people, and at B/. 24.28 for those in extreme poverty. SIAL/ILO, estimate based on the Household Survey carried out annually by CGR-DEC which excludes the indigenous areas, and FSB calculated by the MEF-DEC. Taken from "National Report of Human Development Panama 2002", UNDP.

In HWWC, 33.5% of the employed population of 5 years of age and older and 35.1% of the employed working children fall in the very low stratum, while only one out of every ten persons in HWNWC belong to this stratum (See Table III.5). The distribution in HWWC decreases gradually from one stratum to the next. The significance remains until reaching the low-medium stratum. Starting here, the rest have lower scales. More than 75% of the heads and employed members including working children are situated in a monthly income stratum that reaches up to B/. 400, and more than half up to B/. 250 (close to the cost of the FSB). In HWNWC, the distribution is more homogenous. The values in the medium, medium-high, and high strata are practically twice as much as in the HWWC. However, the low and medium-low strata are the most important.

In HWWC, men participate more in the two extreme strata (very low and high), while women are more numerous in the low and medium-low stratum. In the indigenous areas, all women are located in the very low stratum in which most men are also located. The second place is represented by the low stratum.

**Table III.5**  
**Panama. Percent distribution of employed population by type of household and monthly income stratum, by to area and sex**

Area and sex	Monthly income stratum					
	Very low	Low	Medium-low	Medium	Medium-high	High
<b>Households with working children</b>						
<b>Employed persons 5 years of age and older</b>						
Total	33.5	26.5	16.5	9.5	7.5	6.5
Men	34.8	25.6	15.3	10.0	7.4	6.9
Women	25.1	32.5	24.3	6.1	8.0	4.0
Urban	3.6	14.7	27.3	21.0	16.7	16.7
Men	3.3	10.8	24.9	24.0	18.0	19.0
Women	4.7	30.4	36.7	9.2	11.3	7.7
Rural	48.1	32.2	11.2	4.0	3.0	1.5
Men	48.3	32.0	11.2	4.1	2.8	1.6
Women	45.8	34.6	11.8	3.0	4.8	...
Indigenous	69.0	24.4	4.8	0.6	1.2	...
Men	66.7	26.2	5.2	0.6	1.3	...
Women	100.0	...	...	...	...	...
<b>Working children</b>						
Total	35.1	28.4	16.2	9.0	6.2	5.1
Men	36.7	27.1	15.0	9.6	6.1	5.5
Women	26.4	35.4	23.0	5.7	6.3	3.2
Urban	5.4	18.3	28.3	20.0	14.0	14.0
Men	5.5	13.1	26.0	23.5	15.7	16.2
Women	5.1	35.3	35.9	8.8	8.3	6.6
Rural	48.7	32.9	10.7	4.0	2.6	1.1
Men	49.0	32.6	10.6	4.2	2.3	1.3
Women	46.3	35.6	11.0	2.8	4.3	...
Indigenous	68.7	25.8	3.1	0.8	1.6	...
Men	66.7	27.5	3.3	0.8	1.7	...
Women	100.0	...	...	...	...	...
<b>Working persons in households with non-working children</b>						
Total	10.2	19.7	18.8	17.5	17.1	16.7
Men	10.8	18.5	18.3	17.7	17.1	17.6
Women	7.4	25.2	21.2	16.2	17.4	12.6
Urban	1.5	12.7	19.9	20.8	21.9	23.2
Men	1.2	10.4	19.4	21.5	22.3	25.2
Women	2.7	21.4	21.8	18.2	20.3	15.6
Rural	28.7	34.6	16.6	10.3	6.9	2.9
Men	29.3	34.1	16.3	10.5	6.8	3.0
Women	24.4	39.0	19.1	9.1	7.0	1.4
Indigenous	64.8	20.3	5.5	5.0	4.1	0.3
Men	64.6	20.3	5.5	5.0	4.3	0.3
Women	68.4	21.0	5.3	5.3	...	...

... No cases are recorded.

Note: It does not include undeclared income.

Source: CLS, 2000.

The income distribution between urban and rural areas in HWWC is clearly different, which corroborates the best and more numerous opportunities for occupational mobility in the first. In the rural area, almost half of the households and members who work belong to the very-low stratum, whereas in the urban areas it does not even reach 6%. The participation in the urban area increases up to the medium-low stratum. Even though it decreases in the other strata, it is still significant. This situation is contrary to that in rural areas: the decrease is uniform and gradual

up to being practically insignificant in the high stratum. In the indigenous areas there are no households in the high stratum, and they are more common in the very low and low strata.

The situation described in the HWWC expresses the inequality of the distribution of wealth in the country. In them, although the heads have an activity rate of 88% and the employment rate (including children) is 94.2%, the income perceived is low. It seems that employment itself does not offer more favourable conditions to these households. It deals with an occupational insertion that provides less wellbeing and with households in a situation of poverty. This helps explain children's insertion in the labour force.

As a result, in HWWC the resources are insufficient to keep a decent living, and there are no conditions to achieve a comprehensive human development. The lack of resources associated to poverty is the cause that forces an early labour insertion and increases the incidence of child labour. This goes against their undeniable rights covered by the international commitments, such as the relevant ILO conventions ratified, the Declaration of Human Rights, and the Convention on the Rights of the Child, which the country has signed.

The detriment regarding income is not the only cause. To this, it is necessary to add demographic characteristics, as these are households with higher numbers of dependent members. This situation becomes more serious as the income stratum gets lower, particularly in rural and indigenous areas. Faced with this situation, these households turn to child labour to complement the insufficient income that the adult working family members receive.

Employed children have a very similar participation by strata as that of their households and the totality of the employed household members. Their participation in the totality of employed household members decreases from the low to the high strata, yet it remains important. In the first two strata, it has a relative weight above 40% and in the remaining strata it is over 30% (See Table III.6). In urban areas this ratio also decreases and has a larger incidence on the very low and low strata (more than 55.9 and 46.1%, respectively). In rural areas it is inverted with a higher participation in the low stratum (40.3%) rather than in the very low (39.9%). In both areas, especially in rural areas, its contribution is over 35% in the medium-low and medium strata and larger than 30% in the medium high and high. In the indigenous areas it is slightly above 49% in the medium and medium high strata, slightly over 40% in the low, and almost 38% in the very low.

**Table III.6**  
**Panama. Percent of working children in total employed population age 5 and older in households of working children, by monthly income stratum, by to area and sex (in %)**

Area and sex	Monthly income strata						
	Total	Very low	Low	Medium-low	Medium	Medium-high	High
Total	38.7	40.5	41.4	38.0	36.5	31.8	30.7
Men	37.6	39.7	39.8	36.8	36.0	31.2	30.2
Women	45.4	47.8	49.5	42.8	42.5	35.3	36.9
Urban	37.0	55.9	46.1	38.4	35.3	30.8	30.8
Men	35.3	59.0	43.0	36.9	34.7	30.6	30.1
Women	43.4	47.1	50.5	42.4	41.7	32.2	36.9
Rural	39.5	39.9	40.3	37.4	39.7	34.5	30.5
Men	38.6	39.1	39.4	36.7	39.3	33.0	30.5
Women	47.3	47.8	48.6	44.0	45.0	42.9	...
Indigenous	37.9	37.8	40.1	24.4	49.3	49.3	...
Men	38.2	38.2	40.1	24.4	49.3	49.3	...
Women	34.2	34.2	...	...	...	...	...

... No cases are recorded.

Note: It does not include undeclared income.

Source: CLS, 2000.

The economic contribution to the household by working children directly reaches their parents or guardians with whom they live. Working children mainly contribute with their participation in the economic activity helping as family workers or giving the income they receive totally or partially to their parents.

The leniency with which they engage in work from the point of view of their parents is fully explained by economic reasons related to the need to complement the household income, pay debts, and help in the family company, business, or farm. One of the main consequences if they stopped working would be that the family's quality of life would deteriorate.

The picture described supports the view that a low income in households with working children is one of the main causes of child labour, but that it is not the only one, since the demographic, occupational, and educational dimensions also play a significant role. Its consequence is that fewer children enter the educational system and that many drop out.

## CHAPTER IV

# EDUCATIONAL SITUATION OF WORKING CHILDREN

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Today it is agreed that education plays a privileged role as a mechanism of integration and social improvement and mobility to opt for better personal achievements, occupational insertion, income, and wellbeing. For children, it is especially important to have access to and attend school, as education is not just a process of learning but also a stage in which they build their images of the future and life projects. The gains they get from formal education since childhood increase their human capital and will be a potential resource to help them obtain a better quality of life.

