

# CHILD LABOUR: CAUSE AND EFFECT OF THE PERPETUATION OF POVERTY

International Program for the Eradication of Child Labour (IPEC)  
of the International Labour Organization (ILO)  
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## IPEC

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## PROLOGUE

*In the Americas the persuasion that the generation of decent work, such as is defined by the ILO, has begun to consolidate, and this constitutes the best way to overcome poverty and guarantee the democratic governability. During the XVI Regional American Meeting of the International Labour Organization, held in Brasilia in May of 2006, governments, employers and workers reaffirmed their commitment to fight poverty and the eradication of child labour. In this way, the three party delegations adopted the progressive elimination of the child labour, collected in the Hemispheric Agenda 2006/2015 to generate Decent Work in the Americas. In order to achieve this objective, the Agenda includes some of the following goals: eliminate the worst forms of child labour for 2015 and completely eliminate child labour by 2020.*

*It is undeniable that child labour and poverty are two realities that go hand in hand, two realities that feed each other. The study that occupies us shows that it is so, and at the same time introduces the inclusion of conditioned monetary transfer programs into the national development strategies and the fight against poverty as an important first step to face the problem that child labour exploitation of girls, boys and adolescents constitutes in the region.*

*Within this frame, the work we now submit constitutes a step forward in the investigation and analysis of the problem of child labour in Latin America and its relation with the perpetuation of poverty. The general objective of this investigation is to formulate recommendations so that the matter of child labour is explicitly considered in the national development/reduction of poverty strategies as a means to achieve an America free of child labour in the medium term. For this, we first analyze the situation of child labour - delving deeply into its causes and consequences -; and then we analyze globally the commitments acquired in this matter, within the framework of international conventions and agreements, as well as how the matter of child labour has been dealt with in the development/reduction of poverty plans/strategies currently in execution in the region.*

*The results and recommendations of this work constitute a contribution of our organization to encourage social policies and programs that affect in a determinative way the definitive elimination of child labour exploitation in all the countries of the region.*

Jean Maninat

Regional DIRECTOR OF THE ILO FOR THE AMERICAS

## EXECUTIVE SUMMARY

*Although it has been reduced in the last years, child labour continues to be very high in the Latin American region. In the same way as in the rest of the world, in the Latin American countries child labour has multiple causes, among which poverty, violence within the family, cultural patterns, social indulgence,, lack of opportunities and lack of coverage, quality and fulfillment of the compulsiveness of education, stand out. To those causes one must add the lack of institutional capacities to fight it effectively, but also, in some countries, the absence of forceful and sustained actions to fight it, in spite of that established by their own national legislations (Political Constitutions, specific laws, etc.) and by the international commitments acquired by the countries.*

*The general objective of this investigation is to formulate recommendations so that the issue of child labour is explicitly considered by the Latin American countries in their national development/reduction of poverty strategies facing the international commitments on the subject. For this, we first analyze the situation of child labour in the Latin American countries - delving deeply into its causes and consequences -; and then we analyze globally the commitments acquired by the Latin American countries on the subject of child labour within the framework of international conventions and agreements, as well as to how the issue of child labour is dealt with in the development/reduction of poverty plans/strategies currently in execution in the Latin American countries.*

*The Latin American countries considered in the investigation are 18, in alphabetical order: Argentina, Bolivia, Brasil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, México, Nicaragua, Panamá, Paraguay, Peru, the Dominican Republic, Uruguay and Venezuela.*

*From the analysis of the situation of child labour in Latin America and especially from its ties with poverty, we obtain important results and conclusions.*

*We verify first of all a situation known in advance: that child labour is directly associated with poverty at home (poverty as a determinant factor of child labour). The working girls and boys are part of, in their greater part, of homes in conditions of poverty (insufficient income). The motivation of child labour responds then in a good measure to that situation and the need of generating income for the home.*

*It is important to highlight that the situation of the home is also reproduced on an aggregate level or country level, since the rates of child labour correlate positively with the global rates of poverty. The tendency between countries shows an association between high rates of child labour (5-14 years-old) with high rates of poverty incidence and vice versa, in such a way that the situation of homes and people is reproduced on an aggregate level.*

*The analysis of the increase in the income of the homes resulting from child labour (in cash and attributed) allows us to conclude that although child labour generates income for the homes at*

*the moment when it takes place, it is not sufficient to take the homes out of poverty, when the income originating from child labour is considered (in cash and attributed).*

*Only a very small proportion of the homes with working girls and boys is able to surpass the poverty threshold due to insufficiency of income thanks to the contribution of child labour. Again, the result of the homes is reproduced on an aggregate level or country level and one confirms that child labour does not achieve significant reductions in the global indicators of poverty. When considering the contribution of child labour (in cash and as an attributed value) as part of the income of the homes, this is only capable of reducing in a few percentage points the incidence of extreme and total poverty on a national level, independently of the magnitude of child labour in the country or of the high poverty rates without considering that income. On country levels then, child labour does not constitute a solution for the global problem of poverty as it does not either on the homes level.*

*It is confirmed that the rates of school attendance/enrollment are lower among working girls and boys. It should also be taken into account that globally (on country level) the rates of child labour are inversely associated with the total social public expenditure per capita and the expenditure in education. That inverse relation reflects the importance of the public investment in social sectors and especially in education, in order to achieve significant reductions of poverty.*

*Using average values for Latin America, it was shown that remaining in school implies, among other benefits, the generation of future income that will help alleviate the poverty situation of the young people and their homes. If the working girls and boys are in school until they are 14 years-old this means that they will remain in school four additional years with regard to the Latin American average; and in conditions of quality of the education - that allows them to pass the respective grades -, they will be able to increase their educational level in those four years.*

*Considering the average costs of opportunity of child labour for the region and an estimate of the direct costs of education, and the return rates of education and the minimum remuneration of a non qualified worker, to leave child labour during those four years and earn them in education will allow them when they incorporate into the labour market to earn a greater labour income, which will help them and their homes to alleviate the poverty situation.*

*As well as the individual benefits, eradicating child labour procures an economic benefit for society in general. There exists a more ample cost-benefit analysis than the one indicated above that includes, as well as the cost for the homes, the cost for the governments of extending the coverage and quality of education, as well as the direct interventions to face the worst forms of child labour and a bank transfers program to compensate the homes their costs and benefits in health as well as those of education. This analysis reflects that all the countries would obtain high rentability rates by eradicating child labour, that is, that as well as the individual benefits, there are social benefits. The cost for the governments of a program like the one mentioned above is not, in general terms, so high, although it is so for the countries with lower levels of social investment. A strong political will is required to carry out an action of this kind, and guarantee as well the sustainability of the program further on in spite of the changes in government, since the eradication of this work takes time.*

*In line with the above proposal, the conditioned cash transfers programs may constitute in principle an important support for a strategy of child labour eradication, as long as transfers are carried out to the homes of working girls and boys to compensate for the cost of opportunity of child labour as well as for the direct costs of education (materials, uniforms, transportation, etc.),*

*conditioned to the children leaving child labour and attending school regularly and passing the grades. In the second part of the study we analyze the international commitments of the countries on the matter of child labour, we rapidly review the national plans of prevention and eradication of child labour in order to pass on to a deeper analysis of how child labour is dealt with in the national development and poverty reduction plans/strategies.*

*In general terms, 17 of the 18 countries studied have ratified the agreement No. 138 of the ILO on the minimum age of incorporation into labour, and the 18 countries have ratified the agreement No. 182 for the eradication of the worst forms of child labour and the Convention about the Children's Rights.*

*Also, they have participated in various Latin American forums in which agreements have been reached about child labour, like the VII Ibero American Conference of Ministers and High Level Responsible Officials of Childhood and Adolescence (Spain, 2005) and the XVI Regional American Meeting of the ILO (Brasilia, 2006). During the latter, the countries assumed the Hemispheric Agenda to generate Decent Work 2006-2015, that sets forth among its specific objectives the "progressive elimination of child labour", according to the following goals: a) eliminate the worst forms of child labour in a time frame of 10 years (2015); and b) eliminate child labour completely in a time frame of 15 years (2020).*

*Also, 15 of the 18 countries of Latin America considered in this study have prepared National Plans of Prevention and Eradication of Child Labour, referring specifically to child labour (14 countries) as well as to the elimination of the worst forms of child labour (2 countries) or particularly to what refers to commercial sexual exploitation of girls, boys and adolescents (5 countries).*

*These plans constitute indispensable elements to achieve the proposed objectives on matters of child labour, but are not in themselves sufficient. That is why they must be properly articulated with more ample policies, plans and strategies, specially the national development and reduction of poverty plans or strategies.*

*We analyze these national plans and strategies for the 18 countries considered in the study (in force at the moment of carrying out the same: September of 2007) and have confirmed that, with scarce exceptions, the matter of child labour is greatly absent from them.*

*Of the 18 countries analyzed, only two achieve a complete treatment of the subject: Brazil and Colombia. These, as well as indicating the problem, highlight objectives, goals and specific actions and even, resources. Other two countries, Bolivia and Ecuador, give an adequate importance to the subject, although not with the depth of the previous two.*

*Four countries, El Salvador, México, Panamá and Paraguay, refer to the subject of child labour but do not necessarily highlight the concrete actions that will be carried out, those responsible for each one, the follow-up indicators nor the estimated costs of the actions.*

*It is also verified that the national plans of prevention and eradication of child labour which the countries have, derived from the national development plans/strategies, but the former are not part of or are not properly integrated into the latter.*

*It is also made evident that in the greater part of the cases there are no State policies with regard to child labour. In this sense, the subject not only is not placed among the national priorities established in those plans and strategies, but the practice that each new government formulates*

*its own plan or strategy without taking into account the previous one may result in that important proposals made in past plans may be left out.*

*From those results we make a series of recommendations with the purpose of highlighting the need that the national development and reduction of poverty plans and strategies consider explicitly actions for the fulfillment of the minimum ages of incorporation to labour and the effective prohibition of the worst forms of child labour.*

*This requires defining and incorporating into the national development plans, goals, time frames, responsible persons and follow-up indicators, as well as the estimated cost of the actions that must be carried out, guaranteeing the necessary resources for their execution. These goals must be in accordance with those stated in the Hemispheric Agenda to generate Decent Work 2006-2015/.*

*The need to place the issue of the eradication of child labour among the priorities of the State also stands out, that is, that it transcends the plans and strategies tied to government periods or administrations. For this we propose to reach national pacts against child labour, in which the different social sectors of each country participate and in which the international organizations could play a key role.*

*The National Plans of Prevention and Eradication of Child Labour must play a relevant role, especially in those countries that do not have a national development plan, including as well the possibility that they become State policies. Although these plans constitute indispensable elements to achieve the proposed objectives in the matter of child labour, they are sufficient in themselves, so that they must be properly articulated with wider policies, plans and strategies.*



1. Approved in May 2006, in Brasilia, within the framework of the XVI Regional American Meeting of the ILO.

## INTRODUCTION

*Child labour is a sad reality in the world with multiple causes and consequences. Among the main causes, poverty, violence among the family, cultural patterns, social indulgence, lack of opportunities and lack of coverage, quality and fulfillment of the compulsiveness of education, stand out. To this we must add the lack of institutional capacities to fight it effectively and, even, the presence of gaps and norm contradictions in some countries. Generally, these causes do not appear independently, but combine in the most diverse ways, which difficults the identification of main hierarchies or determinants.*

*For the girls and boys that participate in economic activities, in their greater part belonging to homes of low socioeconomic level, it has been shown that, among other aspects studied, they show great gaps in their school attendance in comparison with the girls and boys that do not participate in those activities, as well as low school performance and success. In the long term, the main consequences of child labour converge in that those who carried out remain in a situation of poverty. That is, child labour as a factor of perpetuation of poverty.*

*Although the rates of participation in economic activities of Latin American girls and boys of 5-14 years-old have been reduced, they are still high. This situation must be analyzed in the global Latin American context, that is characterized by low productivity levels (global and of work), great inequality in the distribution of wealth and income and high levels of poverty (viewed both from the perspective income/insufficient consumption such as unsatisfied basic needs).*

*Before this panorama, the governments of the countries, with the cooperation of international organizations, bilateral cooperation and different organizations of the civil society, have formulated plans/strategies of economic reactivation and social/reduction of poverty improvement. However, the subject of child labour is greatly absent from these. Also, the emphasis has been placed in the formulation of those plans/strategies and there have been few advances in their implementation.*

*The general objective of this investigation is to formulate recommendations so that the issue of child labour is considered explicitly by the Latin American countries in their national development/reduction of poverty strategies before the international commitments on this matter.*

*In order to achieve this general objective four specific objectives have been defined: a) analyze the situation of child labour in the Latin American countries - delving deeper into its causes and consequences -; b) make a global analysis of the commitments acquired by the Latin American countries on the subject of child labour within the framework of the international conventions and agreements; c) analyze how the issue of child labour is dealt with in the development/reduction of poverty plans/strategies currently in execution in the Latin American countries; d) formulate recommendations for the handling of the issue of child labour in the development/reduction of poverty plans/strategies.*

*The Latin American countries considered in the investigation are 18, in alphabetical order: Argentina, Bolivia, Brasil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, México, Nicaragua, Panamá, Paraguay, Peru, Dominican Republic, Uruguay and Venezuela.*

*The report is divided into three chapters and one statistical annex. In the first chapter the magnitude of child labour in Latin America is quantified so as to analyze later the ties between that work and poverty, analysis that is carried out on two levels: persons and homes on the one part, and variables on a macro level on the other; and culminates with some considerations about the economic benefits of eradicating child labour. In the second chapter the main commitments of the Latin American countries on the subject of child labour are pointed out, as well as how the issue is dealt with in the plans/strategies of development/reduction of poverty plans/strategies currently being executed in those countries. Finally, in the third chapter the main conclusions of the study are pointed out and recommendations made to advance in the eradication of child labour.*

*The author wishes to thank the valuable commentaries to the draft of this report made by Guillermo Dema, Sub-regional Coordinator for Central America, the Dominican Republic and México of the IPEC Program, Jesús de la Peña and David López. It is not superfluous to point out that the opinions expressed in this document reflect the personal points of view of the author, and in no way involve the people mentioned or the ILO.*

# 1. CHILD LABOUR AND POVERTY

Generally, one refers to the dual relation of causality between child labour and poverty. On the one hand, child labour is carried out mainly by boys, girls and adolescents that belong to homes in situation of poverty: poverty as a determinant of child labour; but on the other hand, child work limits the possibility of full development for the boys, girls and adolescents that practice it, condemning them to remain in the original poverty situation: poverty as a consequence of child labour. In this chapter we analyze these relations of causality.

It is worth it to clearly define the two basic concepts considered in this chapter: child labour and poverty.

Child labour refers to the participation of boys, girls and adolescents in economic activities without there being necessarily some remuneration. The measurement of child labour is carried out through home surveys from definitions such as: *“the boys, girls and adolescents are those that during the interview stated having worked a minimum of one hour during the week of reference (week prior to the survey) in the production of economic goods or services according to the definition in the system of national accounts of the United Nations. This definition includes then those people underaged that are remunerated monetarily or in kind, who work on their own, apprentices that receive monetary or in kind remuneration, non-remunerated family workers that produce economic goods or services for the consumption of the same home, but excludes those that do not have work and look for”* (IPEC, 2004: 41). It is important to clarify that domestic work is considered separately.