### IV.1 Children's school attendance

According to the survey, 84.9% of children between 5 and 17 years of age go to school and 15.1% do not attend. More men than women attend school, but the attendance rate is slightly higher for women. School attendance is lower in the rural areas than in urban areas, and even lower in indigenous regions. By age group, 84.4% of children between 5 and 9 years go to school, 92.9% of those between 10 and 14 years attend, and 70.5% of adolescents between 15 and 17 do. Regarding specific ages, it is noticeable that more than half of 5 year-old children who should be attending preschool do not do so. Girls are the most affected group, a fact that is related to the lack of free public preschool centres, the data being only on formal schooling, the fact that it is not compulsive for parents to send their children to preschool, and the lower extension and access to community programs.

More than half of non-attending children dropped out of school, being this more common among men. A significant part of these school dropouts left the educational system over three years previously, situation which is not only chronic but, due to the time elapsed, also makes it almost impossible for these children to return to school. This is even worse when the reasons to drop out of school are economic. It may be assumed that these children are working and have conformed to working in occupations of insufficient wellbeing and with a higher risk as a way to survive in detriment of losing their chances to study. The situation becomes more serious as children grow older. It may also be that some of these children are neither working nor studying, making things worse at home, being tempted by the easy ways of life, violence, drug addiction, commercial sexual exploitation, and early parenthood, among others.

Economic reasons are also the most important among those who had dropped school between one and two years before the date of the survey. Among those who dropped less than one year before the survey, the most important reasons are related to low school performance, failure, and/or lack of interest in studying. In this group, other relevant reasons are related to the educational system itself—inadequate educational centres and fear of teachers. This group which may still be rescued should be encouraged to re-enter school before they enter or extend their stay in the productive market. To do so, it is necessary to take different measures since these reasons were more commonly mentioned by children in rural and indigenous areas, where cultural patterns and harvesting periods greatly influence this decision.

The rest of the non-attending children have never entered the school system. This is more common in rural areas and among men, which reflects social exclusion. Most of them are those in the preschool level. The economic reasons are also the most common together with family reasons not allowing children to study. Due to illness or disability, one of every four children does not attend school, showing the need for specialised attention.

Although the situation described refers to the totality of the population that do not go to school without indicating whether or not they are working, it strongly suggests that not attending school and child labour are closely related and that the insufficiency of economic resources has a strong influence on this relation. The educational reasons that are also mentioned indicate that priority should be given to improving the quality of education. The cases in urban areas clearly reflect this need. Having school dropouts re-enter school and having never-attending children enter school are challenges that require a comprehensive vision and effective measures that cannot be simplified by giving priority to overcoming poverty in these households only in terms of employment and income. This requires the creation of focused and innovative programmes and the increase of the effectiveness and efficiency of those programs already in place, and this will certainly influence on the discourse regarding the few opportunities that children without schooling have in order to invest in positive practices in favour of the country's development in a world that is increasingly more globalised.

## IV.2 Working children's school attendance

The educational situation of working children between 5 and 17 years old reflects a very serious reality. The statistical evidence indicates that those who enter the labour market—employed or seeking work—are out of the educational system and under conditions that rather than encouraging their reinsertion in schools, limit and even annul their motivation and possibilities of doing so. Of the totality of 53,800 children<sup>21/</sup> which comprise this population, 40.9% attend school, while the rest are out of the school system. In relative terms, school unattendance is more serious among women: 60.4% do not go to school in contrast with 39.6% who do. Among men, 58.6% do not go to school and 41.4% do. More than half of these children are in urban areas.

A total of 20,137 boys and girls of the 47,976 who work—equivalent to 42%—are inserted in the educational system (see Table IV.1). By sex, men are more numerous. The ranking by area is as follows: rural, urban, and indigenous (where figures do not even compare to half of those in rural areas). By province, Panama and Veraguas are the only that show two digits; Darién does not even reach one percent of those who attend.

According to this, 58% of working children do not go to school, particularly boys. More than three quarters live in rural areas. In order of importance, they are found in the provinces of Panama, Coclé, and Veraguas. In the indigenous areas, one of every 5 working children does not attend.

**Table IV.1**  
**Panama. Distribution of working children by school attendance and sex, by area and province**

Area and province	Total			Goes to school			Does not go to school		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Urban	31.2	27.3	44.4	41.0	34.4	62.1	24.2	22.2	31.1
Rural	68.8	72.7	55.6	59.0	65.6	37.9	75.8	77.8	68.9
Indigenous	20.4	18.1	27.8	20.2	21.0	17.4	20.5	16.1	35.6
Bocas del Toro	3.3	3.3	3.2	5.5	5.9	4.1	1.7	1.4	2.5
Coclé	9.8	11.3	4.9	4.0	4.3	3.2	14.0	16.3	6.2
Colón	4.3	4.8	2.9	4.3	4.8	2.5	4.4	4.7	3.2
Chiriquí	9.4	10.1	7.1	9.1	10.0	6.4	9.7	10.3	7.6
Darién	2.2	2.4	1.2	0.8	0.9	0.3	3.1	3.5	1.9
Herrera	3.6	4.1	2.0	3.8	4.3	2.2	3.5	4.0	1.8
Los Santos	3.1	3.4	2.2	2.8	3.0	2.3	3.4	3.7	2.2
Panama	28.4	26.2	35.9	31.1	26.1	47.2	26.5	26.3	27.4
Veraguas	15.4	16.3	12.7	18.4	19.7	14.3	13.3	13.8	11.5

Source: CLS, 2000.

<sup>21/</sup> This excludes new workers; that is, those who are looking for their first job.

According to the data examined, it may be stated that, despite the fact that in rural areas children's incorporation to the labour market takes place at even earlier ages—related to the peasants' and indigenous peoples' cultural patterns—the positive value assigned to education may not be overlooked given the degree of participation of those who work and attend school. This panorama is not encouraging when it is contrasted with the number of working children not attending school. However, the fact that the province of Panama—characterised by being mostly urban and with greater opportunities—concentrates the highest proportion of working children not attending school centres may also indicate that there are insufficiencies in the educational system in terms of coverage, availability, closeness of school infrastructures, and their impossibility of assuming the indirect costs of education.

In summary, the fact that 7.6% of the population between 5 and 17 years old is either working or seeking work, and that 83.4% of these is actually working, is a reality that calls and should call society's attention as a whole due to the multiple consequences that affect this population group. It would be expected that the relation of children in the labour context would take place at the beginning of their youth cycle (18 years of age on); yet, since this expectation is not confirmed, different signs are found which make us conclude that their situation contradicts the supposition that insertion in the labour market marks the entrance to the adult world. Their incorporation to the productive life, unavoidably, will hurt their educational insertion or maintenance under satisfactory conditions in school.

About 67.7% of children searching for work do not attend school, ratio that surpasses the percentage of those actually working. Their unattendance in school together with their labour exclusion is of concern, since it generates serious restrictions, as they do not receive income to help their families and meet their own needs, including education. This situation has to be interpreted differently from the way data regarding youngsters and adults is interpreted, since the need to get some income makes them vulnerable and might encourage them to engage in illicit activities, delinquency, and other social ills. In order to comply with the conventions on child labour signed, it is necessary to look for educational alternatives and to rescue them effectively from a vicious cycle—often times irreversible—of low or inexistent educational and productive qualifications.

Adolescents comprise a group of special importance, as the highest school unattendance rate, for both employed and job-seeking children, corresponds to this group. At these ages, most of those not attending school also enter the labour market. This age range also coincide with the reproductive age, which combined with early labour insertion, the separation from studies, and the non-insertion in the labour market, might interfere with lifestyles adequate for their development, especially if they become parents.

Undoubtedly, school attendance provides an indication of the compatibility of time that boys and girls need to devote to studying and the economic activities in which they engage. These activities have a negative impact on their school performance by deterring on-time attendance, encouraging absenteeism, attention deficit and concentration problems during lessons, as well as other consequences. It is assumed that working children are tired when they get to school and that they do not have enough time to study outside of class. Thus, those who work and study frequently end up having to choose between continued studying or just working due to the length of the school and working shifts. This happens even when they do not understand that by dropping out of school they will be exposed to even further problems in the future.

Usually, the school authorities do not know who the working children are. When they are identified, they are treated with different criteria. In this sense, teachers play a very important role in guiding working girls and boys and motivating them to remain in school. Experiencing school, as well as staying in it and taking advantage of their school time are valuable occurrences that

have an impact on their behavior, socialisation, and maturation processes. Dropping out of school or not attending it regularly have direct effects on working children that gradually become obstacles for their psychological and physical development and wellbeing. Leaving school and being fully devoted to work is against their right to receiving an education and it even reduces, tragically, their chances to accumulate a human and educational capital to opt for better opportunities.

Hardship, poverty, and adults' insufficient income to cover the household's basic needs, as well as the existence of a larger number of dependents (children and aged adults) forces boys and girls to work. In this context, children assume adult responsibilities at an early age affecting adversely their childhood and adolescence experience.