On its part, poverty is a very complex phenomenon, with multiple causes and manifestations, being difficult to establish unique lines of causality. Traditionally, poverty has been characterized from its better known dimension: the ‘privation’, that is the insatisfaction of the basic material needs of people. However, during the last years an increasing importance has been given to two other dimensions of poverty: the ‘impotence’ of the poor to participate in decision-making that affects them and forge their own destinies, which has been denominated *“the voice of the poor”*; and the ‘vulnerability’ before different economic, social, environmental and institutional situations that not only affect the poor but that may also lead families that are out of it<sup>e</sup>.

The estimates of poverty available for the countries refer to the privation dimension and are those used here. A home and its members are considered poor if the income *per capita* of the home is insufficient to acquire a basket of basic goods and services that allows them to lead a dignified life. If the *per capita* income is not enough to acquire a basic basket of food, the home and its members are considered in extreme poverty. Poverty then is conceived as a situation of insufficient income.

In the first part of this chapter we make a quantification of the magnitude of child labour in Latin America, so that later, in the second and third part, we analyze the relation between that work and poverty; first, considering factors of people and homes, and then, some characteristics of countries. Finally, in the fourth part, we refer to the economic benefits of eradicating child labour.

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<sup>2</sup> Although the multidimensions of the poverty phenomenon further than privation was being considered since some time ago by researchers and international organizations, a great encouragement towards the positioning of the matter resulted from the publication of the World Development Report 2000-2001 of the World Bank, 2001 where the importance of the other dimensions is pointed out.

## 1.1. The magnitude of Child Labour in Latin America

According to the projections made in the Global Report of the ILO *The elimination of child labour: an objective in our reach* (ILO, 2006a), for the year 2004 estimates that 5.7 million boys and girls of 5-14 years-old of Latin America and the Caribbean participated in economic activities, which means a 5.1% of the total of girls and boys in that age group. Although according to this same report between the years 2000 and 2004 there has been a reduction in the magnitude of that work, both in absolute terms - number of working girls and boys - as relative ones - rates of child labour -, the most updated estimate evidences that child labour continues to be an important problem in the region.

For the effects of this study the rates of child labour for the population between 5-14 years-old of 17 Latin American countries<sup>3</sup> are considered obtained from the home surveys carried out between the years 1999 and 2005, that allow an adequate approximation of the magnitude of the phenomenon<sup>4</sup>.

In graphic 1 (and chart A.1 - chart 1 of the statistical annex-) the rates of child labour<sup>5</sup> are shown for the age groups of 5-11 years-old, 12-14 years-old and 5-14 years-old, differentiated by gender, for each one of the countries studied.

An important first result for all the countries is that the rates of child labour for the boys are higher than for the girls, situation that is affected by the fact that the girls carry out mainly domestic work, which is not considered here.

When we analyze the population between 5-11 years-old, Peru is the country that presents the higher rate of child labour (20.7%), followed by Bolivia (15.6%) and the Dominican Republic and Ecuador (11.4% and 10.1% respectively). The other countries have lower rates (graphic 1 and chart A.1), with Chile and Panama in the extreme end (1.9% and 1.6% respectively). Among the population between 12-14 years-old, Guatemala presents the highest rate of child labour (34.5%), followed by Bolivia (29.8%), and the latter, followed closely by Peru and Ecuador (28% in each one). Paraguay, Dominican Republic, Honduras and Nicaragua then follow with rates between 20% and 25% (graphic 1 and chart A.1). After the other countries, Panama, Chile and Venezuela appear with the lowest rates.

If one takes into account the size of the population, our own estimate using numbers from the Demography Latin American and Caribbean Center (CELADE)<sup>6</sup> reflects that the girls and boys between 5-11 years-old involved in child labour in the 17 countries of Latin America considered here, close to 20% are Peruvian, approximately the same, Mexicans and around 16% Brazilian, so that practically three of every five Latin American girls and boys of that age-group belong to those three countries.

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<sup>3</sup> Of the 18 countries considered in this study, only Uruguay does not have a survey of this type.

<sup>4</sup> We do not intend to reproduce here the regional estimates of the Global Report of the ILO (ILO, 2006a) from projections, but rather we consider the punctual estimates by countries.

<sup>5</sup> One must be careful when comparing rates of child labour between countries or regions for two main reasons. In the first place, because the years of the estimates are different. In the second place, because there are methodological differences between surveys with regard to the measurement of child labour (although we must recognize that many of them respond to the standardized methodology proposed by the Statistical Information and Follow-up Program on the Matter of Child labour - SIMPOC -).

<sup>6</sup> Specifically from the data base of CELADE ([http://www.eclac.cl/celade/proyecciones/basedatos\\_BD.htm](http://www.eclac.cl/celade/proyecciones/basedatos_BD.htm), August 2005 update).

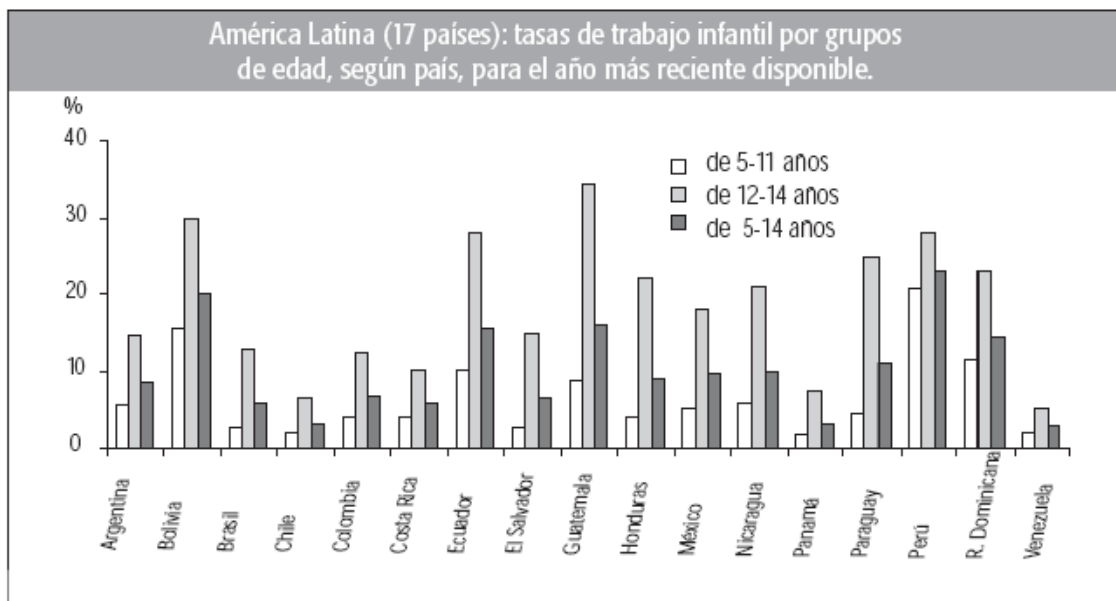
On the other hand, of the boys, girls and adolescents between 12-14 years-old that work, practically half are Brazilian and Mexican (25% each one) and 10% are Peruvian, so that these three nationalities together again represent 60% of the working boys, girls and adolescents.

These numbers give a clear idea of the seriousness of the problem of child labour in Latin America and the need of carrying out massive interventions to eradicate this phenomenon, giving them the opportunities to develop fully that the boys, girls and adolescents of the region deserve - and to which they are entitled -.

#### CHILD LABOUR: CAUSE AND EFFECT OF THE PERPETUATION OF POVERTY

Graphic 1  
Latin America (17 countries): child labour rates for age-groups, according to country, for the most recent year available.

Gráfico 1



Source:

Argentina: Survey about Activities of Boys, Girls and Adolescents 2004 -September and December- (EANNA 2004); Bolivia: Survey of Homes November-December 2002 -Program Mecovi-; Brazil: National Investigation for Amostra of Domiciles 2003 (PNAD 2003); Chile: National Survey of Activities of Children and Adolescents 2003; Colombia: Continuous Survey of Homes, Module of Child Labour 2003; Costa Rica: Home Survey of Multiple Purposes 2002, special module of child labour (EHPM 2002); Ecuador: Survey of Employment, Unemployment, Sub-employment and Child Employment 2001 (ENEMDUR 2001); El Salvador: Survey of Homes of Multiple Purposes 2005, special module of child labour (EHPM 2005); Guatemala: National Survey of Life Conditions 2000 (ENCOVI 2000); Honduras: Permanent Survey of Homes of Multiple Purposes 2002, special module of child labour (EHPM 2002); México: National Employment Survey 1999, special module of child labour (JAN 1999) -but the data was taken from INEGI (2004)-; Nicaragua: National Survey of Child and Adolescent Labour 2000 (ENTIA 2000); Panamá: Child Labour Survey 2000 (ETI 2000); Paraguay: Permanent Survey of Homes 2004 -module of employment of the 5-17 years-old people; Peru: National Survey of Homes 2001 -IV term- (ENAHO 2001-IV); Dominican Republic: National Child Labour Survey 2000 (ENTI 2000); Venezuela: Home Survey by Sampling 2000 from a processing performed by the National Statistics Institute published in (ILO-IPEC, 2004).

## 1.2. Child Labour and poverty: perspective of the people and homes

The analysis of the ties between child labour and poverty that is made in this section considers three countries: Costa Rica, Bolivia and Guatemala. The first one, with relatively low child labour rates, while the other two have high rates. Other than because of the differences in the rates, these countries were chosen because the home surveys on which the estimates of child labour are based upon and shown in the previous section include information about the poverty in the homes (as insufficiency of income). Costa Rica is a country with a low incidence of poverty, while the other two have high rates of incidence. When considering the extreme situations (high rates of child labour and poverty on the one hand and low rates of child labour and poverty on the other) we expect that the results obtained here can be generalized to the majority of the Latin American countries.

According to the module of child labour of the homes survey of the year 2002 of Costa Rica, the rate of child labour among the population between 5-11 years-old was 4%, 10.1% for those between 12-14 years-old and 23.5% for 15-17 years-old; whilst for Guatemala, according to ENCOVI 2000, the rates were 8.9%, 34.5% and 53.5%, respectively (chart A.1), that is, significantly higher, especially starting at 12 years-old. For Bolivia, the Homes Survey of November-December 2002 (Mecovi Program) offers information about child labour from those 7 years-old, although projecting up to the 5 year-olds, as indicated in the chart A.1, the rates are 15.6%, 29.8% and 41% respectively; rather high too.

Following, we present some relevant characteristics of child labour in each one of the countries. In the three countries, the greater part of the work carried out by girls and boys between 5-11 years-old is 'non remunerated' (more than 80% in all the countries), mainly in the context of family productive activities. Later on, as the age increases, the proportion of remunerated work also increases (chart A.2). Nevertheless, in Bolivia and Guatemala the non remunerated work continues to be very high among the youngsters between 15-17 years-old (69.6% and 44.3%, in comparison with 24.7% in Costa Rica).

In the three countries child labour occurs mainly in farming and fishing activities, associated with the denominated 'peasant economy', where the head of the home participates on his own and uses the family labour for the exploitation of the land (chart A.2). For the three age groups considered, this branch of activity is the most important one, although in all the cases the percentages are higher for the case of Guatemala, followed by Bolivia, where the farming sector has greater relevance in the contexts of production and employment.

The commercial activity occupies the second place in importance in the three countries in the insertion of the child workers (chart A.2). Trade is generally the most relevant activity within the denominated informal non farming sector, and covers the activities of low productivity, with low endowments of human and physical capital, which translates into low income, usually, subsistence level.

Bolivia and Guatemala are among the Latin American countries with high percentages of Indian population. Although the ethnic dimension will not be analyzed in detail in this study, one must recognize that the child labour rates among the Indian population are greater than in other non Indian ones. In the case of Guatemala, among the Indian population between 7-11 years-old, the

rate of child labour was 17.7%, in comparison with 7.8% among the non Indian one<sup>7</sup>; in the population between 12-14 years-old it was 27.6% respectively; and in that between 15-17 years-old, it was 62% and 47.7%. In Bolivia, the ethnic origin was investigated for the population 12 years-old and more. In this case, the rates of child labour were 42.6% for the Indian population between 12-14 years-old in comparison with 20.7% among the non Indian, and of 56.6% among the Indian population between 15-17 years-old in comparison with 30.4% among the non Indian. In both cases, the Indian population is devoted mainly to agriculture (peasant economy), so that the above characteristics stand out more in them. This result evidences that from the perspective of the eradication of child labour there are relevant cultural factors within the Indian population that must be taken into account.

With regard to the hours worked by the boys, girls and adolescents that work, there are important differences between the countries. In the case of the working girls and boys between 5-11 years-old, in Costa Rica 80.2% work 9 hours or less per week, in Bolivia (7-11 years-old), 29.9% work that number of hours and in Guatemala, on 16.2% (chart A.3). In Guatemala, 46.1% of the working girls and boys of that age-group work between 10 and 29 hours per week, a similar situation to that of Bolivia, where 44.8% do this. On average, whilst the Costa Rican girls and boys between 5-11 years-old involved in child labour worked on average 6.2 weekly hours, the Bolivians (7-11 years-old) worked 20.3 hours and the Guatemalans, 26.5 hours.

For the other age-groups we have a similar situation, that is, the number of hours worked by the Bolivian and Guatemalan boys, girls and adolescents is higher than that worked by the Costa Ricans (chart A.3), with the exception of the hours for the 15-17 years-old of Bolivia, that are practically identical with those of Costa Rica.

In Guatemala and Bolivia, as well as a greater extension of the problem of child labour (measured by the rates of child labour), there is also a greater intensity of that work, measured in this case by the average hours devoted to it. This has implications not only on the actions that must be undertaken for the eradication of the phenomenon, but also on the possibilities of breaking the reproductive cycle of poverty through education since, as will be seen as follows, that situation affects education.

The rates of school attendance/enrollment are lower among the boys, girls and adolescents that work with regard to those that do not work. This situation appears in all the age groups and in the countries considered here (graphic 2 and chart A.4). Also, as the rate of child labour increases the school attendance/enrollment is reduced. Although there is here a two-way causality relation - both aspects (child labour and school unattendance) are at the same time cause and effect -, the truth is that before the absence of child labour (including an adequate educational offer and a complete fulfillment of the prohibition of child labour), the girls and boys will remain longer in education. This will result in larger income in the future, with a direct benefit for the girls and boys that could allow them to get out of the situation of poverty where they find themselves and so, with a benefit for society as a whole<sup>8</sup>.

It is important now to learn about the situation of poverty of the homes of the working boys, girls and adolescents, as well as the impact of their work on that situation. One of the problems that the poverty analysis that are generally carried out face is that they use the situation of poverty *ex post*,

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<sup>7</sup> The population between 7-11 years-old is considered because the ethnic origin was investigated for the 7 year-old and more population.

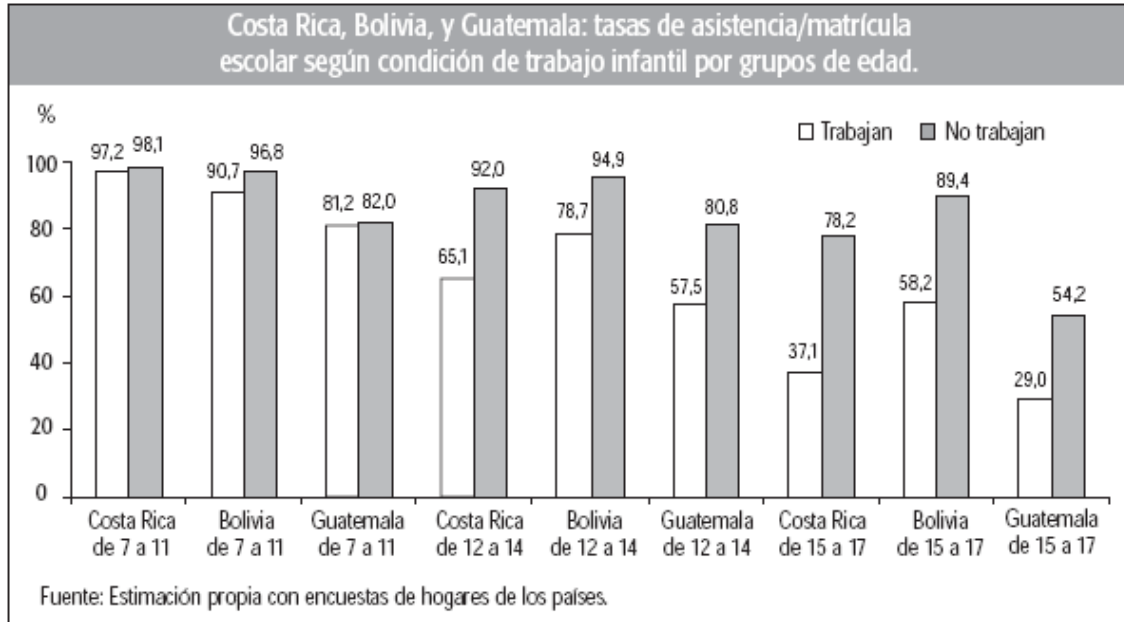
<sup>8</sup> In the third part of this chapter we delve deeper into the costs and benefits of eradicating child labour.

that is, considering or not the monetary contribution that results from the child participation in economic activities. That is why, for the effects of this study, an alternative measurement is carried out, and that excludes from the income of the homes the value of the child labour. Then, that contribution is included and the impact on poverty is determined.

Graphic 2

Costa Rica, Bolivia and Guatemala: rates of school attendance/enrollment according to the condition of child labour per age groups.

Gráfico 2



Source: Own estimate with homes surveys of the countries.

In the case of remunerated child labour, when the amounts have been declared, the same are considered directly, but when the work is carried out in a non remunerated way or the income has not been declared, the average income per hour that results from those who do have information is used<sup>9</sup>.

Only the child labour between 5 and 14 years-old is considered because it is on which there exist restrictions in the majority of the national legislations and international agreements (matter that will be dealt with further down in this report).

In the chart A.5 the detail of the average remuneration (total and per hour) perceived by the girls and boys with known remuneration and hours. The average amounts per hour were applied to the data on the girls and boys that do not receive nor declare remuneration.

Once the perceived labour income or that attributed to the working girls and boys has been quantified, we proceeded to estimate the 'home income excluding child labour'. It is necessary to point out that the homes survey of Costa Rica keeps homes with 'income not known' those homes for which the income from the main occupation of some one of its members is not known. We

<sup>9</sup> Generally the discussion about which is the real value of child labour stands out in these cases, since generally the remunerations that are perceived by boys, girls and adolescents does not reflect their real contributions, but rather sub-value the same. However, we will not enter that discussion here, but rather the remuneration effectively perceived will be assumed.



keep here that classification in such a way that for that country there is a percentage of homes with not known income. That survey also identifies some homes with income equal to zero, which are excluded from the measurements of poverty. Here, nevertheless, they are included, since in some of them the income from child labour is the only one they perceive.

In the following chart 1 the distribution of the working girls and boys between 5-14 years-old is included according to the condition of poverty of their homes from the 'home income excluding child labour'. In the case of Costa Rica, 12.3% of the girls and boys between 5-14 years-old that perform child labour is part of the homes with 'unknown income', so that we will only refer to, in the analysis, the 87.7% under homes with zero or known income, according to that explained above.

**Chart 1**

**Costa Rica, Bolivia and Guatemala: relative distribution of girls and boys between 5-14 years-old that perform child labour, according to the poverty situation of their homes (income excluding child labour)\***

	<b>Costa Rica</b>	<b>Bolivia</b>	<b>Guatemala</b>
<b>Total workers 5-14 years-old</b>	<b>49,229</b>	<b>414,378</b>	<b>519,503</b>
<b>Relative distribution</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
In homes with income not known	12.3	0.0	0.0
In homes with 0 or known income	87.7	100.0	100.0
Poor	45.5	91.7	83.8
up to extreme poverty	22.8	85.0	60.9
> Extreme poverty up to poverty	22.7	6.8	22.8
Not poor	42.2	8.3	16.2
> Poverty up to 1.4 Poverty	10.2	3.9	6.9
> 1.4 poverty	32.1	4.4	9.3

\* In all the cases the income of the home is considered excluding the remuneration in cash or attributed to the working girls and boys.

Source: own estimate from the Homes Survey of Multiple Purposes 2002 of Costa Rica, special child labour module (EHPM 2002); from the Homes Survey November-December 2002 of Bolivia (Program Mecovi); and the National Survey of Life Conditions 2000 of Guatemala (ENCOVI 2000).

As can be appreciated in chart 1, the greater part of the girls and boys between 5-14 years-old involved in child labour belong to homes in poverty situations, a large part of them even homes in extreme poverty. Poverty is conceived here as a situation of insufficient income, that is, when the income per capita of the homes is insufficient to acquire a set of basic goods and services necessary for the subsistence and are insufficient even for basic food (extreme poverty). Further ahead in this section we will refer to the lines of poverty used.

While in Costa Rica 45.5% of the child workers belong to poor homes (22.8% to homes in extreme poverty), in Guatemala the same thing happens with 83.8% of those girls and boys (60.9% in extreme poverty) and in Bolivia, with 91.7% (85% in extreme poverty). There is, as well, an important percentage of working girls and boys in homes just 'over' the line of poverty. In this case, we used as a reference 1.4 times that line.

When we leave behind the differences in the magnitude of the phenomenon of poverty in each one of the countries considered, the above results confirm the strong tie between child labour and poverty: in this case, poverty as a determinant factor of child labour.

In chart 2 the estimates of poverty resulting from this study are shown, using the official lines of poverty (cost of the food basket and other basic goods and services) and the income of the homes

‘excluding child labour’ and including the same. These last differ from the official estimates for different reasons; mainly, due to the use of income instead of consumption<sup>10</sup>. The purpose of the comparison is to demonstrate that, with regard to the national indicators of poverty, child labour contributes very little to the reduction of the phenomenon.

## Chart 2

### Costa Rica, Bolivia and Guatemala: impact of child labour on the national estimates of poverty in the homes (insufficiency of income).

	Costa Rica*		Bolivia		Guatemala	
	income without child labour	income with child labour	income without child labour	income with child labour	income without child labour	income with child labour
<b>% poor homes</b>						
extreme poverty	9.1	8.7	38.1	35.9	36.2	34.6
total poverty	26.3	25.8	59.3	58.3	60.7	60.0
<b>change in poverty (percentage points)</b>						
extreme poverty	-	-0.4	-	-2.2	-	-1.6
total poverty	-	-0.5	-	-1.0	-	-0.7

\* For the calculation the homes with unknown income are excluded, but the homes with zero income are included.

Source: own estimate from the Homes Survey of Multiple Purposes 2002 of Costa Rica, special module of child labour (EHPM 2002); of the Homes Survey November-December 2002 of Bolivia (Program Mecovi); and the National Survey of Life Conditions 2000 of Guatemala (ENCOVI 2000).

In the case of Costa Rica, the remunerations that working girls and boys between 5-14 years-old receive succeed in reducing extreme poverty in 0.4 percentage points and total poverty in 0.5 percentage points. In Guatemala, the reductions are of 1.6 and 0.7 percentage points respectively. In Bolivia, that shows the bigger reductions of the three countries, these are only of 2.2 and 1.0 percentage points.

It is thus proven that child labour (7-14 years old) has very little impact on the reduction of the general levels of poverty of the countries, whether it has to do with countries with low levels of poverty and low rates of child labour (like Costa Rica) or with countries with high levels of poverty and high rates of child labour (like Bolivia and Guatemala). Therefore, child labour does not constitute for the countries a solution of the global problem of poverty nor, as will be seen following, for the homes.

<sup>10</sup> In Bolivia, the official estimates of poverty use the income in urban areas and the consumption in rural areas, so that for the effects of this document it was re-estimated considering the income in both areas and the official lines of poverty. In Guatemala, the official estimate uses the consumption of homes instead of the income and shows an incidence in the homes of 15.7% in extreme poverty and 56.2% in total poverty (INE, 2001). However, given that for this document the income of the homes is what matters, it was necessary to make a new estimate, using the same poverty lines (official ones) and using the variable income instead of consumption. Finally, the official estimates of incidence of poverty in Costa Rica from the income of the homes reflect that in the year of study extreme poverty affected 5.7% of the homes and the total or general poverty 20.6% (INEC, 2002); however, the estimates shown here (with child labour) differ from the official ones because here they include the homes with zero income, whilst the official estimates exclude them.

**Chart 3**

**Costa Rica, Bolivia and Guatemala: situation of poverty of the homes with girls and boys of between 5-14 years-old that perform child labour, including and excluding the remuneration (perceived and attributed) for that work.  
- Percentages -**

situation with income excluding child labour	situation with income including child labour				total
	extreme poverty	>extreme poverty up to poverty	>poverty up to 1.4 poverty	> 1.4 poverty	
<b>Costa Rica*</b>					
extreme poverty	15,3	5,3	0,3	0,0	20,9
>extreme poverty up to poverty	0,0	19,6	5,8	0,7	26,2
>poverty up to 1.4 poverty	0,0	0,0	7,2	4,9	12,1
> 1.4 poverty	0,0	0,0	0,0	40,8	40,8
<b>total</b>	<b>15,3</b>	<b>24,9</b>	<b>13,3</b>	<b>46,4</b>	<b>100,0</b>
<b>Bolivia</b>					
extreme poverty	65,1	13,2	1,9	1,3	81,5
>extreme poverty up to poverty	0,0	4,1	3,0	0,7	7,8
>poverty up to 1.4 poverty	0,0	0,0	3,1	1,9	5,0
> 1.4 poverty	0,0	0,0	0,0	5,7	5,7
<b>total</b>	<b>65,1</b>	<b>17,3</b>	<b>8,0</b>	<b>9,6</b>	<b>100,0</b>
<b>Guatemala</b>					
extreme poverty	47,4	10,0	0,0	0,0	57,4
>extreme poverty up to poverty	0,0	21,6	3,5	0,2	25,2
>poverty up to 1.4 poverty	0,0	0,0	4,7	3,1	7,7
> 1.4 poverty	0,0	0,0	0,0	9,6	9,6
<b>total</b>	<b>47,4</b>	<b>31,6</b>	<b>8,1</b>	<b>12,9</b>	<b>100,0</b>

\* Homes with unknown income are excluded.

Source: own estimate from the Homes Survey of Multiple Purposes 2002 of Costa Rica, special module of child labour (EHPM 2002); and the National Survey of Conditions of Life 2000 of Guatemala (ENCOVI 2000).

The income originating from child labour also does not change significantly the situation of poverty of the homes strictly speaking. In chart 3 (and in chart A.6) the condition of poverty of the homes with girls and boys of 5-14 years-old that perform child labour is shown, including and excluding the remuneration (perceived and attributed) for that work. As can be appreciated, only a reduced number of homes improve their situation of poverty thanks to child labour, whether it is because they leave extreme poverty to pass on to a situation of non extreme poverty or because they overcome poverty, moving away from the line of poverty, even over a limit of vulnerability to poverty established arbitrarily in 1.4 times that line.

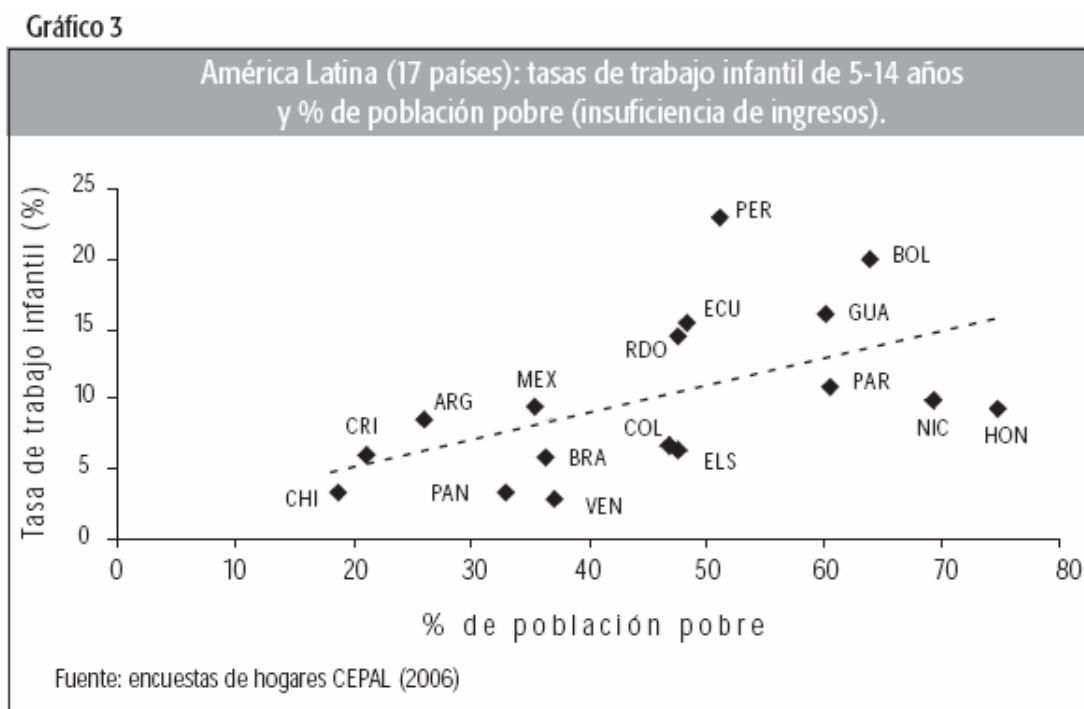
In Bolivia 22% of the total homes with girls and boys of 5-14 years-old that perform child labour change their situation, in Costa Rica, 17% and in Guatemala, 16.8% (chart 3). This perspective is also not a valid argument to keep child labour and the governments of the countries must act given that the meager results do not compensate the perpetuation of poverty of the working girls and boys.

### 1.3. Child labour and poverty: 'macro' perspective

In this part of the chapter we analyze the link between child labour on an aggregate level and some characteristics of poverty on a macro level. As an indicator of child labour on an aggregate level the rates of the country are used, in this case, for the population between 5-14 years-old (chart A.7).

When considering together the rate of child labour with poverty seen as a situation of insufficient income (that is, estimated using poverty lines), there is a clear positive correlation: the higher rates of child labour are present in the countries with higher levels of poverty and vice versa (graphic 3 and chart A.7). Although the correlation coefficient is 0.54 it is possible to say that the phenomenon of child labour in Latin America is directly associated with poverty in a global dimension.