#### **IV.2.1 Contribution to their household and reasons for working**

Certainly, working children—whether they attend school or not—work because of economic limitations in their homes. Those who do not go to school contribute more to their homes by giving all or part of their income to their parents. This is a more common practice among men. Among those who go to school, this practice is more common among women. This also happens more frequently in urban areas, whereas in rural and indigenous areas it is more frequent to find working children who are family workers, especially among men. The relative importance of those who do not give any part of their income to their households is higher among those who work and go to school, especially in urban areas, which may be related to the use of these resources to pay for their school expenses.

Parents or custodians of employed children who go to school allow them to work for economic reasons. This situation is similar among those who work but do not go to school. However, among those who work and do not attend school in the rural area, there is a slight incidence of education-related reasons. This also happens in the provinces of Bocas del Toro, Colón, Panama, Coclé, Darién, and Veraguas. These school-related reasons deal with “distance from their homes to the schools” and “inadequate curricula.”

There is reciprocal relation between children's work and education. An important number work in order to study and pay for the direct costs implied by this activity. On the other hand, many do not go to school in order to work. In general, among those who work and save some of their income, the reason is to use these saving to go to school.

In the country, general basic education is free, compulsory, and universal. However, the direct costs of entering school for working children are high, which turns into an implicit obstacle for them to go to school. If they are sent to school and work or if they only go to school, they forego part or all of the economic contribution provided by them (the indirect cost incurred by their households) which increases the opportunities for them in the future. A study carried out by the World Bank about the poverty situation in the country indicates that *“households assign 6.2% of their total consumption to education. Even the total annual average cost of attending public school is high: B/. 109 per student in primary education and B/. 253 per student in secondary education. To understand this in the adequate context, these direct costs of education represent 12% and 28% respectively, of the overall poverty line. Private education is more than nine times more expensive in the elementary level and four times more expensive in the secondary level. Informal tuition fees (which cover fund raisings, field trips, extracurricular activities, and so on) are much higher than formal fees. The highest individual cost to attend school seems to be supplies (uniforms, materials), followed by transportation and textbooks.”* In addition, with regards to increasing school tuition for the poor and indigents, it should be stated that: *“...direct costs for*

households (tuition fees, materials, etc.) to attend school are excessively high for the poor and indigent population (especially informal tuition fees and school supplies)" <sup>22/</sup>.

#### IV.2.2 Average monthly income according to household type

The average monthly income in Households With Non-Working Children (HWNWC) is higher than in Households With Working Children (HWWC). When the income and monthly expense averages in both types of households are compared, the resulting difference, which is the disposable income, at HWNWC (B/. 124) almost doubles that in HWWC (B/. 69). This differential in HWWC is lower in rural areas (B/. 26) than in urban areas (B/. 117), and in indigenous areas it is minimal (B/. 15). In HWNWC there is a similar trend. In HWWC headed by women, this difference (B/. 80) is slightly higher than in households headed by men (B/. 67). Nevertheless, in the indigenous areas, this ratio is nonexistent in the case of female heads (see Table IV.2).

**Table IV.2**

**Panama. Average monthly income and expenses of household head, by type of household and children's work status and school attendance, by area and sex of the household head**

Area and Sex of the household head	Households with working children						Households with non-working children					
	Monthly average (in Balboas)		Working children (in %)				Monthly average (in Balboas)		Non-working children (in %)			
			Attend school		Non-attendants				Attend school		Non-attendants	
	Income	Expenses	Men	Women	Men	Women	Income	Expenses	Men	Women	Men	Women
Total	186	117	41.7	42.8	58.3	57.2	342	218	89.6	88.0	10.4	12.0
Men	183	116	41.0	43.4	59.0	56.6	358	226	89.4	87.4	10.6	12.6
Women	198	118	45.8	40.4	54.2	59.6	279	188	90.5	90.4	9.5	9.6
Urban	389	272	52.6	60.0	47.4	40.0	452	292	92.4	93.0	7.6	7.0
Men	448	312	49.8	65.8	50.2	34.2	488	311	92.5	92.7	7.5	7.3
Women	293	193	63.3	45.2	36.7	54.8	346	230	92.1	93.7	7.9	6.9
Rural	109	83	37.6	29.2	62.4	70.8	170	112	85.0	80.2	15.0	19.8
Men	110	82	38.0	29.0	62.0	71.0	176	114	84.6	79.8	15.4	20.2
Women	106	88	35.2	30.4	64.8	69.6	143	105	86.8	82.2	13.2	17.8
Indigenous	75	60	48.3	26.8	51.7	73.2	80	69	73.5	67.9	26.5	32.1
Men	78	60	50.0	29.0	50.0	71.0	80	69	73.2	68.4	26.8	31.6
Women	51	51	28.6	...	71.4	100.0	79	68	76.9	63.6	23.1	36.4

... No cases are recorded.

Source: CLS, 2000.

In HWWC, overall, 58% of working children do not attend school. This ratio is similar in households with male heads (58.5%) and decreases slightly in those with female heads (55.7%). That is, more than half of the HWWC do not register school attendance, both in the subdivision by sex of the head and in the subdivision of the working children according to the heads. On the other hand, in HWNWC, nonattendance reaches 11.2% of the population between 5 and 17 years old that is part of them, being also slightly higher in the households with male heads (11.6%) than in households with female heads (9.5%).

In rural areas, overall, the degree of nonattendance in HWWC reaches 64% influenced by the high ratio in the indigenous areas. In rural HWWC with female heads, 65.6% of the working children do not go to school and in the indigenous areas this ratio sadly rises to 80%. This situation—even considered dramatic—presented in rural and indigenous areas corroborates the figures included in Table IV.2 in the sex subdivision. It is important to emphasize two aspects: first, rural children not inserted in the educational system, distributed by the sex of the household head, alarmingly represent 70.8%; and 73.2% in indigenous areas, and second, none of the indigenous children that are part of households with female heads attend school.

<sup>22/</sup> World Bank (WB). "Panama. Study about Poverty. Priorities and Strategies for Poverty Reduction," Washington, D.C., 2000.

In HWWC, overall, the average monthly income of those who work and study is 1.5 times higher than the income of those who work and do not study. Even without having completed their studies, it seems that the mere fact of attending school creates a difference in their income. In urban areas, it is 1.1 times whereas in rural and indigenous areas it is close to one time, which is in accord with the degree of unattendance.

Other important data to mention is that 71.8% and 87.3% of HWWC in rural and indigenous areas, respectively, receive income which is under B/. 250 a month, close to the cost of the FSB. To this income stratum belong 82.2% of working children in the rural areas who work but do not study and 96.1% of those in indigenous areas. At a national level, 68.7% in this situation live in 44.1% of the households that have an income under B/. 250 per month and in the urban area, this corresponds to 26.3% and 23.0%, respectively.

This situation reinforces the privation and poverty that reigns in HWWC, which forces an important part of children to be excluded from having access to education, better opportunities, socialisation, and the building of citizenship offered by schooling.

#### **IV.2.3 Labour conditions**

Most of the working children that work and study believe that the jobs they perform do not affect their studies. This is true at every subdivision. Working children usually start their labour insertion to support their family and not by their own will, until it becomes a habitual lifestyle and a means of subsistence. The violation of their right to education is not usually perceived as such by them due to their level of maturity and assessment capability at these ages. In addition, they are not aware of the consequences related to their being engaged in work. They are affected by their jobs at different levels, even when they do not believe it to be so. They face risks in their physical development, such as bone malformations, infections, respiratory and digestive problems, as well as damages to their psychological and emotional development by assuming responsibilities of the adult world and living in it on a daily basis.

Working children who go to school and are not satisfied with their current job, usually say that their jobs are tiring and that their employer is "very hard." By sex, this dissatisfaction seems to be related, in the case of women, to domestic services, and in the case of men, to agriculture-related jobs.

The type of shift and the number of weekly hours dedicated to productive activities also allows us to infer that there is not much time available and that there is a clash of schedules which makes it hard to make work and studies compatible, which has consequences on their physical and social development, as well as their life experiences.

The compatibility of work and studies is limited due to the little flexibility of work schedules, as double shift in schools is less common, especially in rural and indigenous areas. Most of these children work on daytime and evening shifts causing physical exhaustion and interfering with school attendance. Rotating shifts surround them with instability to organise their time and may include having to work at night. The night shift causes more exhaustion, especially if during the day they perform other economic activities. In the case of domestic workers, if they sleep at their workplace, the working shift may include full-time availability. In addition, on average, their work shift takes 30.6 hours a week.

### IV.3 Effects of labour on working children's academic achievement

#### IV.3.1 School level reached and average schooling

To distinguish the effects of labour and education on working children, two groups are analysed: group I includes the population between 5 and 17 years of age that attends school and works, and Group II includes those who attend school and do not work. The premise is that in Group II, academic achievement is more favourable.