**Graph 3: Latin America (17 countries): rates of child labour between 5-14 years-old and % of poor population (insufficiency of income).**



Source: ECLA homes survey (2006)

A complementary measurement of poverty taken as insufficient income is that one that considers the effective satisfaction of a set of material basic needs (education, housing, drinkable water, etc.). There are no comparable measurements of this dimension for all the countries of Latin America but the Index of Human Poverty (IPH), calculated by the PNUD/UNDP, constitutes a good approximation<sup>11</sup>.

In this case, there is also present a positive correlation between the rates of child labour and poverty measured by the IPH (graphic 4 and chart A.7), that is, that as the insatisfaction of basic material needs considered for the measurement of the IPH increases, the rate of child labour also increases. The correlation coefficient is in this case lower than the previous one: 0.44, evidencing that the insufficiency of income is a more significant determinant for child labour.

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<sup>11</sup> The Index of Human Poverty (IPH) measures privations in three basic aspects of human development: a long and health life (longevity), the knowledge and a decorous level of life. The privation in the case of longevity is determined by the vulnerability of death at a relatively early age and is measured by the probability at birth of not living up to 40 years. In the case of knowledge, the privation is reflected in the exclusion of the world of reading and communications and it is measured by the rate of literacy of adult persons. Finally, the privation with regard to the level of life is reflected in the lack of access to general economic supplies and is measured by the percentage of the population that does not use sources of supply of drinkable water and the percentage of 5 years-old minors with insufficient weight.

**Graph 4: Latin America (17 countries): child labour rates between 5-14 years-old and Index of Human Poverty (IPH)**

**Graph 5: Latin America (16 countries\*): child labour rates between 5-14 years-old and social public expenditure per capita (US\$ of the year 2000). \* Argentina is not included**

Gráfico 4

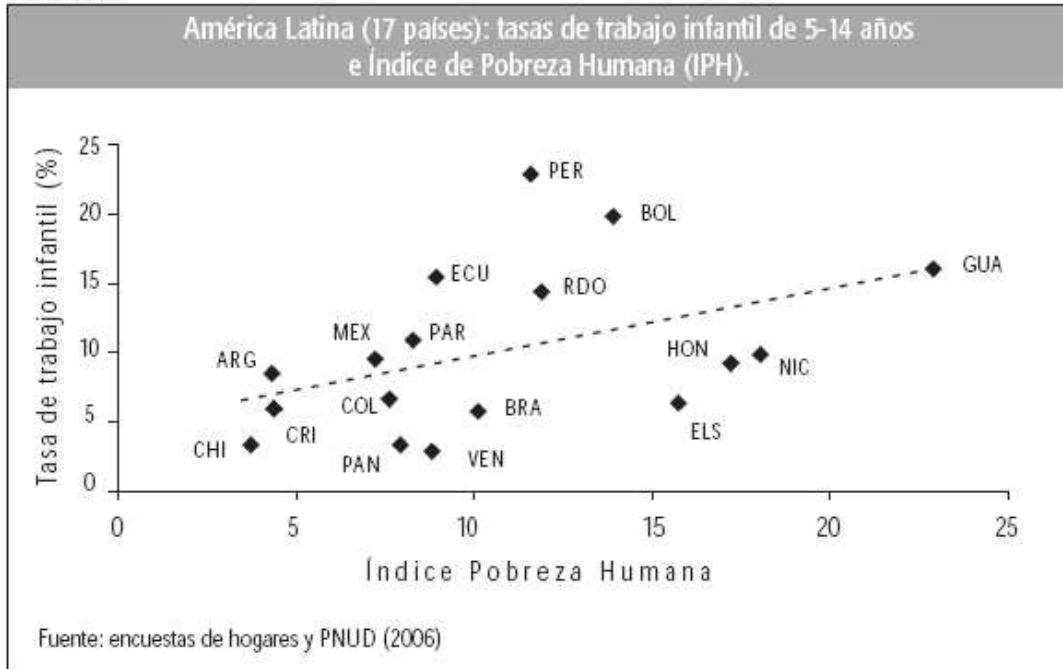
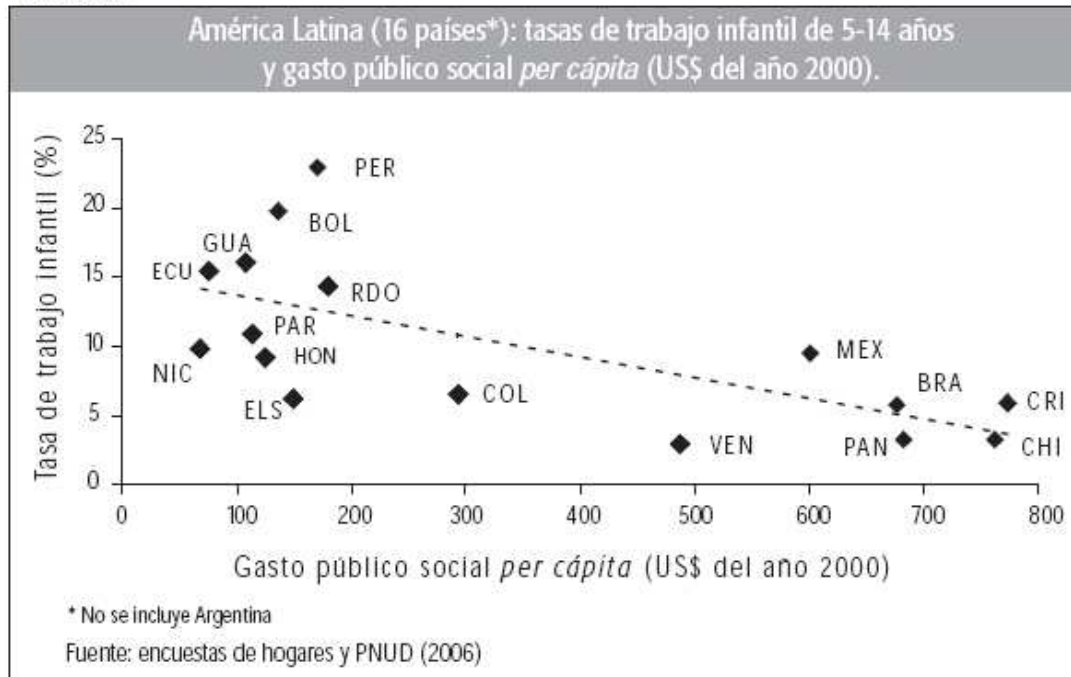


Gráfico 5



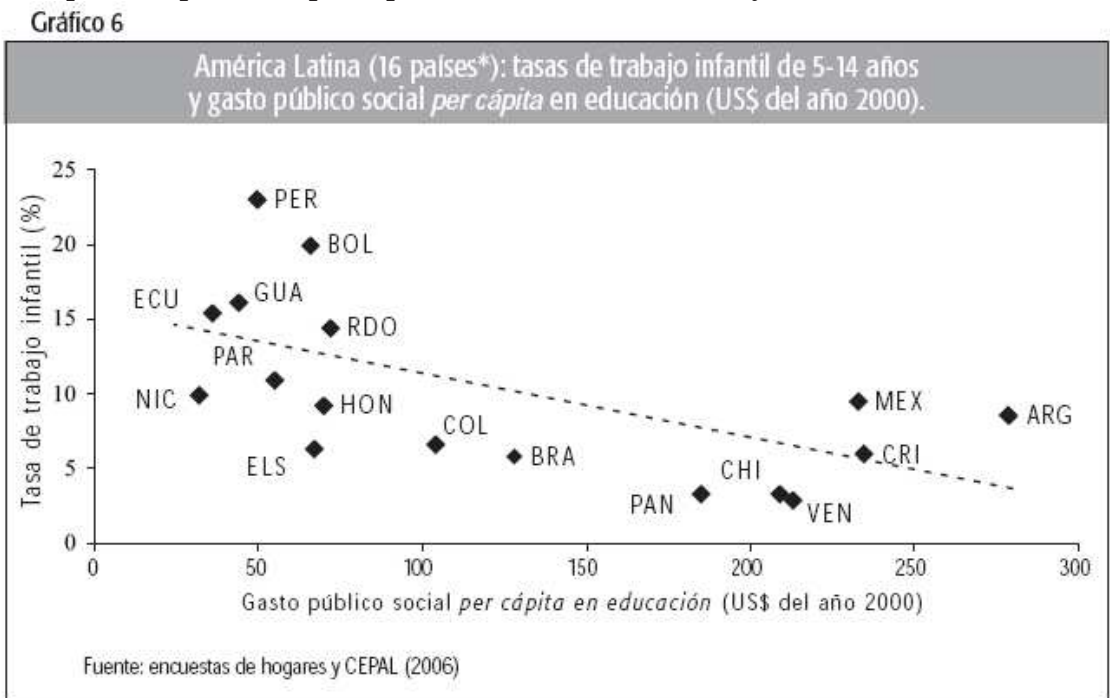
Source: home surveys and UNDP (2006)

The correlation coefficient is in this case -0.67. This coefficient, that may be considered high, evidences the importance of the social investments in order to attack child labour<sup>12</sup>.

When one considers this social public expenditure, two aspects are relevant. In the first place, the countries with greater levels of expenditure in the year of study have a long tradition of high social expenditure, which, associated with the low rates of child labour they present, induces one to conclude that for the reduction of child labour not only greater levels of expenditure are necessary, but also the sustainability of those levels in the medium and long term.

In the second place, it is of great importance to know, as well as the total social public expenditure, the effect of the public expenditure on education, since it is expected to affect more directly child labour. Nine of the 17 Latin American countries considered have a public expenditure per capita in education inferior to US\$100 the year 2000 (graphic 6 and chart A.7) and two other countries have an expenditure of US\$104 and US\$128, evidencing that this is about low amounts in general terms and with a great difference in comparison with those that spend the most. However, it must be clarified that the problem of low levels of expenditure that these countries show is reflected in the general social expenditure; the majority of them even makes a significant effort in education, since they devote to it an important portion of the total social public expenditure.

**Graph 6 : Latin America (16 countries\*): child labour rates between 5-14 years-old and social public expenditure per capita in education (US\$ of the year 2000).**



Source: homes surveys and ECLA (2006)

<sup>12</sup> Argentina was excluded in the graphic and in the estimate of the correlation coefficient, since it is a country with a very high level of expenditure originated mainly under the heading of 'social security and assistance' (50% of the total expenditure), which makes it different from the others. Nevertheless, when considered, the correlation coefficient continues to be very high (-0.56).

When one considers jointly the rate of child labour and the public expenditure per capita in education, there is a strong negative correlation, with a coefficient of -0.62. The importance of this expenditure for the reduction of child labour is clear then. In the same way as when we referred to the social public expenditure, the countries with higher levels of expenditure in education in the year of study also have a long tradition of high expenditure in this sector, so that one should consider both the higher level as well as the sustainability of the same in the medium and long term.

The social public expenditure, that is, the expenditure of the public sector in the social sectors (education, health, social security and assistance and housing and others), represents in good measure the efforts that the governments of the countries make to offer the population the basic services in order to improve their conditions of life. When one analyzes jointly the rate of child labour of the population between 5-14 years-old with the social public expenditure per capita, there is an important negative correlation: lower rates of child labour are associated with higher levels of social public expenditure per capita and vice versa (graphic 5 and chart A.7).

Other than the expenditure in education, it was considered convenient to analyze the coverage of the education system and some indicator of quality. In the case of the coverage indicator, it is important to keep in mind that the same plays a double role in the analysis of the subject of interest for this document: lower levels of coverage may be due both to problems of the education offer (which would result in higher levels of child labour) as well as to the education demand, since the boys, girls and adolescents that opted for child labour would stop attending school, affecting that indicator. In spite of the above considerations, the majority of the Latin American countries show high rates of net enrollment in elementary education (chart A.7), so that it is not a discriminating factor for child labour. It is not convenient to use the rates in secondary school since they are precisely the ones that show greater problems both from the side of the offer as well as from the demand.

These high rates of net enrollment in elementary school (follow-up indicator of compliance with the Development Objectives of the Millennium) reflect that, in general terms, the education systems of the Latin American countries have reached high levels of coverage in that education level. However, another relevant indicator, also considered within the set of indicators for the follow-up of the fulfillment of the Development Objectives of the Millennium, reflects that the education achievement in elementary education is very low. The specific indicator is the percentage of girls and boys enrolled in first grade and that reach fifth grade (chart A.7). The relevance of this indicator is due to the fact that, according to UNESCO, the girls and boys reach a functional literacy until fifth grade, so that only those that pass that grade can be considered to be fully literate. The levels of Latin America are in general low, reflecting quality problems in the education.

This indicator of education achievement was correlated (chart A.7) with the rate of child labour and, although the correlation was negative - as expected: a greater percentage of boys and girls that reach fifth grade, a lower rate of child labour -, the correlation coefficient resulted very low (0.36).

In any case, this result has a special importance from the perspective of this document given that the girls and boys that do not reach fifth grade and abandon school to incorporate into work are not functionally literate and, therefore, will be able to access only non qualified jobs, badly paid and unstable, with which they will perpetuate their situation of poverty.



## 1.4. Costs and benefits of eradicating Child labour

Before the gravity of the problem of Child labour in the world and worried about its solution, the International Program for the Eradication of Child labour (IPEC) of the International Labour Office (ILO) published in the year 2003 a world level study: *Invest in all the children: Economic Study of the costs and benefits of eradicating child labour* (ILO, 2003). The study shows that the economic costs in which the governments and families would incur over 20 years to educate all the girls and boys instead of allowing them to work, would be inferior to the long term benefits generated by a greater education and health, with a net economic benefit for the people, the families and society in general.

More specifically, on what refers to costs, public and private costs are considered. In the case of the public costs those associated with the extension of the coverage and improvement of the quality of public education are included; and also the cost of the direct interventions necessary to fight against the worst forms of child labour. In the case of private costs, specifically for the families, the cost of opportunity of the value of child labour that they cease to collect is considered.

As well, the benefits in education and health are taken into consideration. With respect to education, there is a global benefit that originates in a more educated population, who will receive, among others, higher labour incomes. And with regard to health, the reduction in the injuries that the girls and boys will stop suffering when not working is considered specifically, which affects their future incomes. The measurement of the benefits is somewhat restrictive since it concentrates in the future incomes that are obtained in the labour market, leaving out other benefits derived from greater education, the reduction in the cost of health services and others.

The comparison of those costs and benefits as they are produced over time indicates what is denominated the 'net economic benefit'. The IPEC proposal considers, also, that in order to lower the costs for the homes (the cost of opportunity already indicated and some direct costs - uniforms, books, etc.-), a program of bank transfers could be executed to all the girls and boys of poor homes, conditioned to attendance to school, equal to 80% of the value of child labour (cost of opportunity) but that does not surpass the poverty gap. The cost-benefit analysis, including the sum of these transfers and the cost of administration of the program, indicates what is denominated 'net financial benefit'.

This world level study (ILO, 2003) was duplicated for the Latin American countries, considering the majority of the countries and using more detailed information for each one of them (ILO: 2005, 2006d and 2006e). Below we point out some of the main results of those specific studies for Latin America.

According to the study, the costs of implementation of the program in the Latin American countries vary depending on the magnitude of child labour in each one of them, of the coverage of the education system and the quality of the same, as well as the levels of poverty. With regard to this last particular, given that the levels of poverty are so high in Latin America and considering also that poverty affects mainly boys, girls and adolescents, it was necessary to restrict the program of transfers to those in homes in extreme poverty. Even then, as one can observe in chart 4, in the majority of the countries the cost of the bank transfer program is rather higher than the component of education offer and direct interventions and in all cases is rather higher than the cost of opportunity in which the homes incur.