**Table IV.3**  
Panama. Highest level of schooling achieved by children by work status, by area, province, and sex (in %)

Area, province, and sex	Group I: Work and Go to School					Group II: Do not work and go to school				
	No schooling	Some primary schooling	Some secondary schooling	Another level 1/	Average schooling (in years)	No schooling	Some primary schooling	Some secondary schooling	Another level 1/	Average schooling (in years)
Total	3.5	62.2	33.5	0.8	5.4	18.3	57.9	23.5	0.3	3.9
Men	4.4	67.0	28.5	0.2	4.9	19.2	59.1	21.4	0.4	3.8
Women	0.6	46.7	49.8	2.9	7.0	17.4	56.8	25.7	0.2	4.1
Urban	2.4	41.3	54.6	1.7	7.0	17.2	54.5	27.8	0.4	4.3
Men	3.7	47.7	48.6	...	6.2	18.1	56.0	25.4	0.5	4.1
Women	...	29.8	65.5	4.7	8.4	16.4	53.0	30.3	0.2	4.5
Rural	4.3	76.7	18.9	0.2	4.4	19.9	63.4	16.6	0.1	3.4
Men	4.7	77.1	18.0	0.2	4.3	20.8	64.0	15.1	0.1	3.3
Women	1.6	74.3	24.1	...	4.9	19.0	62.8	18.2	--	3.5
Indigenous	3.7	87.1	9.2	...	3.4	22.2	67.8	10.0	...	2.7
Men	4.6	86.1	9.3	...	3.3	21.4	68.2	10.4	...	2.8
Women	...	90.9	9.1	...	4.1	23.0	67.3	9.7	...	2.6
Bocas del Toro	7.2	70.3	22.5	...	4.3	17.7	63.8	18.4	0.1	3.6
Men	8.7	69.7	21.5	...	4.1	18.8	63.1	18.0	0.1	3.5
Women	...	73.2	26.8	...	5.0	16.6	64.5	18.8	0.1	3.7
Coclé	3.3	70.9	25.7	...	5.4	18.6	62.1	19.3	0.1	3.7
Men	4.1	72.1	23.8	...	5.3	19.5	63.1	17.4	...	3.5
Women	...	66.0	34.0	...	6.1	17.7	60.9	21.4	0.1	3.9
Colón	3.7	61.6	34.7	...	5.8	16.5	57.3	25.8	0.3	4.1
Men	4.3	67.5	28.2	...	5.6	17.6	57.8	24.2	0.4	4.0
Women	...	25.6	74.4	...	7.0	15.4	56.9	27.5	0.2	4.3
Chiriquí	3.0	66.7	30.3	...	5.5	17.7	57.3	24.9	0.1	4.0
Men	3.6	66.6	29.8	...	5.2	19.1	59.3	21.4	0.2	3.8
Women	...	67.2	32.8	...	7.0	16.2	55.2	28.6	...	4.2
Darién	1.3	51.9	46.8	...	5.6	24.6	65.0	10.4	...	2.7
Men	1.4	48.3	50.3	...	5.8	24.4	66.8	8.8	...	2.6
Women	...	86.7	13.3	...	3.8	24.8	63.3	11.9	...	2.8
Herrera	5.1	57.1	36.3	1.6	5.5	17.5	56.8	25.6	0.1	4.1
Men	5.9	58.1	34.1	1.8	5.3	17.7	59.9	22.3	0.1	3.9
Women	...	50.5	49.5	...	6.4	17.3	53.7	29.0	...	4.2
Los Santos	3.0	40.8	53.1	3.2	6.7	17.9	56.2	25.8	0.1	4.1
Men	3.7	44.0	49.8	2.6	6.5	17.6	57.9	24.3	0.2	4.1
Women	...	27.1	67.3	5.6	7.6	18.1	54.7	27.2	...	4.2
Panama	2.1	40.8	55.0	2.1	7.1	17.9	55.7	26.0	0.4	4.2
Men	3.3	49.7	47.0	...	6.1	18.9	56.9	23.7	0.6	4.0
Women	...	24.8	69.3	5.9	8.8	16.9	54.5	28.3	0.3	4.3
Veraguas	4.5	69.4	26.1	...	4.8	18.8	57.9	23.1	0.2	3.9
Men	4.6	73.9	21.5	...	4.6	20.6	58.6	20.6	0.2	3.7
Women	4.1	49.5	46.4	...	5.6	17.1	57.2	25.6	0.1	4.1

... No cases are recorded.

-- Value not significant.

1/ It refers to some college, vocational, or non-college higher education passed.

Source: CLS, 2000.

Of the total of 20,137 children in Group I, 62.2% have passed some primary grade and 33.5% some secondary grade (see Table IV.3). In the indigenous and rural areas, the first indicator is higher than the second. This situation is exactly the opposite in urban areas. In Group II, these ratios are lower, which is associated with the different distribution by age group <sup>23/</sup>. The average number of grades passed is 5.4 in Group I and 3.9 in Group II.

In Group I, this is influenced by the higher relative weight of the older population. This indicator in Group I is higher among women in all subdivisions, whereas this does not happen in Group II in indigenous areas. It may be inferred from this difference in favour of Group I that although schooling is higher, there is a schooling lag and a higher probability of repeating the grade.

### IV.3.2 School lag

School lag is an indicator that shows the negative effects of combining work and studies (see Box IV.1).

#### **Box IV.1. Criteria applied to calculate school lag**

School lag was calculated for the elementary and secondary levels taking the following criteria into consideration:

1. The official age for elementary schooling goes from 6 to 11 years old. To enter first grade, the regulation states 6 years old minimum. Therefore, those who turn six after the official start of the school year have to wait another year to enter elementary school.
2. The Child Labour Survey gets data about the last grade already passed. The survey was held in the month of October, several months after the beginning of the school year. Thus, it is assumed that only after being 7 years old, children may indicate having passed the first grade of elementary school (except cases of children who have entered school at an earlier age). In general, 12 year old children should have already passed the sixth grade of elementary school. This means that by age 13, children should already have passed seventh grade, the first of the secondary level.
3. This criterion was applied in a sequential order to establish the correspondence between the grade already passed and the age at the time the child stated that he/she had already passed the grade, adding one year as a margin.

If a child who was 7 years old at the time of the survey states having passed the first grade, then it is assumed that he/she does not have school lag. On the contrary, if a child who is 8 years old or more stated that the last grade achieved is the first grade, then it is assumed that she/he is lagging in school.

In the comparison of both groups of children, school lag in terms of overage is characteristic in Group I. Having passed some grade at the right time or earlier is more common in Group II (see Table IV. 4). In Group I, school lag at the elementary level reaches 85.5% and 58.9% at the secondary level. These ratios in Group I are higher than those for Group II. By sex, in Group I, men are slightly favoured in comparison to women regarding school lag at the primary-school level. The opposite is true in the secondary level. If overall, school lag in Group I is high, when

<sup>23/</sup> To interpret the comparative figures correctly, it is important to consider the relative importance of the age groups in each group. Group I: 10.6% are 5-9 years old; 50.5% are 10-14 and 38.9%, 15-17. In Group II: 40.7% are 5-9; 42.7%, 10-14 and 16.6% are between 15 and 17 years old.

subdivided, there are even more alarming cases, such as those found in indigenous areas and in the provinces of Darién, Herrera, and Coclé. In Group II, we find the highest ratios for this indicator in indigenous areas and in the province of Darién. Regarding the seriousness of school lag at the secondary level in Group I, the indigenous areas and the provinces of Darién and Herrera have the highest ratios, while in Group II, the indigenous areas and the provinces of Darién and Bocas del Toro seem to have the most serious problem.

**Table IV.4**  
**Panama. Children's school lag by work status, by area, province, and sex (in %)**

Area, province, and sex	Group I: Work and go to school				Group II: Do not work and go to school			
	Some primary-school grade passed		Some secondary- school grade passed		Some primary-school grade passed		Some secondary-school grade passed	
	Not overage	Overage	Not overage	Overage	Not overage	Overage	Not overage	Overage
Total	14.5	85.5	41.1	58.9	40.2	59.8	50.8	49.2
Men	15.5	84.5	32.3	67.7	38.8	61.2	46.4	53.6
Women	9.9	90.1	57.4	42.6	41.7	58.3	54.6	45.4
Urban	16.1	83.9	45.3	54.7	44.2	55.8	52.5	47.5
Men	19.7	80.3	32.0	68.0	43.5	56.5	47.7	52.3
Women	5.7	94.3	63.0	37.0	44.9	55.1	56.5	43.5
Rural	13.9	86.1	32.6	67.4	34.8	65.2	46.3	53.7
Men	14.1	85.9	32.7	67.3	32.4	67.6	42.9	57.1
Women	12.7	87.3	32.5	67.5	37.3	62.7	49.2	50.8
Indigenous	4.2	95.8	20.0	80.0	28.0	72.0	39.6	60.4
Men	5.4	94.6	25.0	75.0	25.7	74.3	37.9	62.1
Women	...	100.0	...	100.0	30.2	69.8	41.4	58.6
Bocas del Toro	19.6	80.4	33.3	66.7	34.6	65.4	39.7	60.3
Men	19.3	80.7	26.4	73.6	33.6	66.4	29.4	70.6
Women	21.1	78.9	59.6	40.4	35.7	64.3	49.3	50.7
Coclé	9.1	90.9	37.5	62.5	38.3	61.7	47.7	52.3
Men	11.0	89.0	16.7	83.3	36.6	63.4	41.6	58.4
Women	...	100.0	100.0	...	40.2	59.8	53.2	46.8
Colón	16.1	83.9	38.7	61.3	46.4	53.6	53.7	46.3
Men	17.1	82.9	40.0	60.0	41.4	58.6	50.7	49.3
Women	...	100.0	35.6	64.4	51.4	48.6	56.3	43.7
Chiriquí	17.5	82.5	37.5	62.5	38.6	61.4	55.3	44.7
Men	16.1	83.9	23.9	76.1	39.3	60.7	50.1	49.9
Women	24.4	75.6	100.0	...	37.8	62.2	59.3	40.7
Darién	--	100.0	2.7	97.3	27.5	72.5	35.4	64.6
Men	--	100.0	2.8	97.2	23.0	77.0	36.2	63.8
Women	...	100.0	...	100.0	32.1	67.9	34.8	65.2
Herrera	5.5	94.5	24.5	75.5	45.1	54.9	51.5	48.5
Men	6.3	93.7	30.2	69.8	42.1	57.9	47.8	52.2
Women	...	100.0	...	100.0	48.4	51.6	54.3	45.7
Los Santos	17.2	82.8	34.0	66.0	41.7	58.3	52.3	47.7
Men	13.7	86.3	36.8	63.2	39.3	60.7	52.5	47.5
Women	41.4	58.6	25.0	75.0	44.0	56.0	52.2	47.8
Panama	18.5	81.5	46.0	54.0	42.1	57.9	50.4	49.6
Men	22.6	77.4	32.0	68.0	41.4	58.6	45.8	54.2
Women	3.6	96.4	63.0	37.0	43.0	57.0	54.4	45.6
Veraguas	24.3	75.7	47.1	52.9	42.7	57.3	52.4	47.6
Men	23.1	76.9	47.8	52.2	39.9	60.1	49.6	50.4
Women	32.0	68.0	45.6	54.4	45.6	54.4	54.7	45.3

... No cases are recorded.

-- Value not significant.

Note: Those not overage are those who are in the grade that corresponds to their age, or that are ahead for their age.

Source: CLS, 2000.

### IV.3.3 Other indicators of school lag

Other educational indicators corroborate the differences between the groups. According to UNESCO definitions applied in the national educational system, it is assumed that children who have passed the fourth grade of primary school have acquired a minimum knowledge and basic learning skills that contribute to taking better advantage of the higher grades. At age 12, children should have already passed six academic grades (complete primary education). Thus, this indicator has been computed in order to emphasise the high presence on those who have not yet passed the fourth grade of primary school.

**Table IV.5**  
**Panama. Indicators of children's educational lag by work status, by area, province, and sex (in %) <sup>1/</sup>**

Area, province, and sex	Group I: Work and go to school			Group II: Do not work and go to school		
	Children aged 12 to 17 who have not passed the fourth grade of the primary level	Children aged 14 to 17 who have not completed the primary level	Children aged 15 to 17 who have not passed the first cycle of secondary education	Children aged 12 to 17 who have not passed the fourth grade of the primary level	Children aged 14 to 17 who have not completed the primary level	Children aged 15 to 17 who have not passed the first cycle of secondary education
Total	8.9	21.6	55.8	4.3	6.1	37.6
Men	11.2	28.5	67.2	4.3	7.8	42.4
Women	2.3	5.5	31.1	4.3	4.4	33.1
Urban	1.1	11.5	44.9	2.2	2.5	32.5
Men	1.8	17.3	60.6	1.8	2.8	36.9
Women	...	2.5	22.0	2.5	2.2	28.4
Rural	15.9	34.8	72.0	8.4	14.5	50.9
Men	17.7	39.1	74.2	9.0	19.1	55.9
Women	7.0	14.2	61.6	7.9	9.9	45.9
Indigenous	32.3	47.1	92.9	21.1	31.3	74.1
Men	39.2	53.9	100.0	21.0	37.8	83.3
Women	12.5	25.0	75.0	21.1	23.6	62.5
Bocas del Toro	12.5	21.1	70.1	8.4	12.2	56.6
Men	15.0	25.2	73.7	9.2	12.6	66.4
Women	...	...	50.0	7.6	11.7	45.1
Coclé	12.6	20.5	63.8	3.7	8.3	43.5
Men	15.8	25.5	67.1	3.7	11.7	50.6
Women	...	...	49.1	3.7	4.8	37.0
Colón	3.7	24.1	60.4	4.2	7.4	37.7
Men	4.2	28.8	66.8	5.0	9.0	45.6
Women	...	...	35.6	3.5	5.7	29.6
Chiriquí	3.6	34.6	64.2	3.8	7.1	37.2
Men	4.5	41.5	70.4	3.3	8.0	37.5
Women	...	...	...	4.2	6.4	37.0
Darién	25.3	47.5	82.4	19.3	24.0	76.2
Men	18.7	42.9	84.0	23.0	22.9	79.2
Women	86.7	86.7	...	15.6	25.2	73.3
Herrera	6.9	14.1	61.4	4.8	5.2	37.2
Men	8.0	13.8	59.1	6.1	9.2	41.1
Women	...	15.4	73.1	3.6	1.8	33.8
Los Santos	2.2	9.9	40.2	2.9	3.9	32.6
Men	2.7	12.6	38.2	3.3	4.7	35.5
Women	...	...	45.5	2.7	3.1	29.8
Panama	0.2	13.4	42.8	2.1	2.2	32.8
Men	0.3	20.6	60.0	1.8	2.9	36.9
Women	...	3.6	20.4	2.4	1.5	28.8
Veraguas	8.8	17.6	51.3	4.1	8.9	38.5
Men	11.0	23.3	56.6	3.2	12.4	42.2
Women	...	...	33.5	4.9	5.5	35.1

... No cases are recorded.

<sup>1/</sup> Percentages obtained on the basis of the total attending population in the corresponding age groups.  
Source: CLS, 2000.

In Group I, 8.9% of the children between 12 and 17 years old have not passed the fourth grade of primary education, twice the percentage recorded in Group II (see Table IV. 5). Women in Group I present values almost 5 times lower than men. In Group I, this indicator reaches 32.3% in indigenous areas and 15.9% in rural areas, while in the urban areas, it is relatively low with only 1.1%. The provinces that have a higher incidence with two digits are, in order, Darién, Coclé, and Bocas del Toro. This indicator in Group II does not show differences according to sex. The indigenous areas show the most serious situation (21.1%), and by provinces, Darién has the highest value (19.3%) in contrast to Panama which has the lowest (2.1%).

According to CEPAL's proposition which is recognised internationally, it is necessary to have at least 12 years of schooling to opt for higher chances for wellbeing<sup>24/</sup>.

According to UNICEF, if girls, boys, and adolescents complete 10 or more years of study, they have 80% chances of not being poor<sup>25/</sup>.

For this analysis, it is considered that the minimum to open up the road for better opportunities of wellbeing is 6 years of studies (complete primary education)<sup>26/</sup>. This threshold responds to the fact that we are dealing with the whole population between 5 and 17 years old, the different proportional distributions of the age groups involved, and the presence of overage cases taking into consideration those who have to wait to be the official age to start their elementary education (this is so even considering the distribution by specific ages bearing in mind the possibility of having to repeat a grade). The computations have been conducted for those 14 years old and above, age which is the limit of the compulsory education and the minimum age allowed by law to work under certain restrictions. At this age, they should have passed at least 6 years of studies. In addition, a maximum schooling level that this population may reach is the first cycle of secondary education, equivalent to having passed 9 years of studies. Since their ages do not correspond to the completion of secondary education at the time of the survey, it was calculated as of 15 years, since this is the age which is usually taken as the starting point for the analysis of the economically active population. At this age, they should have completed 9 years of studies.

These two indicators in Group I in comparison to Group II reflect the lack of equity and equality of opportunities that prevails in the first. As a result of the precarious economic conditions in their homes, and their early labour insertion, the children who combine their jobs and studies have not passed the basic primary education or the first cycle of secondary education to a greater extent than the members of Group II.

In Group I, one out of every five children between 14 and 17 years has not passed 6 years of studies and more than half of those between 15 and 17 years old who go to school have not completed 9 years of studies. The first indicator is higher in indigenous areas where it is twice the average. A similar situation takes place in the province of Darién. Urban areas have a more favourable ratio than rural areas. Men show the worst situation, with the exception of the province of Herrera. In comparison with Group II, this indicator is 3.5 times higher.