**Chart 4**

**Latin America (18 countries): average annual cost for the private and public sectors of the execution of the program of eradication of child labour proposed by IPEC and the internal rate of return of the same, without a transfers program and with the program.**

	Cost of the annual average cost of opportunity for the homes <sup>1</sup> (millions of US\$ PPA)	Average annual cost for the public sector <sup>1</sup> (millions of US\$ PPA)			Internal rate of return <sup>4</sup>	
		Educational offer and interventions <sup>2</sup>	Transfers Program <sup>3</sup>	Both headings	without transfers program	with transfers program
<b>Northern Sub-region</b>						
Costa Rica	6	28	22	50	8.6	5.1
El Salvador	17	45	136	181	13.7	5.6
Guatemala	89	269	193	462	13.4	10.1
Honduras	33	90	363	454	8.0	0.9
México	317	774	1668	2442	2.2	-1.8
Nicaragua	32	55	109	165	12.9	7.5
Panama	2	11	56	67	10.5	1.0
Dominican Rep.	50	61	150	211	6.2	1.9
<b>Andean Sub-region</b>						
Bolivia	70	40	305	345	8.5	1.3
Colombia	77	352	948	1300	9.8	2.6
Ecuador	53	59	140	199	4.2	0.6
Peru	172	99	403	502	4.4	0.2
Venezuela	22	58	411	469	14.0	2.4
<b>Southern Cone Sub-region</b>						
Argentina	50	149	146	295	2.6	0.1
Brasil	253	764	1514	2278	5.0	0.7
Chile	13	26	46	72	2.7	-0.6
Paraguay	44	62	359	421	6.2	-0.2
Uruguay	3	9	5	15	8.4	5.9

1/ The total costs of execution of the program are distributed unequally over time, depending on the characteristics of the execution of the program in each country; but for comparison effects, they are shown here as the simple average for 20 years.

2/ Includes the additional cost of extending the coverage and quality of education and the cost of the programs of direct intervention to fight the worst forms of child labour.

3/ Includes the amount of the transfers plus the cost of administration of that program of transfers (5% of the amount transferred).

4/ Is obtained from comparing over time the public and private costs of the program (education offer, direct interventions, cost of opportunity for the homes and the costs of the transfers program) and the benefits in education and health of the eradication of child labour.

Source: OIT/IPEC (2005, 2006d and 2006e): Build the future, invest in childhood: Economic study of the costs and benefits of eliminating child labour in Central America, Mexico and the Dominican Republic, in the Andean countries and the countries of the Southern Cone.

Excluding the bank transfers program, when comparing the costs and benefits of the program, the net economic benefit is very high in the majority of the countries, with internal return rates that in most of them surpass 5% (chart 4), which can be considered very satisfactory.

When the bank transfer program is considered (net financial benefit), given its high cost, the internal rates of return are reduced, although in the great majority of the countries they are positive and in some continue to be rather high. Nevertheless, one must point out that the program of transfers conditioned to the permanence in school defined for that study has a very extended coverage, so that, in practice, the definition of programs especially directed towards groups of working child population will have a greater impact on the eradication of child labour with a lower cost and greater net benefits (internal rates of return).

It is worth to retake the methodology and results of that Latin American study (ILO: 2005, 2006d and 2006e) to point out the impact on the rupture of the poverty cycle among working girls and boys for remaining in school instead of performing economic activities. Here we only take into account the impact on the future labour incomes, so that they must be considered as a minimum, since there are other impacts related with the full development of girls and boys.

It follows from the study that the average age of the boys, girls and adolescents between 5-14 years-old that perform child labour to be eradicated, on a Latin American level, is 11 years-old, so that the goal is to keep them in school for 4 years, up to 14 years-old. On the other hand, the cost of opportunity of child labour differs among countries (chart A.8), with a monthly simple average of ordinary US\$ 33, amount that will be considered for effects of this document.

On the other hand, Psacharopoulos (1999) estimated the rate of return of education in 0.11, as an average for the developing countries; that is, that the labour incomes increase by 11% for each year of increase in the level of education.

The general methodology assumes that each person will receive labour incomes during 40 years from his/her incorporation to the labour market (in principle, at 15 years-old), conservative situation given that the life expectancy in all the countries considered surpasses 60 years.

The reference salary that is used is the monthly average salary of the people employed, 20-60 years-old, non qualified (workers with less than 3 years of formal education). These salaries differ significantly among countries (chart A.8), with a simple average of US\$ 129 per month, which is considered here.

The cost-benefit method is applied then. The costs considered are the cost of opportunity for the homes of US\$33 per month during 4 years and to this must be added the US\$10 per month to cover the direct costs of the education (school materials, transportation, etc.) during the same period, for a total of US\$43 per month. On the side of the benefits, it is expected that the average education of the girls and boys that will be in the program increase in 4 years, which implies an increase in their future monthly labour incomes of US\$57 ( $US\$ 129 * 0.11 * 4$ ), during 40 years. In graphic 7, the costs flow and benefits is shown.

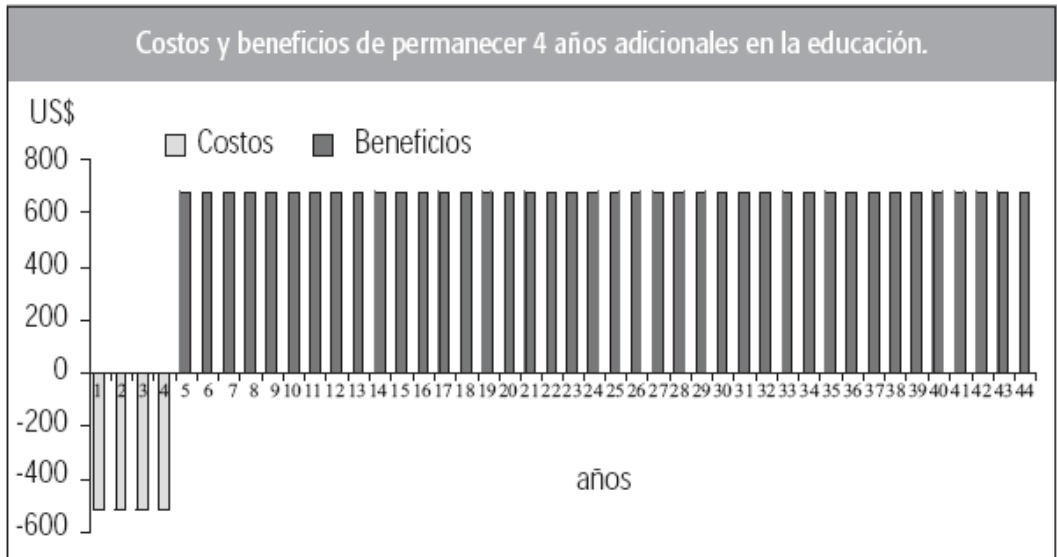
The internal rate of return in this case is of 23.4%, extremely high, evidencing the important benefits on a personal level and of the homes of remaining in education for this time. From the point of view of poverty of people and homes, the minimum increase of US\$ 57 per month in the labour income that is expected as a result of the program contributes with the income of the home, increasing the income per capita of the home and reducing the insatisfaction of the needs (poverty).

Logically, in order to achieve those results it is necessary to guarantee the access to education of all the girls and boys (coverage) and the quality of education, in such a way that the permanency

of 4 years of the girls and boys in school will translate in an effective increase of 4 years in their education.

**Graph 7: Costs and benefits of remaining 4 additional years in education.**

Gráfico 7



In order to alleviate the costs of the homes during the 4 years of permanency of the girls and boys in school, it is better to implement a transfer program, conditioned to school-attendance and educational success. In this case, the amount of personal transfer could be between US\$ 25 and US\$ 35 per month.

It is clear then that the eradication of child labour generates benefits both for the company and the homes as well as the society that is the country. Now then, in the majority of the countries, the annual costs for the public sector of the implementation of the proposed program represent less than 0.5% of the IGP, so that the program may be considered 'viable'. For other countries, unfortunately, those that show lower levels of social public expenditure in terms of per capita, the cost in relative terms to the IGP is rather higher, so that it requires an important political will to initiate - in all its extension and keep up over 20 years a program of this type.

## **2. CHILD labour: COMMITMENTS OF THE COUNTRIES AND HOW IT IS ADDRESSED IN THE NATIONAL PLANS AND STRATEGIES**

This chapter is divided into three parts. In the first one we make a brief review of the main commitments of the countries in child labour matters. In the second part we make some considerations about the national plans of prevention and eradication of child labour, so that later, in the third part, we enter into the analysis of how the subject of this study is addressed in the national plans and strategies of development/reduction of poverty of the Latin American countries.

### **2.1. Principal commitments of the countries in matters of child labour**

The national legislations of the countries (Political Constitutions, specific laws, etc.) establish conditions that limit child labour. However, there do not exist in all the countries clearly defined limits on the subject, reason why the international agreements constitute important instruments, since they establish minimum uniform limits on the subject. In case that the national legislation is more restrictive than the international agreements, the national criteria will prevail.

Among the relevant international agreements we find the agreements No. 138 and No. 182 of the ILO. The ILO Agreement on 'minimum age' (No. 138, of 1973) establishes that the minimum age of admission to any work or job must not be inferior to the age of completing the mandatory education and, in any case, less than 15 years-old - or 14 in the case of countries the economy and education facilities of which are insufficiently developed (article 2, paragraphs 3 and 4) -. Nevertheless, the situation is not so clear for girls and boys of 12 to 14 years-old because the Convention, in its article 7 paragraph 1, allows 'light work' for the 13-14 years-old (or 12-13 years-old in the less developed countries), understanding as 'light work': a) that work that is not harmful to the health and development of the girls and boys; and b) that work that is not of such a nature that can harm the school attendance of the boy or girl, his/her participation in orientation or professional training programs approved by the competent authority or their progress in the education they receive.

With the exception of Mexico, the remaining 17 Latin American countries considered in this study have ratified that agreement No. 138 (chart 5). However, as we saw in the first chapter of this report, some countries show very high levels of child labour among the population of 5-14 years-old.

Additionally to the elimination of the work of those girls and boys due to their age, one must also consider the eradication of the worst forms of child labour, as established in Agreement No. 182 of the ILO (1999). This Agreement applies to all people less than 18 years-old. The worst forms of child labour that the mentioned Agreement contemplates are (article 3): a) all the forms of slavery or practices analogue to slavery, like the sale or traffic of children, servitude due to debts and the condition of serf and forced or mandatory work, including the forced or mandatory recruitment of boys and girls to be used in armed conflicts; b) the use, recruitment or offer of boys and girls for prostitution, pornography production or pornographic acts; c) the use, recruitment or offer of boys and girls for performing illicit activities, in particular the production or traffic of narcotics, as defined in the pertinent international treaties; and d) the work that, due to its nature or due to the conditions in which it takes place, is probable of causing harm to the

health, safety or morality of the boys and girls. The types of work to which this last paragraph refers to must be determined by the national legislation or by the competent authority.

The 18 Latin American countries considered in this study have ratified this agreement on the worst forms of child labour (char 5). There are no trustworthy statistics about the magnitude of this phenomenon in the region, since due to its characteristics the tendency is that there is a hiding or invisibility of the same; however, its existence cannot be currently denied.

## Chart 5

**Latin America (18 countries): Ratification Year of Agreements No. 138  
(on the minimum age of admission to any work or employment)  
and No. 182 (on the prohibition and elimination of the worst forms of child labour)  
and the Convention on Children’s Rights.**

	Convention N° 138	Convention N° 182	Convention on Children’s Rights
Argentina	1996	2001	1990
Bolivia	1997	2003	1990
Brazil	2001	2000	1990
Chile	1999	2000	1990
Colombia	2001	2005	1991
Costa Rica	1976	2001	1990
Ecuador	2000	2000	1990
El Salvador	1996	2000	1990
Guatemala	1990	2001	1990
Honduras	1980	2001	1990
México	Has not ratified	2000	1990
Nicaragua	1981	2000	1990
Panama	2000	2000	1990
Paraguay	2004	2001	1990
Peru	2002	2002	1990
Dominican Rep.	1999	2000	1991
Venezuela	1987	2005	1990
Uruguay	1977	2001	1990

Source: ILO agreements in: <http://www.ilo.org/public/spanish/standards/norm/>; and Convention in: <http://www.ohchr.org/english/countries/ratification/11.htm>.

Other than those agreements, the 18 Latin American countries considered in this study have ratified the Convention on the Children’s Rights (chart 5), which, in its article 32, establishes that “*the Party States recognize the rights of the child to be protected against the economic exploitation and against the performance of any work that may be dangerous or hinder his/her education, or that is harmful to his/her health or for his/her physical, mental, spiritual, moral or social development.*” Then it indicates that the Party States will adopt the legislative, administrative, social and educational measures necessary to guarantee the application of that article. For this, and taking into account the pertinent dispositions of other international instruments, the Party States must fix, in particular, a) the minimum age or ages for working; b) the appropriate regulation of work schedules and conditions; and c) the penalties or other appropriate sanctions to insure the effective application of that article. Some countries have adjusted their national legislation according to what is indicated in that Convention.

On the other hand, the issue of child labour has been dealt with in different Latin American forums. A rather detailed review of those forums is found in *Reflections for change: Analysis of the national prevention and eradication of child labour plans in Latin America and the Caribbean* (ILO, 2006b); but two are especially important for this study. In the first place, the VII Ibero American Conference of Ministers and High Level Responsible Officials for Childhood and Adolescence held on September 26-27 of 2005 in Leon, Spain. In the denominated 'Declaration of Leon', which resulted from that meeting, the representatives of the 21 Ibero American governments present at the meeting agreed to (agreement 6): "*To combat the causes that originate poverty and social exclusion and their intergenerational reproduction, guiding our efforts, among others, towards the progressive eradication of child labour and the immediate elimination of its worst forms and all types of exploitation of girls, boys and adolescents.*"

In the second place, in the XVI Regional American Meeting of the ILO (Brasilia, 2006), the tripartite delegations (governments, workers and employers) of the countries of the region assume the Hemispheric Agenda to generate Decent Work 2006-2015 (ILO, 2006c) and reaffirm their commitment with the eradication of child labour and its worst forms.

This Hemispheric Agenda to generate Decent Work 2006-2015 (ILO, 2006c) states a series of strategic and transversal objectives to promote decent work in the region and includes an articulated strategy of policies that combine actions in the economic, norms and institutional contexts and the job markets<sup>13</sup>.

The strategy proposes 'to achieve the effective respect of the fundamental principles and rights in labour', among which those related with child labour are found, with the specific objective of achieving the "progressive elimination of child labour", according to the following goals: a) eliminate the worst forms of child labour in a time frame of 10 years (2015); and b) eliminate child labour completely in a time frame of 15 years (2020).