The second indicator is 55.8% in Group I. Men are at a greater disadvantage. In indigenous areas almost all girls and boys suffer this problem. In general, the values are extremely high at all subdivision levels. The urban areas and the provinces of Panama and Los Santos are the only ones that present percentages below the average. In Group II, in relative terms, the situation is

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<sup>24/</sup> / CEPAL, op. cit.

<sup>25/</sup> / UNICEF-TACRO. "Child Labor and Education," 1996.

<sup>26/</sup> / Preschool years were not included.

more favourable, but it is still high in indigenous areas and in the province of Darién. Without exception, the incidence is higher among men than women.

The comparison between the two groups shows the differences and segmentation of the population that is between 5 and 17 years old, the social exclusion to which working children who study are subjected, the loss of educational achievements that endanger their rights and future, among other multiple potential consequences. In addition, inequity is more marked in Group I probably as a result of generational inequalities. This contrasts sharply with Group II, whose members have access to a better education that would open a wider range of opportunities for better-paid and more qualified jobs in the future when they compete in the labour market with Group I. The members of Group I, even if they reached enough schooling years, would be at a disadvantage due to the differences in the quality of education received and the networks of connections available to the households of Group II members.

#### **IV.4 Educational environment at home**

In general, the home educational environment in which children grow up exerts an undeniable influence on their educational progress, delay, or lag. A low schooling level for the household head<sup>27/</sup> becomes a disadvantage for children's development as they are more prone not to go to school, to drop out, and to have a deficient performance. On the other hand, when the household head has a high educational level, he/she will choose to send his/her children to school on a regular basis, to help them in the school assignments, and to encourage them to surpass their own achievements. A context of increased awareness regarding the importance of education as a way out of poverty and ignorance may result in having households with low schooling value children's incorporation and permanence in the educational system positively.

Several studies and the perceived reality prove that poverty is an intergenerational phenomenon, that is, it is transmitted from parents to children. The already analysed conditions of privation and precariousness at HWWC are one of the causes that have more impact on the early incorporation of children into the labour market, limiting or annulling their access to the educational system. Without education or with very low educational levels, girls and boys would have to conform to living a future with a limited wellbeing, less occupational mobility, a lower income, and more social exclusion, among others, and thus reproduce the socio-economic and cultural patterns of their own households. The causality relation among economic wants, family size, precarious labour insertion, and schooling levels at home is apparent when child labour is analysed.

When analysing the educational environment in their homes, the highest schooling level achieved by the heads of HWWC is taken into account. This indicator is compared with the distribution of children according to the educational level of the head of their household and the level they themselves have reached.

As a minimum educational capital for children, it is considered that they should have reached the primary level (6 years of study). A very high educational achievement for the household heads is 13 or more years of study. A high enough level means having completed secondary education, which is equivalent to 12 years of study. This is due to the fact that "this educational threshold translates, with a probability over 80%, into receiving an income that would allow them to be out of poverty"<sup>28/</sup>. An intermediate educational achievement means incomplete secondary education. Complete elementary education is categorised as low.

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<sup>27/</sup> Based on the observation of the kinship relation in the household, it is assumed that the household heads where the children live are these children's parents.

<sup>28/</sup> CEPAL, op. cit.

**Table IV.6**  
**Panama. Distribution of household heads in household with working children by their and working children's schooling level, by area and province (in %)**

Area and province	No schooling	Incomplete primary	Complete primary	Incomplete secondary	Complete secondary	Some college	Vocational	Graduate school
<b>Household heads</b>								
Total	15.8	28.5	27.5	15.2	8.2	4.1	0.3	0.4
Urban	5.6	15.3	20.5	27.9	19.6	10.1	...	1.0
Rural	21.4	35.7	31.4	8.2	2.0	0.7	0.5	0.1
Indigenous	34.9	33.8	23.3	5.8	2.3	...	...	...
Bocasdel Toro	38.9	22.5	13.4	17.6	7.5	...	...	...
Coclé	6.8	38.6	43.2	6.1	5.3	...	...	...
Colón	14.8	29.6	24.0	24.4	7.2	...	...	...
Chiriquí	8.2	33.0	27.4	18.0	8.0	5.3	...	...
Darién	29.9	37.0	25.9	5.4	1.8	...	...	...
Herrera	20.6	28.4	31.4	12.5	3.6	3.5	...	...
Los Santos	9.4	30.7	40.3	7.1	7.8	2.9	0.9	0.9
Panama	6.1	17.5	24.7	26.0	15.1	8.7	0.9	1.1
Veraguas	22.4	35.4	26.9	7.3	4.7	3.2	...	...
<b>Working children according to household heads</b>								
Total	17.7	30.7	26.2	13.9	7.3	3.7	0.2	0.3
Urban	5.6	16.8	19.7	26.6	19.7	10.6	...	0.9
Rural	23.1	37.0	29.1	8.1	1.7	0.6	0.3	...
Indigenous	35.4	36.9	22.3	3.8	1.5	...	...	...
Bocasdel Toro	39.5	25.7	14.2	13.6	6.9	...	...	...
Coclé	9.6	39.0	41.1	5.0	5.3	...	...	...
Colón	13.3	37.9	19.6	23.1	6.0	...	...	...
Chiriquí	7.1	32.1	25.9	22.8	6.6	5.5	...	...
Darién	27.0	40.0	25.6	5.8	1.6	...	...	...
Herrera	19.4	29.6	32.6	11.9	3.2	3.2	...	...
Los Santos	10.5	29.2	42.8	6.8	6.5	2.7	0.8	0.7
Panama	5.9	19.5	23.5	25.0	15.2	9.1	0.7	1.0
Veraguas	23.8	35.4	26.3	7.5	4.2	2.8	...	...
<b>Working children according to their own schooling</b>								
Total	5.6	33.3	34.6	24.7	1.2	0.3	--	0.4
Urban	1.0	27.2	22.5	44.2	3.3	0.9	--	0.9
Rural	7.6	36.0	40.1	15.9	0.2	...	...	0.1
Indigenous	16.9	47.7	24.6	10.8	...	...	...	...
Bocasdel Toro	14.4	52.0	13.5	20.1	...	...	...	...
Coclé	0.6	15.0	72.3	11.6	0.5	...	...	...
Colón	...	31.3	34.1	33.3	1.3	...	...	...
Chiriquí	1.2	34.2	37.0	26.4	1.2	...	...	...
Darién	9.0	35.1	29.7	26.3	...	...	...	...
Herrera	3.0	32.0	40.2	23.3	0.8	...	...	0.7
Los Santos	...	20.3	46.9	30.4	...	...	0.4	2.0
Panama	0.8	26.1	28.8	39.0	3.3	1.0	...	1.0
Veraguas	6.0	37.7	34.5	21.8	...	...	...	...

... No cases are recorded.

-- Value not significant.

Source: CLS, 2000.

In households where the head did not complete elementary education, there are 30.7% of the working children. Among those that completed primary school, there are 26.2% of the working children (see Table IV. 6). Adding both levels, it turns out that more than half are part of households where the head did not reach past the elementary level. These ratios are higher in

households with male heads (59.2%) than with female heads (44.6%). A favourable figure is that 34.6% of the children have completed their elementary education and 33.3% did not do so. That is, together, 67.9% have passed some primary grade, which surpasses the heads' educational situation. The sum by sex is significantly higher for men (72%) than for women (54.6%).

When contrasting the heads' schooling in these levels with that of the working children's, it becomes evident that in relative terms, children surpass the heads. The children who work have been able to gain a minimum basic education (complete primary), unlike their parents. This is notorious at all geographic subdivision levels.

On the extreme, 17.7% of working children are part of households with heads that do not have any schooling, ratio that is slightly lower in households headed by women. Nevertheless, only 5.6% of working children in urban households live with heads that do not have any schooling.

In turn, 5.6% of working children do not have any schooling of their own. The incidence is slightly higher among girls (7.2%) than among boys (5.1%). Regarding household heads, 15.8% do not have any schooling, ratio that is different according to sex in favour of female heads (14.9%). In the category "no schooling", the distribution of working children according to the household head's level is relatively more important in indigenous and rural areas and in the provinces of Bocas del Toro, Darién, Veraguas, Herrera, and Colón. When dealing with the distribution of children's own schooling level, the significance remains in indigenous areas, Bocas del Toro, Darién, and in rural areas and they are lower in comparison with the ratio among the heads. This reveals some improvement in the access to opportunities that they have had and that have been provided to them.

A last comment about the "no schooling" category refers to the fact that in it we find 75% of the female heads in indigenous groups. The working children under their care represent 80% and at least show ratios that are lower to these women's. This fact has different implications for the working children, given that the more educated the mother is, the better prepared they are to provide the children with better care during their growth and development, even since the prenatal period and during lactation, resulting in better health and nutrition.