In order to achieve that objective and those goals the following policies are proposed:

- a) Consolidate a national authority, responsible for integrating the official efforts and those of the social actors within the framework of a national plan, with mandate and capacity for the implementation and the follow-up of the same through, among other measures, a precise system of indicators.
- b) Integrate the action of the Ministries of Economics and Social Affairs, as well as the activities of these and those of the Ministries of Work, Education and Health.
- c) Adjust the national laws to the obligations that arise from the Agreements No. 138 and No.182 of the ILO and encourage the creation of the authorities and responsible agents for the application of the national legislation on the matter.
- d) Prepare consensual lists of dangerous jobs and identify where the worst forms of child labour are practiced with the purpose of tackling the problem urgently and proceeding,

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<sup>13</sup> The agenda is made up of three fundamental elements: a) general policies in four contexts (work norms, employment opportunities and income, social protection and tripartism and social dialogue); b) policies in specific intervention areas that contribute to reinforce the policies proposed in four general areas; and c) mechanisms for the execution of these policies.

among other measures, to the rescue and rehabilitation of the girls and boys that are found in those situations.

- e) Incorporate the eradication of child labour into the policies and social and economic programs for development, especially, those oriented towards childhood and adolescence and to the reduction of poverty.
- f) Pay special attention to the rural context and promote the productive development of unemployed and sub-employed people in the rural sector through, among other things, the generation of active policies of the employment market.
- g) Improve the education and professional training offer.
- h) Encourage support policies for the formalization of sectors where a high number of working children are concentrated.
- i) Encourage, among other measures, the development of programs of conditioned transfers with the purpose of improving the access, the permanency and the reintegration of the girls and boys into the education and/or professional training system.
- j) Consolidate and generalize the periodic measurement of the child labour situation so as to facilitate the decision making and the knowledge of its effects.

It may be concluded, then, that there is sufficient national legislation and international commitments that should guarantee that the Latin American girls and boys 14 years-old or less are not victims of child labour. In spite of that, as we saw in the first chapter, the reality is another thing. Among the policies proposed in the Hemispheric Agenda to eradicate child labour the one that refers to the need of (c) incorporate the eradication of child labour to the policies and social and economic programs for development, especially, those oriented towards childhood and adolescence and to the reduction of poverty, takes on a special relevance for the effects of this document, aspect that will be analyzed below.

## 2.2. The National Plans of Prevention and Eradication of Child labour

Before entering into the national development and reduction of poverty plans/strategies, one should refer to the “national plans of prevention and eradication of child labour”, which mark the guidelines and strategies that the countries will follow in order to achieve the objective of prevention and eradication of child labour. These plans have been prepared in the greater part of the Latin American countries by National Commissions specialized in the subject of child labour.

The following 14 countries of Latin America have this type of plans (of the 18 considered in this study)<sup>14</sup>.

- **Argentina:** National plan for the prevention and eradication of child labour in Argentina, 2006.
- **Bolivia:** National plan of progressive eradication of child labour in Bolivia, 2000-2010.

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<sup>14</sup> According to information up to September 2007 at <http://www.oit.org.pe/ipec/>.



- **Brazil:** National plan of prevention and eradication of child labour and adolescent worker protection in Brazil, 2004.
- **Chile:** Plan of prevention and progressive eradication of child and adolescent work in Chile, 2001-2010.
- **Colombia:** Third national plan for the eradication of child labour and youth work protection in Colombia, 2003-2006.
- **Costa Rica:** Second national plan of action for the prevention and eradication of child labour and for the special protection of working adolescent people in Costa Rica, 2005-2010.
- **Ecuador:** National plan for the prevention and progressive eradication of child labour in Ecuador, 2005.
- **Guatemala:** National plan for the prevention and eradication of child labour and the protection of the working adolescence in Guatemala, 2001.
- **Honduras:** National action plan for the gradual and progressive eradication of child labour in Honduras, 2001-2006<sup>15</sup>.
- **Nicaragua:** National strategic plan for the prevention and eradication of child labour and the protection of the working adolescents in Nicaragua, 2001-2005<sup>16</sup>.
- **Panamá:** National plan of eradication of child labour and the protection of working adolescent people in Panamá, 2007-2011.
- **Paraguay:** National plan of prevention and eradication of child labour and work protection of the adolescents in Paraguay, 2003-2008.
- **Peru:** National plan of prevention and eradication of child labour of Peru, 2005.
- **Uruguay:** Action plan for the prevention and eradication of child labour in Uruguay 2003-2005.

Also, El Salvador, Honduras, Nicaragua, Paraguay and the Dominican Republic have specific plan for the eradication of the worst forms of child labour or particularly for that which refers to the commercial sexual exploitation of girls, boys and adolescents. Specifically:

- **El Salvador:** National plan for the eradication of the worst forms of child labour, 2006-2009 and National Action Plan against the commercial sexual exploitation of boys, girls and adolescents, 2001-2004.
- **Honduras:** National action plan against the commercial sexual exploitation, 2006-2011.
- **Nicaragua:** National plan against the commercial sexual exploitation of girls, boys and adolescents, 2003-2008.
- **Paraguay:** National plan of prevention and eradication of sexual exploitation of girls, boys and adolescents, 2003.
- **Dominican Republic:** National strategic plan for the elimination of the worst forms of child labour, 2006-2016, and Action plan of the Dominican Republic to eradicate the abuse and the commercial sexual exploitation of boys, girls and adolescents.

It escapes the objective of this study to analyze each one of those plans<sup>17</sup>. It is important, however, to leave proof of the concern of the countries in the preparation of this type of plans, which reflects the importance that is being given to the subject. Also, a study of the ILO on the same (ILO, 2006b) gives a clear account that it is about plans that show various characteristics, representing the heterogeneity of the problems proper to each country. It is also pointed out that

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<sup>15</sup> Currently (September of 2007) the second plan is just about to be published.

<sup>16</sup> Currently (September of 2007) its second plan is being prepared.

<sup>17</sup> A general description of each one of them is found in ILO, 2006b.

*“the greater part of the plans does not have sufficient information, which seriously limits its follow-up, the identification of bottlenecks and the delimitation of responsibilities. Thus, the greater part of the plans dedicates an ample space to diagnostic subjects - including a norms inventory and a conceptual framework - and loses precision in the elements of organization.”* Nor do they include an estimate of the resources available or necessary to make the identified tasks viable and for some cases we were not able to define indicators and goals that would allow the follow-up of the execution.

Another important result for the effects of this study is that one that refers to the notable effort in these plans *“to establish ties with other existing plans - mainly on childhood, poverty and education -, although given the extension of several of the plans and the level of detail of the commitments, it is not clear if the national plans of prevention and eradication of child labour are not being taken as consolidations of the sectorial plans. It is preferable to keep a balance over the level of detail of the proposals: it is not about duplicating or replacing the sectorial plans, but about articulating with them and complementing them, when it so corresponds”* (ILO, 2006b: 84).

The national plans of prevention and eradication of child labour constitute indispensable elements to achieve the objectives proposed in matters of child labour, but are not sufficient in themselves, so that they must be properly articulated with more ample policies, plans and strategies. It is important then to pass on to directly the analysis of the national plans/strategies of development and reduction of poverty in order to determine if the above mentioned articulation is given both ways.

### **2.3. Handling of Child labour in the national plans/strategies for development and reduction of poverty**

In spite of those international commitments and the preparation of national plans of prevention and eradication of child labour, as will be seen below, the handling of the issue of child labour is very limited in the national plans and strategies for development/reduction of poverty of the Latin American countries. First of all we present a general view and pass on later to the analysis country by country.

The National Development Plans are formal statements of the objectives, priorities and strategies of action for development that the countries will follow in specific periods of time. In some countries, the formulation of these plans is a legal obligation. Generally, they are prepared taking as reference the presidential periods, which has its advantages and disadvantages. Among the advantages, there is the possibility of changing the priorities of the government action taking into account the changes in the national and international contexts. Among the disadvantages, the most important one seems to be the common practice that when the governments change, the tendency is to ignore everything done by the previous governments and start from scratch. Associated to this, the rulers generally award a high priority to the execution of that part of the plans ‘with greater short term impact’, assigning little priority to the policies, programs and projects with medium and long term impact. On the one hand, this constitutes a strong limitation for the implementation of State policies that transcend administrations and, on the other hand, a disadvantage for the issues that require medium and long term policies for their attention. The eradication of child labour is the best example of what a State policy that reflects constantly in the National Development Plans should be and that is also placed within the priorities of execution of

each new government, leaving open the possibility, really, of introducing modifications to the proposed actions in order to achieve the objectives with greater effectiveness and efficiency.

Of the 18 Latin American countries studied, five have a plan of this kind:

- **Bolivia:** National Development Plan 2006-2010.
- **Brazil:** Multi-annual Plan 2008-2011.
- **Colombia:** National Development Plan 2006-2010.
- **Costa Rica:** National Development Plan 2006-2010.
- **México:** National Development Plan 2007-2012.

Also, at the moment of preparation of this study (September of 2007), Ecuador was in the process of approving its National Development Plan 2007-2010.

In five countries (Chile, El Salvador, Paraguay, Peru and Dominican Republic) there is no National Development Plan properly elaborated but we take as reference the government program of who at the time was the presidential candidate.

In three countries general government guidelines have been formulated: Guatemala (General Government Guidelines 2004-2008), Panamá (Government objectives and goals for 2005-2009) and Venezuela (General Guidelines of the Economic and Social Development Plan of the Nation 2001-2007).

Argentina has several specific government plans and programs that together constitute a sort of National Development Plan.

In Uruguay there is a specific plan (Attention Plan of the social emergency and Citizen income program) and in Honduras there is a Strategy for the Reduction of Poverty that, as will be seen, acts as a National Development Plan.

Finally, Nicaragua does not currently have a National Development Plan nor does it seem to be following-up on the Strategy of Poverty Reduction.

It is important to point out that several countries have national strategies of reduction of poverty with various degrees of articulation with the National Development Plans. Two types of strategies stand out: those that arise from the Initiative for the Poor Highly Indebted Countries (HIPC) and the others that constitute efforts of the countries because they have the support of the debt relief.

Bolivia, Honduras and Nicaragua are the three countries (among the 18 considered in the study) that prepared strategies in the framework of that initiative.

In the same way as the National Development Plans, the strategies of poverty reduction were affected by the changes of government, as well as some of those prepared within the framework of HIPC, that should have greater continuity.

Following, the detail by countries.

### **2.3.1. Argentina:**

Argentina does not have a National Development Plan (PND - as abbreviated in Spanish) but during the administration of President Nestor Kirchner (2003-2007) several specific government plans and programs have been prepared - that together constitute a kind of PND -: National Program of Education Inclusion; Plan of Employment Regulation; National Program 700 Schools; National Program of Tobacco Control; National Program of Child Development First Years; Remedy Program; Be Born Argentina Plan; Plan More and Better Employment; National Program of Fight Against the Human Retrovirus, Aids and ETS; Plan Let's get to work; Families Plan; Integral Program for Education Equality; National Plan of Food Security - the most urgent hunger; My PC Program; and the Federal Plan of Housing Construction.

The National Program of Education Inclusion has as its central objective the inclusion in school of those boys, girls and adolescents between 11-18 years-old that for various reasons never entered or that abandoned the studies, with the goal that all the girls, boys and adolescents have equal opportunities of access and permanency in the education system; however, it does not refer explicitly to child labour.

There is no reference to the subject of child labour in any other plan, including the two on labour issues (Plan of Employment Regulation and Plan More and Better Employment).

### **2.3.2. Bolivia:**

The National Development Plan 2006-2010 of President Evo Morales Administration (2006-2010) seeks the construction of a new society and of a plurinational and community State. For this it states the strengthening of a State that is a promoter and leader of development, distributor of wealth and opportunities, producer - in some cases directly and in others as majority partner - and driving force of the cohabitation between the community and the private economy.

The implementation of four national strategies is proposed: a) economic strategy (productive Bolivia) based on the sectors that make up the productive matrix and those that help with its operation; b) socio-community strategy (dignified Bolivia), that includes the distributor of production elements and media and social services sectors; c) international relations strategy (sovereign Bolivia) that covers the economic, political and cultural relations and includes the sectors with ties with trade and exchange of goods, services and capitals; and d) social power strategy (democratic Bolivia), that covers the sectors that will promote the social power by territories.

When one considers the 'social protection and community development', the eradication of the worst forms of child labour is indicated and it is said that scholarships will be offered to the working girls and boys in order to succeed in that they finish school, their families will be identified and will be given food and health bonds. Young people will be offered scholarships for them to have technical specializations. Whilst they conclude their studies they will be offered sustenance bonds for a period of six months until they find their first job or they have the possibility of starting a small business.

The issue of child labour and its worst forms is also dealt with in the context of justice. It is indicated that in the past the State left behind its responsibilities for the protection of the most vulnerable population sectors, which translated into, among others, child labour, slavery and traffic of people, commercial sexual exploitation of children and adolescents and precariousness

of labour conditions. It also indicates that it will seek to eliminate the worst forms of labour exploitation of girls and boys and gradually eliminate definitively child labour. In order to succeed in this, the effective application of the norms of protection will be sought.

### **2.3.3. Brazil:**

During the first administration of President Luiz Inácio *Lula* da Silva (2002-2006), Brazil prepared the Pluriannual Plan (PPA) 2004-2007 that contemplated three great objectives: a) the social inclusion and the reduction of social inequalities; b) the growth with work, employment and income generation, environmentally sustainable and reducer of social inequalities; and c) the promotion and expansion of the citizenship and the strengthening of democracy.

In order to achieve the first great objective, it is proposed as a specific objective 'to reduce the vulnerability of boys, girls and adolescents in relation with all the forms of violence, establishing the mechanisms to make effective their social and cultural rights', and the instruction is "to eradicate child labour".

The importance of the rent programs to reduce child labour and improve the family income is highlighted.

The *Ministério da Assistência Social (Ministry of Social Assistance)* is made responsible of the program of eradication of child labour and resources are assigned for activities and goals for each one of them. The specific objective is to eliminate the practice of work for those younger than 16 years-old, except under the condition of apprentice, in which case it would take place as from 14 years-old. The target population is the boys, girls and adolescents in the age band between 5 to incomplete 16 years-old that are working in illegal situations.

In the second administration of President *Lula* (2006-2010) a new Pluriannual Plan has been prepared (2008-2011) with the main objectives of accelerating the economic growth, promoting the social inclusion and reducing the regional inequalities. The Plan organizes the government around three axes: economic growth, social agenda and quality education.

Among the specific government objectives established in this plan there is 'strengthen democracy, with equality of gender, race and ethnos and a citizenship with transparency, social dialogue and human rights guarantee'. The boys, girls and adolescents are a very important group within this objective because they are victims, among others, of child labour. Within the initiatives to attack this problem stands out the importance of the *Programa de Erradicação do Trabalho Infantil (PETI (Program of Eradication of Child labour))*. Also, the integration of this program with the *Programa Bolsa Família (Program Family Purse or Exchange)* is foreseen. The *Ministério do Desenvolvimento Social e Combate à Fome (MDS)* (Ministry of Social Development and Fight against Hunger) is appointed responsible of the program of eradication of child labour and is assigned resources for activities, as well as goals for each one of them. There is a change in the writing up of the objective of the program with regard to the previous version: now the need to remove boys, girls and adolescents younger than 16 years-old from the practice of precocious work stands out, except under conditions of apprenticeship, where it is established that it take place as from the 14 years of age. The target population is boys, girls and adolescents of up to 16 incomplete years in situation of employment and their families.

### **2.3.4. Chile:**

Chile does not have a National Development Plan. The government program proposed by the current President Michelle Bachelet (2006-2010) distinguishes three theme areas that reflect the priorities of the future government: a) a new network of social protection, b) conditions for a leap in development, c) a program to improve the quality of life of the Chilean people; c) the fight against the discrimination and exclusion and a new treatment for the citizens in all the aspects of the public action; and d) a proposal on the place that Chile must occupy in the world.

In this document there is no reference to child labour.

### **2.3.5. Colombia:**

The National Development Plan 2006-2010 of the second administration of President Alvaro Uribe (2006-2010) is made of five fundamental principles: a) democratic security; b) respect towards the public freedoms; c) construction of the social cohesion; d) transparency; and e) respect towards the independence of the State institutions.

The plan defines six strategic areas: a) defense and democratic security policy; b) reduction of poverty and promotion of employment and equity; c) high and sustained growth as a condition for a development with equity; d) environmental and risk management that promotes sustainable development; c) an improvement of citizen service; f) special dimensions of development: gender equity, youth, ethnic groups and intercultural relations and regional dimension.

In the part of ‘reduction of poverty and promotion of employment and equity’, specifically in that related with ‘labor market and labour relations’, there is a clear recognition of child labour as a problem, as well as the negative impact on the boys, girls and adolescents involved in that work.

The specific goal of reducing the proportion of the child PEA (5-17 years-old) is proposed, with respect to the total PEA of 7.2% in 2005 to 5.3% in 2010. It is recognized that in order to progress on the issue of child labour it is necessary, apart from the universalization of basic education, to progress and consolidate a State policy for the prevention of child work and the protection of the working adolescents.

Among the specific actions to achieve the goal we can point out:

- Strengthen the coordinated action of the different State agents (Ministry of the Social Protection, ICBF, the Ministry of Education, State Attorney’s Office) and the cooperating agents (UNICEF, OIT), including here the incorporation of the Ministry of Education into the Technical Secretariat of the Committee of Eradication of Child labour.
- Design and develop a “National Strategy for the consolidation of the Policy of Prevention and Eradication of Child labour” on a national and territorial level.
- To advance in the characterization of child and adolescent labour and to establish goals and indicators for the respective follow-up. The Ministry of Social Protection, with the support of the technical secretariat, must establish a mechanism to centralize the information on child work and offer a technical accompaniment to the departments and municipalities. Mapping actions of the risk of variables related with child labour are included.
- The Colombian Institute for Family Welfare (ICBF) must include in their programs of prevention and protection issues on child labour.

- Succeed in that the local and regional governments incorporate the issue in their plans of territorial development within the framework of their competencies. In this way, the programs about the prevention and eradication of child labour and protection of the working adolescents put forward in the central and territorial levels must be articulated within the National Strategy for the consolidation of Politics.

The importance that the subsidies that the government develops, such as families in action, be conditioned to the non work of the girls and boys is also pointed out, with the support of the Ministry of Education.

### **2.3.6. Costa Rica:**

The current administration of President Oscar Arias (2006-2010) has prepared the National Development Plan 2006-2010. The plan proposes seven great goals: a) fight the corruption in all the context of the action of the public sector; b) reduce poverty and inequality; c) increase the growth of the economy and employment; d) improve the quality and extend the coverage of the education system; e) stop the growing rates of criminality, drug traffic and addiction to drugs and revert the sensation of growing insecurity of all the citizenship; f) strengthen the public institutions and order the State priorities; and g) recover and extend the transportation infrastructure of the country.

In order to achieve these great goals, the state action is organized into five great axes that, themselves, are divided internally into 16 institutional sectors. The great axes are: the social policy, the productive policy, the environmental, energy and communications policy, the institutional reform and the foreign policy. For each one of the axes the strategic actions are defined. There are, also, important interactions between the axes -and in some cases, very intense ones -, like for example, between the social policy axis and that of the productive policy.

There is no reference made to the issue of child labour.

### **2.3.7. Ecuador:**

Ecuador is in the process of preparation of the National Development Plan 2007-2010 under the administration of President Rafael Correa (2007-2011).

When preparing this study the draft of that Plan was in the hands of the President, who would submit it to the consideration of the Government Cabinet for its approval.

In spite of the above, the ‘Social Agenda for Development 2007’ was prepared with the objective of establishing the action lines of the social development policy and the productive inclusion that will lead to the implementation of a strategy of including development with equity, endogenous and sustainable, as well as a construction process of active citizenships. It should be expected that this agenda becomes an important part of the National Development Plan.

When establishing the lines of action for the Ministry of labour and Employment, the Social Agenda points out that the vision of the ministry is to build *“a country where precarious forms of work that mean a violation of the workers’ rights do not exist. A country with human development and with a context of social-labor dialogue, that encourages juridical security, the generation of employment, decent work opportunities and fair incomes for the Ecuadorians, with the purpose of ending all form of discrimination, of labour exploitation and child labour.”*

Within the problems of the sector one can point out the exploitation of child labour and the scarce control of the State in supervising the employment of girls and boys in productive activities.

For this reason, within the lines of action, the progressive eradication of child labour stands out, especially in its worst forms, through the application of the Action Plan for the Eradication of Child labour.

### **2.3.8. El Salvador:**

During the political campaign, then presidential candidate Elías Antonio Saca made known the Government Plan 2004-2009: Safe Country that appears after his election as the national development plan.

The plan includes 15 areas of action, each one of which includes plans, special programs, policies, measures and specific actions, integrated according to social, economic and political objectives. As well, it defines 10 programs denominated “presidential” that represent actions with great impact that the government will carry out and that will constitute the principal characteristic of the Administration 2004-2009.

The areas of action are: a) citizen safety; b) to guarantee the operation of a system of social economy of competitive market, integrator and that protects the rights of the consumers (norms and market supervision); c) the fulfillment of individual and social rights of the population; d) the transparency in the government management; e) the macroeconomic stability; and f) a greater equity in the local development and the human, geographic and territorial integration.

The following five areas seek to raise the productivity and competitiveness of the country and facilitate the connectivity to increase the power of its integration to the world productive and commercial processes, that are: g) competitiveness; h) opening and integration; i) Salvadorians abroad; j) micro, small and medium businesses; and k) development of the farming sector.

Four areas point to an increase of human capital, the reduction of poverty and the giving of tools for taking advantage of the opportunities; as follows: l) health: quality and universal coverage; m) education; n) housing; and o) social and family strengthening.

The last area of action concentrates on p) environment.

The plan includes a reference to child labour, specifically in the area of ‘social and family strengthening’, in which work plan stands out the “continuation of the efforts of eradication of child labour”. However, it does not go further than the statement because no concrete actions are proposed.

### **2.3.9. Guatemala:**

The President Óscar Berger (2004-2008) defined the general Guidelines of the government that constitute the government plan.

The plan is supported on what is denominated ‘foundations’: solidarity, inclusion and democracy, stating actions to reduce the extreme poverty and to encourage the social practice of intercultural lines and the promotion of the peace and tolerance culture, as well as actions in matters of



decentralization and participation, respect of human rights, strengthening of democracy and political reform, validity of the Rule of Law, modernization of the public administration and the foreign policy.

The great challenge of the plan is to achieve greater employment and welfare. The pillars of the plan are the social investment (education, culture, health, drinkable water and environmental cleaning, nutrition, housing, social funds, social protection and attention to vulnerable groups, sports and recreation and rescue and transformation of the pensions system), the integral security and the generation of favorable conditions for producing (that include a coherent and stable macroeconomic management, an adequate business climate and investments attraction, the extension and improvement of the productive infrastructure and the environmental sustainability).

The State will be a facilitator and will not intervene directly on employment. To achieve this, as well as facilitating the favorable conditions to produce and raise competitiveness, the State will carry out support actions of development of productive activities in strategic sectors or areas: a) the competitiveness and development of “clusters” or “development motors” (tourism, agroindustry, manufacture, forestry and goods and services of regional destination); b) integral rural development; and c) support of the micro, small and medium businesses.

There is no reference in the plan to child labour.

### **2.3.10. Honduras:**

Honduras does not have a national development plan. Even so, in the framework of the HIPC Initiative, this country prepared a Strategy for the Reduction of Poverty (Government of the Republic of Honduras, 2001), that in practice operates like a national development strategy.

The original strategy published in 2001 has undergone several modifications over time. Thus, as part of its implementation, a set of goals has been defined and updated, that the country must achieve and the priority programs that must be executed with the resources obtained from the debt pardon. Also in the last version (2005/2006) there is a change in the conceptual framework of the strategy with regard to the relation between the economic growth and poverty, after verifying that the relation between both dimensions is not always direct and immediate. Because of this we propose to take equity as the central axis of the strategy and emphasize the pro-poor growth. The latter, through the three fundamental ways: a) encourage the production and increase of productivity of the micro and small businesses of the countryside and the city and the so called social sector of the economy; b) encourage the increase of employment (salaries) and the productivity in intensive formal sectors of labour workforce; and c) apply measures of direct protection towards the poorest, principally those that suffer extreme poverty, to compensate their economic, social and environmental risks.

The ERP states 16 goals, that become actions linked to the budget, on which the execution of policies, programs and specific projects according to the defined, by program area and sub-area, strategic orientations is supported. The goals are:

- a) Reach a high rate of growth of the Gross Internal Product.
- b) Reach a growth rate *per capita* higher than 2% per year.
- c) Improve the effectiveness of the social expenditure.
- d) Reduce the incidence of poverty and extreme poverty in 24 percentage points.

- e) Duplicate the net coverage of pre-basic education of 5 year-old girls and boys.
- f) Achieve a net coverage of 95% in the access to the first two cycles of basic education.
- g) Achieve a net coverage of 70% in the third cycle (7<sup>o</sup>-9<sup>o</sup> grades) of basic education.
- h) Achieve that 50% of the emerging population completes secondary education.
- i) Reduce to half the rates of child mortality and in 5 year-old girls and boys.
- j) Reduce to half the malnutrition in those younger than 5 years.
- k) Reduce to half the maternal death rate, going from 147 to 70 for every 100,000 born alive.
- l) Achieve a 95% access to drinkable water and sanitation.
- m) Achieve 80% coverage of electric power services.
- n) Triplicate the telephone density of the country.
- o) Equip and raise in 20% the Human Development Index relative to gender, going from 0.640 to 0.770 in 2015.
- p) Reduce the environmental vulnerability of the country, with the purpose of reverting the loss of environmental resources.

In the diagnosis of the review 2006/2007 of the ERP the high magnitude of child labour in the country stands out. However, later on the issue is not touched upon any more.

### **2.3.11. México:**

The National Development Plan 2007-2012 prepared by the administration of President Felipe Calderon (2006-2012) states 10 national objectives: a) guarantee the national security; b) guarantee the full validity of the Rule of Law; c) reach a sustained more accelerated economic growth and generate formal jobs; d) have a competitive economy; e) reduce extreme poverty and insure equal opportunities and the extension of capabilities for all Mexicans; f) significantly reduce the persistent social, economic and cultural gaps in society; g) guarantee effective opportunities to exercise fully the citizen rights and to participate actively in the political, cultural, economic and social life of the communities and of the country; h) insure the environmental sustainability; i) consolidate a democratic regime; j) take advantage of the benefits of a globalized world to boost the national development and project the interests of Mexico abroad.

In order to achieve those objectives actions in five axes of public policy are proposed, all closely related: a) Rule of law and security; b) competitive economy and generator of employments; c) equal opportunities; d) environmental sustainability; e) effective democracy and responsible foreign policy.

The issue of child labour is touched upon only in reference to the indigenous people and communities as priority groups (*“a fundamental problem that requires special attention is that of*

*child labour, since the activities performed by indigenous children and youngsters as labourers or itinerant vendors, among others, threatens their rights”*); however, no strategic action is indicated in that sense.

### **2.3.12 Nicaragua:**

Nicaragua is a beneficiary of the HIPC Initiative, so that it prepared a strategy of reduction of poverty that in its second version was denominated Reinforced Strategy of Economic Growth and Reduction of Poverty (Government of the Republic of Nicaragua, 2001).

The previous administration of President Bolaños (2002-2007) prepared a National Development Plan for the year 2005, that integrates and starts from the strategy of reduction of poverty, adjusting the objectives, goals and indicators *“to the development of the national and international economy, to the progress of the commercial agreements, to new elements and methodologies of analysis, carrying out the necessary adjustments in the guidance of the economic and social policy so as to have an effect on the acceleration of the economic growth and the reduction of poverty.”*

The objective of the National Development Plan is the economic growth to high and sustained rates through the support to local development and the productive conglomerates through the development of the human capital and the social protection, the development of the democratic governability with ample citizen participation, the transparency and accountability of the public finances, the promotion of equity and the continuous modernization of the State in order to take advantage of the opportunities that the free trade agreements offer.

In the reinforced strategy of poverty the issue of child labour is dealt with in the diagnosis, but later on it is not taken into account again. In the National Development Plan of the past administration, in the part on ‘training of human capital and efficiency of the social expenditure’, it is pointed out that in labour matters *“the policy is oriented towards the improvement of the socio-labor conditions, to guarantee the rights of the workers and the eradication of child labour.”* In the part strictly on labour it is also pointed out that *“special attention will be given to the minimum age of admission to work, since due to the high rates of poverty among other factors, child labour represents a problem.”*

In that sense, four specific actions are included: a) evaluation of the strategic plan of eradication of child labour and the protection of the adolescent worker 2001-2005, preparation of the strategic plan 2006-2010 and its incorporation into the municipal plans; b) sensitization of the different sectors (employers and workers on child labour); c) promotion of the approval of the officialization of “dangerous forms of child labour” (agreement 182 of the ILO) and the rules that regulate the chapter “on the work of adolescents” title VI of the labour code; and d) the establishment of a monitoring system of the behavior of child labour and protection of the adolescent worker. The cost of those actions is estimated between US\$ 0.1 and US\$ 1.2 millions. No specific goals on the subject are defined.

The current administration of President Daniel Ortega (2007-2012) has not formulated any national development plan nor has it considered the previous strategy of reduction of poverty. The program ‘Zero Hunger’ has begun to be implemented that combines the food assistance with the technical training so that the family nuclei are capable of producing their own food. This program contemplates the delivery to each family nucleus of a productive food voucher for a two thousand dollar value that includes a cow and a pig, both pregnant, poultry, seeds, fruit plants, a biodigestor and other inputs. The total cost of the project is US\$ 150 millions and intends to benefit annually 15 thousand families.

### **2.3.13 Panamá:**

In the current administration of President Martin Torrijos (2004-2009) no national development plan has been formulated but the Objectives and goals of the government for 2005-2009 have been defined.

These objectives and goals are indicated by ministries. The only reference to child labour is found in the goals assigned to the Ministry of labour and labour Development (MITRADEL), since it is indicated that “programs must be executed for the eradication of the worst forms of child labour in the farming, rural and urban areas.”

There is a reference to a strategy of attack on poverty in the Ministry of Social Development (MIDES), but there is no properly structured and integrated plan.

### **2.3.14. Paraguay:**

Paraguay does not have a National Development Plan, but the guidelines of the Government Plan of now President Nicanor Duarte Frutos (2003-2008) are followed.

In that plan four strategic objectives are proposed: a) recover the trust on the State institutions and on their representatives; b) promote the active participation of the citizens for the construction of democracy; c) reactivate the economy and generate employment within a new model of sustainable development; and d) combat poverty, corruption and insecurity.

There are, also, 14 program axes that serve as reference for the institutional actions: a) modernization of the public administration; b) trustworthy and predictable economic context for investment; c) sustainable economic growth; d) educational revolution to improve the human capital; e) priorities and policies in the health area; f) civil engineering public works and the construction of economic housing; g) energy for development; h) defense of the environment; i) external projection and new international relations; j) development of new spaces: State and society; k) promotion and defense of human rights; l) combat poverty and social exclusion; m) fight against corruption; and n) modernization of the security forces.