With household heads that did not complete the secondary level live 13.9% of working children. Among the heads, the ratio in this group reaches 15.2% and female heads are more numerous (25.0%) as they almost double men (13.2%). This is the maximum level that, because of their ages, may be taken for comparative purposes with the household head. This ratio is higher among working children than among household heads: 24.7% have passed this level and it is even higher among women (32.8%). In comparing areas and provinces, this group has two-digit figures without exception. In urban areas, this category takes up more than 40% of the children. It is also worth mentioning the fact that household heads present ratios that are not very high with regards to having completed their secondary education (8.2%) or having passed some college level (4.1%).

The concentration of working children in other household heads' educational levels is lower and their participation in schooling that involved more years of study according to their ages is not very significant.

It is important to mention that more than half of the population between 5 and 17 years old who do not work live in HWWC, who may be the brothers and sisters of those who work, and that their parents have passed some elementary level.

When the educational levels of the heads of the HWWC and the HWNWC are contrasted, a difference in terms of the educational capital gained is noticed. Among the HWWC's heads, the

no-schooling, incomplete primary, and complete primary categories are more common. This sets the difference that favours the heads of the HWNWC.

In the HWNWC, 44.7% of the children live with parents who have completed their primary education, 23.1% with parents with incomplete secondary education, and 15.4% with parents with no schooling. These three categories also include a significant educational capital a larger number of children in HWNWC: 48.9%, 23.5%, and 17.4%, respectively. Regarding household heads, the ratios of these three categories correspond to 13.8%, 22.4%, and 5.6%, respectively. To this, we may add that 24.3% completed their primary education, 16.8% completed their secondary education, and 13.5% have some college education. The comparison of the schooling level reached by the children and the household heads reveals, on the one hand, that in relative terms, the former have surpassed their parents as they have reached the incomplete secondary level; and, on the other, that the heads of these households have acquired a higher educational capital. Because of this, it may be expected that working children will achieve higher levels as they get older, encouraged by their parents who have a higher educational level.

A fact to stress is that it may be inferred and corroborated, on the one hand, that in HWNWC we deal with younger children, and, on the other, that as the heads have a higher educational level, the number of dependents decreases and the distance between the parents' and the children's age is higher since they create their own households at a later age.

An indicator that summarises the educational capital that predominates in HWNWC is average years of schooling. Working children present a more favourable situation than household heads. Overall, the difference with the household heads is of one year of study and by sex, the differences in the patterns repeat themselves (see Table IV. 7).

**Table IV.7**  
**Panama. Average schooling of working children and household heads by type of household and sex, by area and province**

Area and province	Households with working children						Households with non-working children		
	Working children			Household heads			Household heads		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Total	5	5	6	6	5	6	8	8	9
Urban	7	6	8	8	8	9	10	10	10
Rural	5	5	5	4	4	4	6	6	6
Indigenous	4	4	4	3	3	1	4	4	3
Bocas del Toro	4	4	4	4	4	6	6	6	8
Coclé	6	6	6	5	5	5	7	7	7
Colón	6	6	7	5	5	7	9	9	10
Chiriquí	6	5	7	6	6	7	8	8	8
Darién	5	5	5	3	3	4	5	5	5
Herrera	6	5	6	5	5	6	7	7	8
Los Santos	6	6	7	6	6	5	7	7	8
Panama	7	6	8	8	8	8	10	10	9
Veraguas	5	5	6	4	4	5	7	7	7

Source: CLS, 2000.

In urban areas, working children have one year less than their parents. This difference remains when compared with their fathers, but when they are compared with their mothers, the difference is of two years less of study. In contrast, in rural areas, working children have one year of studies more than their parents. In the provinces of Bocas del Toro, Chiriquí, and Los Santos, the number of schooling years is not different for parents and children. In the provinces of Coclé,

Colón, Herrera, Veraguas, and in indigenous areas, working children surpass by one year their parents' average. In Darién, the difference is two years. In indigenous areas, the difference is 3 years in favour of the children and is more marked with regards to female heads that barely have one year of schooling.

An examination of the average years of schooling among the heads of HWWC and HWNWC reveals consistent differences: at any subdivision level including the subdivision by sex, the heads of the HWWC usually have two years of schooling less than the heads of the HWNWC. In the provinces of Colón and Veraguas, the differences are higher (4 and 3 years, respectively); by sex, overall the difference is of 3 years. Los Santos is the only place with a difference of one year, but this difference reaches 3 years among women.

The above data confirm the observations regarding the comparison between educational level and average monthly income. There is a close relation between schooling and income related to the access to higher wellbeing occupations as schooling increases. This shows the importance of education in overcoming the cycle of privation, inequality, and social exclusion. Similarly, the relationship schooling-occupation-income shows a progressive tendency for the income as the schooling increases and labour insertion increases in quality.

When the schooling level reached by working members 5 years and more in HWWC (this group is thought to represent HWWC since it is the largest) is compared with the monthly income received by specific age groups, it is evident that there is a positive mobility as schooling gets higher (see Table IV. 8).

More than half of those who have not yet passed a grade receive less than B/. 100 per month. The concentration in this stratum decreases as the educational level increases with a difference of 12 percentage points with regards to complete primary, 45 points with complete secondary, and almost 50 points with some college level. The difference between complete elementary and secondary education is of 30 percentage points.

**Table IV. 8**  
**Panama. Distribution of the working population age 5 and older in households of working children, by declared average monthly income stratum, by highest level of schooling achieved (in Balboas)**

Highest level of schooling achieved	Monthly income stratum											
	Less than 100	100 to 124	125 to 174	175 to 249	250 to 399	400 to 599	600 to 799	800 to 999	1,000 to 1,499	1,500 to 1,999	2,000 to 2,999	3,000 and more
Total	33.0	7.5	7.2	11.3	16.2	9.4	5.0	2.3	1.6	2.3	1.1	1.3
Without schooling	51.7	6.7	8.7	14.9	11.6	3.3	0.9	...	0.2	...	...	...
Incomplete primary	43.8	8.2	7.8	11.3	13.5	9.4	2.6	0.8	0.5	0.8	...	...
Complete primary	39.4	9.4	7.7	13.4	15.6	6.6	4.0	1.2	1.0	0.4	0.4	...
Incomplete secondary	10.9	6.2	6.5	9.7	24.7	15.7	9.6	3.7	1.9	3.5	1.8	3.4
Complete secondary	6.5	5.2	5.5	2.9	21.1	13.9	10.9	2.8	7.9	13.9	0.8	5.1
College, 1 to 3 years	2.0	...	...	8.5	1.0	19.9	17.9	32.6	4.6	0.4	...	13.0
College, 4 and more years	...	...	1.4	...	3.8	6.0	2.2	22.2	12.8	26.0	15.3	10.3
Non-college superior education	...	...	...	...	100.0	...	...	...	...	...	...	...
Vocational	15.3	3.6	...	32.1	12.8	3.1	33.2	...	...	...	...	...
Graduate (master's, doctorate)	...	...	...	...	...	...	4.6	...	...	...	95.4	...

... No cases are recorded.

Note: The table presents the distribution per monthly income stratum including "undeclared income," but it is omitted in the presentation for not being significant.

Source: CLS, 2000.

With an educational capital of 12 years of schooling (complete secondary), the heads of the HWWC are placed in higher monthly income strata, as compared with those in the lower educational levels, that fluctuate between B/. 250 and B/. 799. In addition, there is a significant number with income between B/. 1,000 and B/. 1,999 a month, and even a small group that earns B/. 3,000 or more. Having 13 or more years of schooling marks an even more significant difference that grows as the schooling years increase to situate them in the B/. 1,500 and more stratum and in the B/. 2,000 to 2,999 stratum when they have graduate degrees—master’s or doctorate.

Working children in general follow a performance similar to the working members of their households. This may be compared to the adult world given the participation they have. However, there are some differences worth mentioning.

With incomplete primary, this group shows a slightly higher incidence in the B/. 400 to B/. 599 a month stratum (see Table IV.9). With complete primary, the concentration in the stratum between B/. 100 and B/. 174 a month is a little higher despite the fact that because of their ages this is the basic educational level for this group.

With complete secondary, working children have a higher incidence in the B/. 1,000 and more per month stratum (with the exception of the B/. 2,000 and B/. 2,999 stratum). With vocational training, they are mainly situated in the B/. 600 to B/. 799 per month stratum in a relatively more numerous way than the overall population.

**Table IV.9**  
**Panama. Distribution of working children by declared average monthly income stratum, by highest level of schooling achieved (in Balboas)**

Highest level of schooling achieved	Monthly income stratum											
	Less than 100	100 to 124	125 to 174	175 to 249	250 to 399	400 to 599	600 to 799	800 to 999	1,000 to 1,499	1,500 to 1,999	2,000 to 2,999	3,000 and more
Total	34.5	7.9	7.5	12.5	15.9	8.9	4.1	1.9	1.3	1.6	1.0	1.1
No schooling	51.0	1.0	7.7	27.2	8.4	4.2	...	...	...	...	...	...
Incomplete primary	41.3	8.7	5.9	12.0	14.4	10.6	2.6	1.1	0.3	1.2	...	...
Complete primary	43.3	9.6	9.2	13.0	12.3	5.5	3.9	1.1	0.5	0.1	1.0	...
Incomplete secondary	12.5	6.8	7.8	9.9	25.4	12.7	6.3	3.4	3.1	3.7	2.7	3.2
Complete secondary	...	4.7	...	...	9.4	4.4	9.8	...	23.1	23.1	...	25.5
College, 1 to 3 years	...	...	...	...	...	...	...	100.0	...	...	...	...
Non-college superior	...	...	...	...	100.0	...	...	...	...	...	...	...
Vocational	...	...	...	2.9	14.0	7.0	76.0	...	...	...	...	...

... No cases are recorded.

Note: The table presents the distribution per monthly income stratum including “undeclared income,” but it is omitted in the presentation for not being significant.

Source: CLS, 2000.

When the working members in the HWWC and the HWNWC are compared, important characteristics are found (see Table IV.10). In the HWNWC, one of every 10 workers receives less than B/. 100 per month while in the HWWC this number reaches 30%. The presence in the B/. 400 per month or more strata is more characteristic in the HWNWC than in the HWWC. With complete primary, the HWNWC are mainly found in the B/. 175 to B/. 500 a month stratum, while in the HWWC, the degree of significance is lower in the B/. 400 to B/. 599 stratum and higher in the less than B/. 100 a month stratum.

With complete secondary, HWNWC are relatively more numerous in the strata with higher income in comparison to the HWWC. However, the differences at this level that corresponds to 12 years of study are not as big as it would be expected. Among the working population in these households, it seems that educational levels of 13 or more years make the difference, especially, having obtained a graduate degree—master’s and doctorate—which corresponds to more than 18 years of schooling. In addition, the option of non-college superior studies that represent at least 14 years of schooling are more predominant among HWNWC and provides them a more diversified distribution.

It is expected that in the future working children will find their wellbeing opportunities less limited in comparison to the previous generation. The educational environment of the HWWC in a context of less favourable demographic, social, and economic conditions, despite the fact of having promoted early labour insertion, has not reduced their aspirations to achieve a better lifestyle through education.

**Table IV. 10**  
**Panama. Distribution of working population age 5 and older in households without working children by declared average monthly income stratum, by highest level of schooling achieved (in Balboas)**

Highest level of schooling achieved	Monthly income stratum											
	Less than 100	100 to 124	125 to 174	175 to 249	250 to 399	400 to 599	600 to 799	800 to 999	1,000 to 1,499	1,500 to 1,999	2,000 to 2,999	3,000 and more
Total	10.2	4.2	5.2	10.2	18.7	17.4	10.0	7.0	8.4	3.6	2.4	2.2
No schooling	46.3	7.1	9.0	12.0	11.9	6.5	2.1	1.9	0.6	0.3	0.9	...
Incomplete primary	28.5	11.1	10.5	15.8	14.6	9.8	3.4	2.2	1.9	0.5	0.9	0.3
Complete primary	16.9	7.5	8.1	15.9	23.6	15.2	5.4	3.2	2.1	0.9	0.4	0.5
Incomplete secondary	5.7	3.2	5.3	10.8	25.6	21.4	11.7	6.7	5.9	1.4	1.4	0.5
Complete secondary	1.2	1.8	3.4	7.1	19.0	24.0	15.4	9.1	10.6	4.4	2.3	1.2
College, 1 to 3 years	0.7	0.4	0.8	4.3	11.4	18.4	15.8	13.7	18.0	6.8	5.5	4.4
College, 4 and more years	0.1	0.2	0.5	1.8	5.8	10.3	11.0	13.5	22.8	15.4	7.8	9.9
Non-college superior	...	2.6	...	7.5	13.9	13.6	23.4	15.0	13.2	5.6	5.3	...
Vocational	2.9	2.7	...	8.8	21.3	27.3	10.0	7.8	14.0	1.4	1.3	2.5
Graduate, Master’s and Doctorate	...	0.6	...	...	0.5	4.9	4.5	3.6	23.1	10.9	13.8	33.4

... No cases are recorded.

Note: The table presents the distribution by monthly income stratum including “undeclared income,” but it is omitted in the presentation for not being significant.

Source: CLS, 2000.

In the HWWC, characterised by living under privations of diverse nature, it has been proven that poverty is the cause of children’s work. Nevertheless, this is not the only cause. The problem is multi-dimensional. Even the poor make sacrifices and choose the road to the inter-generational transmission of opportunities by giving education relevance and value.

Working children still have time ahead to spend in the school environment, so their current situation is not yet determining. On the contrary, it may be improved with the support of a perspective that takes into account gender issues, a solidary society that is all-inclusive, democratic, fair, and equalitarian. This is fundamental to counter the vulnerability that surrounds them as a consequence of the inequality existent in their households that appears through insufficient schooling levels and limited possibilities to reach a better wellbeing. This supports the idea that Households With Non-Working Children live better in contrast to the privation and marginality of different kinds faced by Households With Working Children.

## CHAPTER V FINAL REMARKS

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The labour insertion of children 14 years old and younger indicates that there is a need to apply more effective control mechanisms in relation to child labour in order to comply with the international conventions ratified and the existing legal regulations. In addition, it is necessary to launch awareness-raising campaigns at all levels—unions, political, social, and parental—about the consequences of child labour not only on them but also on the future sustainability of their households and society as a whole. It is also necessary to disseminate the investigations derived from the statistical data in a user-friendly way in order to raise awareness and to implement concrete actions.

The fact that children need to “trade education for labour”, in addition to being against their rights, may be limiting their opportunities of moving to occupations that provide a better wellbeing in their adult age.

The recurring occupations indicate that the workplaces are farms or agricultural sites, the street, and private homes. These jobs are exhausting and time consuming, and take away valuable time from their studies and valuable academic achievement. Moreover, ILO studies consider these occupations hazardous for their safety and health and for their physical, social, and psychological development. Their contribution to the household is not condemnable; what is bad about their jobs relates to the conditions in which they perform their activities, their length, and, above all, that it interferes with their right to education.

It has been demonstrated that to understand the problem of child labour it is not enough to pay attention to poverty only. To understand the context that surrounds working children, it is indispensable to know the conditions of their households and their relation to other factors—demographic, educational, social, and cultural- that interrelate and force their early incorporation to the labour market and force them into an adult world even when they have not lived their childhood. In this context, child labour turns into a lack of protection of society, while reflecting an even more complex problem related to the conditions of their homes, homes that would not be able to get part of their nutritional requirements without their contribution. This becomes even more important when related to other basic needs, such as attending school. All this indicates that the benefits of economic and social progress and development barely reach these homes.

The academic achievements of working children alone show that they are subjected to social exclusion and inequality, even more among those who “had to decide” to lose their chance to get an education in order to work. For those who try to combine working and studying, the efforts to do so are immense. Their achievement, simply for having to work and its consequences, will probably be affected by school lag, desertion, and grade repetition, low academic achievement, attention and concentration problems, and an insufficient accumulation of basic educational capital.

In this context, it is encouraging to notice the value given to education in Households With Working Children. The working children present educational levels that are not very different from those of their parents. As a result, the educational environment of their homes has not been completely negative. However, they still have a road to go through ahead, in which they could revert losses in academic achievement if the vision of a solidary, all-inclusive, democratic, fair, and equalitarian society goes from being a discourse to effective practice. This could be achieved

by assuring their insertion in the school system in places of difficult access, with scholarships, and support of different kinds which would allow them to remain in school and decrease the direct costs of education, to get a better quality in their education similarly to children living in households with better living conditions. Bilingual education should be extended and the incorporation of indigenous populations, especially women, in the school system has to be guaranteed.

If Panamanian children study rather than work, the social gain for the human development in the country would be unimaginable. If child labour is not stopped, the country might have fewer possibilities of achieving the Millennium Goals, especially the eradication of extreme poverty and hunger, the universality of elementary education, and the promotion of equality among sexes and women's autonomy. The cost for society would be a lower potential for its human capital to contribute to the country's development, especially in a globalisation process that gets even deeper each day.

The analysis of the information compiled in the Child Labour Survey allows us to state that child labour is the worst way to facilitate their incorporation to a full, social life. On the contrary, it brings about difficulties and obstacles that, unfairly opposed to the families' needs and requirements, make them conform to aspects such as income, schedules, organization and move them away from the possibility of building a good and stable life project.

In summary, the concern regarding child labour is not the generation of jobs for them to enter the economic activities as it is for adults. On the contrary, the challenges are in implementing measures to prevent their labour insertion and to protect their rights, especially their educational and labour rights, if the labour-access conditions allow this; to apply and find innovative actions to have a favourable and effective impact on their joining the educational system and school retention; and to provide them with training opportunities that can improve the quality of their lives.

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