In the program axis of combat of poverty and social exclusion reference is made about the issue of child labour.

### **2.3.15. Peru:**

Peru does not have a National Development Plan but the current President Alan García (2006-2011) defined in his Government Plan 13 immediate actions (to be applied in 180 days) and 10 objectives for 2011: a) the State at the service of the people; b) a decentralized development; c) human development; d) economy for social justice; e) infrastructure for development and national integration; f) the defense of the territory; g) crusade against corruption and traffic of illicit drugs; h) continental integration; i) ecology and preservation of the environment for a better quality of life; and j) the promotion of scientific and technological research and innovation that contributes to the national development.

There is no explicit reference to child labour. For each one of the general objectives, specific objectives and actions are pointed out. The third objective, human development, has among its specific objectives the ‘access to a dignified, full and productive employment’ and among its proposed actions, “to enforce the priority agreements of the ILO.”

### **2.3.16. the Dominican Republic:**

The Dominican Republic does not have a National Development Plan. In the electoral campaign, the current President, Leonel Fernández (2004-2008), prepared his Government Plan. In this one four principal objectives are stated: a) recover the macroeconomic stability and reinstate growth; b) consolidate the democratic governability through the strengthening of the basic institutions of the republican regime; c) improve the competitiveness of the Dominican economy in the national and international planes; and d) achieve a greater level of social equity for the Dominican society.

In order to achieve those objectives a great number of specific objectives and actions in the areas of State policy and its institutions, economic, environmental and of natural resources, energy and infrastructure and social policies are proposed.

In the area of social policies there is a reference to the problem of child labour, but no concrete action is proposed.

### **2.3.17. Uruguay:**

Uruguay does not have a National Development Plan. Nevertheless, one of the first actions of the government of President Tabaré Vázquez (2005-2010) was the preparation of a Plan for the attention of the social emergency and a program of citizen income, which was approved by the Senate and the House of Representatives.

This plan includes the following plans and programs: National Food Plan (PAN), Sanitary Emergency Program, Program of Citizen Income, Education Program in Critical Contexts, Provisional Employment Program, Program of Precarious Settlements and Pensions and Program of Housing of Homeless Persons

Nowhere is there an explicit reference to child labour.

### **2.3.18. Venezuela:**

After the constituent process of 1999, during the administration of President Hugo Chávez (1999-2013), a development was prepared, General Lines for the Economic and Social Development Plan of the Nation 2001-2007, in which the orientation of the public policies is defined. A deep structural change is proposed for the fulfillment of five balances: the economic, social, political territorial and on the international plane. In the specific case of the social balance, it is about “*reaching and deepening human development, through the extension of the options for the people, the offering of greater and better effective opportunities of education, health, employment, income, social organization and citizen security.*” The reduction of the social inequalities is carried out in terms of the social and economic objectives contemplated in the

Constitution of 1999 that make up the conditions for citizenship (political, economic and social rights of the population).

The reduction of the inequalities and poverty should not be achieved “from benefit and assistance actions” but requires that the social policy be part of a more ample set of policies that make up the strategy of development of the productive, reconstruction and strengthening of the public institutions, the regional development, the increase of the productive investments and the construction and strengthening of the social economy.

There is no explicit reference to child labour. The integral attention of boys and girls that do not attend school is proposed but without entering into the detail of the causes for the non school attendance.

### **2.3.19. As a conclusion**

The review carried out allows us to confirm that in spite of the great magnitude of child labour in some of the countries and the international commitments acquired by them all, with few exceptions the subject of child labour is an explicit part of the plans and strategies of development and combat of poverty.

Of the 18 countries analyzed, only two succeed in a complete handling of the subject: Brazil and Colombia, this is, other than indicating the problem, they point out objectives, goals and specific actions and, even, quantify the costs (assignment of costs). Other two countries - Bolivia and Ecuador - give an adequate importance to the subject, although not with the depth of the two previous ones.

Four countries - El Salvador, Mexico, Panama and Paraguay - make reference to the subject of child labour but do not necessarily point out the concrete actions that are to be carried out, those responsible for each one, nor the follow-up indicators, nor the estimated costs of the actions.

It is also confirmed that the national plans of prevention and eradication of child labour which the countries have, derive from the national development plans/strategies, but the former are not part of or are properly integrated into the latter.

It is also clear that in the majority of the cases there are no State policies with regard to child labour, since the subject not only is not found among the national priorities established in those plans and strategies but also the practice that each new government formulates its own plan or strategy ignoring the previous one may result in that important proposals laid out in past plans may be left out (like in the case of Nicaragua).

## 3. CONCLUSIONS AND RECOMMENDATIONS

In this chapter we present the main results and conclusions of the study and then we make recommendations to advance in the eradication of child labour.

### 3.1. Conclusions

Some of the main results and conclusions are supported by the empirical evidence and confirm a series of statements that are traditionally made on the subject of child labour.

- 1) **In spite of its reduction, the rates of child labour continue to be very high in some countries of the Latin American region:** according to the Global Report of the ILO *The Elimination of Child labour: an objective in our reach* (ILO, 2006a), between the years 2000 and 2004 child labour has been significantly reduced in girls and boys between 5-14 years-old of Latin America as a whole; nevertheless, the rates continue to be very high in some countries in particular and the region in general, so that it is required to strengthen the efforts to eradicate this scourge.
- 2) **Child labour is directly associated with poverty at home:** the working girls and boys are part, in their large majority, of homes in poverty conditions (insufficiency of income). The estimates made excluded the value (in cash or attributed) of child labour in order to have a better idea of the situation of poverty of the homes without that work and at least half the working girls and boys between 5-14 years-old belong to poor homes and, within them, the majority correspond to homes in extreme poverty. The motivation of child work responds then in good measure to that situation and to the need of generating income for the home; that is, poverty as a determinant factor of child labour.
- 3) **On an aggregate level (country) the rates of child labour correlate positively with the global rates of poverty:** the tendency between countries shows an association between high rates of child labour (5-14 years-old) with high rates of incidence of poverty and vice versa, so that the situation on the level of homes and people is reproduced on an aggregate level. Both poverty due to insufficiency of income as well as due to unsatisfied basic needs (approximate due to the Human Poverty Index) was considered. The results of homes are then reproduced on an aggregate level or of the country.
- 4) **Although child labour generates income for the homes at the moment it is carried out, it is not enough to take the homes out of poverty:** when considering the increase in the income of the homes as a result of child labour (in cash or attributed), only a very small proportion of the homes with working girls and boys succeeds in surpassing the poverty threshold due to insufficiency of income thanks to the contribution of child labour and only a minimum fraction surpasses the arbitrary limit of vulnerability established on an income *per cápita* over 1.4 times the line of poverty.
- 5) **Child labour does not succeed in significant reductions in the global indicators of poverty:** the consideration of the contribution of child labour (in cash or as an attributed value) as part of the income of the homes only succeeds in reducing in few percentage points the incidence of extreme and total poverty on a national level, independently of the magnitude of child labour in the country or how high the rates of

poverty are without considering those incomes. On a country level, child labour is not then a solution for the global problem of poverty, nor on homes level.

- 6) **The rates of school attendance/enrollment are lower among working girls and boys:** child labour limits the possibilities of education of working girls and boys, which affects negatively in reaching a full development as people, with the further difficulty that education is one of the main ways of overcoming poverty and of the intergenerational rupture of the same by the way of labour income, as indicated following.
- 7) **On a global level (countries) the rates of child labour are inversely associated with total social public *per cápita* and education:** this inverse relation reflects the importance of public investment in social sectors, and especially, in education, to achieve significant reductions of poverty. It must be taken into account that the countries with higher levels of expenditure in the year of study have a long tradition of high social expenditure, which, associated with the low rates of child labour they present, induces one to conclude that for the reduction of child labour not only higher levels of expenditure are necessary but also the sustainability of those levels in the medium and long terms.
- 8) **Remaining in school implies, among other benefits, the generation of future income that will help the young people and their homes to alleviate their situation of poverty:** if the working girls and boys are in school until they are 14 years-old means that they will remain in school four additional years with regard to the Latin American average; and with conditions of quality of education - that allows them to pass the respective grades -, they will be able to increase their educational level in those four years. Considering on the one hand the average costs of opportunity of child labour for the region and an estimate of the direct costs of education, and on the other hand the rates of return of education and the minimum remuneration of a non qualified worker, to leave child labour during those four years and earn them in education will allow them when they incorporate into the employment market, to succeed in having a higher labour income, which will help them and their homes to alleviate the situation of poverty.
- 9) **As well as the individual benefits, for society as a whole there is an economic benefit in eradicating child labour:** a cost-benefit analysis that also includes the cost for the homes, the cost for the governments of extending the coverage and quality of education, as well as the direct interventions to face the worst forms of child labour and a program of transfers to compensate the homes for their costs and benefits in health and education, reflects that all the countries would obtain high rates of rentability from eradicating child labour, that is, that other than the individual benefits, there are social benefits.
- 10) **The cost of eradicating child labour is not very high, but it requires political will and sustainability:** the cost for the governments of a program like that one mentioned above is not, in general terms, so high, although it is for the countries with lower levels of social investment. It require a strong political will to carry out an action of this kind, as well as guaranteeing the sustainability of the program in spite of the changes of government, since the eradication of this work takes its time.



- 11) **The programs of conditioned transfers in cash are an important support for a strategy of eradication of child labour:** make transfers to the homes of the working girls and boys to compensate for the cost of opportunity of child labour as well as the direct costs of education (materials, uniforms, transportation, etc.), conditioned to these children leaving child labour, regularly attending school and passing the grades, constitute a very useful tool to advance in the eradication of child labour.
- 12) **With few exceptions, the subject of child labour is absent from the plans/strategies of development and reduction of poverty in the Latin American countries:** the analysis of the plans and strategies in force in the countries reflects that in spite of the great magnitude of child labour in some of the countries and the international commitments acquired by them all, with few exceptions the subject of child labour is an explicit part of those plans and strategies. Even so, a mention of the subject appears many times but without explaining in depth the concrete actions that they would be carried out, who would be responsible, nor the follow-up indicators or estimated costs of the actions. It is also confirmed that the national plans of prevention and eradication of child labour that the countries have derive from the national development plans/strategies but the former are not part of or are properly integrated into the latter.

## 3.2. Recommendations

Following, we submit the main recommendations that issue from this study, some of which are on the same lines as those pointed out in the *Hemispheric Agenda to generate Decent Work 2006-2015* (ILO, 2006c).

- 1) It is necessary that the national development and reduction of poverty plans and strategies consider explicitly actions for the compliance with the minimum ages of incorporation to work and for the effective prohibition of the worst forms of child labour. But also, for the fulfillment of these actions, goals, time frames, responsible officers and follow-up indicators must be defined and incorporated into the national development plans, as well as the estimated cost of the actions that will be carried out, guaranteeing the necessary resources for their execution.

The goals defined must be in accordance with those stated in the *Hemispheric Agenda for generating Decent Work 2006-2015* (ILO, 2006c) and accepted by the countries: a) eliminate the worst forms of child labour in a time frame of 10 years (2015); and b) eliminate child labour completely in a time frame of 15 years (2020).

- 2) The fulfillment of the national legislation and the international commitments for the eradication of child labour must be a State priority that transcends administrations. Given the practice in some countries (sometimes due to legal demand) that each government must prepare a new national development plan (this means that the subject is reflected constantly in the national development plans) but also that it is placed among the priorities of execution of each new government.

In order to achieve that the priority of the eradication of child labour is maintained over time, one must reach agreements or national pacts against child labour in which the different social sectors of each country participate.

- 3) Given that not all the countries have national development plans and that in some of them the government programs of presidents are considered as such in the stage when they are presidential candidates, the National Plans of Prevention and Eradication of Child labour are called to play a relevant role, including the possibility that they become State policies. These plans constitute indispensable elements to achieve the proposed objectives in matters of child labour but are not enough by themselves, so that they must be properly articulated with more ample policies, plans and strategies.

It is also important 'to raise their profile', which implies, among others, that the main spheres of government participate in their preparation and not only small committees and that, also, they not be derivations of the more general development plans but that they are prepared as independent programs with their own objectives, goals and actions, in such a way that they be incorporated as such in the development plans.

- 4) Having confirmed that the impact of child labour in the perpetuation of poverty, the elimination of this work must also be adequately incorporated in the strategies of reduction of poverty. In the same way that in the national development plans, it is necessary to define objectives, goals and specific actions that allow one to advance in the desired sense, as well as follow-up indicators to verify the progress. In the same way, the costs of the actions must be quantified and the necessary resources assigned. Finally, an adequate articulation of these strategies of reduction of poverty with the national development plans and with the national plans of prevention and eradication of child labour (of each one with the others) is an indispensable requirement.
- 5) The eradication of child labour requires the recognition of the particular situation of the working girls and boys and their homes and to make investments in education that guarantee that all the girls and boys can access a quality education. The governments must commit then to assign the necessary resources to education, guaranteeing also its sustainability.
- 6) The programs of conditioned transfers in cash are an important tool for extending the permanency and educational achievement of all the girls and boys of the countries and acquire special importance in the case of child labour since they would compensate the cost of opportunity of that work for the homes (as well as other direct costs of education). For this reason, the programs of this type that are executed must explicitly incorporate among their objectives the eradication of child labour. In the same way, one must take into account that the programs of this type do not guarantee any impact by themselves since, among others, they require adequate interventions from the side of the educational offer (coverage and quality), related with the public expenditure in education which was referred to above.
- 7) Extensive and intensive national campaigns that divulge clearly and firmly the message that *"child labour perpetuates boys and girls in poverty, and only if they remain in school will they be able to overcome that situation both, boys and girls as well as the other members of their homes."*
- 8) The role of the international organizations is key in several ways. These should carry out lawyers' offices between the governments and the civil society to position the subject of the eradication of child labour as a national priority, in terms of a State priority, promoting the mentioned national pacts on the subject. They must also support the

initiatives of the governments and the civil society in matters of formulation of national plans and strategies so that they consider explicitly the objectives and goals to which the countries have committed on the subject of child labour. The technical counsel is also important for the formulation and follow-up of the plans and strategies with regard to child labour.

# STATISTICAL ANNEX

Chart A.1

Latin America (17 countries): rates of child labour of the population between 5 to 14 years-old by age and gender groups, for the most recent years available.

	year	total	men	women	total	men	women	total	men	women
Argentina	2004	5,7	6,6	4,7	14,6	17,3	11,8	8,5	9,9	7,0
Bolivia*	2002	15,6	15,9	15,2	29,8	30,6	29,0	19,9	20,4	19,3
Brasil	2003	2,8	3,7	1,8	12,9	17,1	8,5	5,8	7,7	3,8
Chile	2003	1,9	2,5	1,3	6,3	7,7	4,8	3,3	4,2	2,4
Colombia	2003	4,1	4,6	3,5	12,6	16,2	9,1	6,6	8,0	5,2
Costa Rica	2002	4,0	5,3	2,6	10,1	15,2	4,5	5,9	8,3	3,2
Ecuador	2001	10,1	12,4	7,8	28,0	34,5	21,2	15,4	19,0	11,7
El Salvador	2005	2,8	3,5	2,1	14,9	20,2	9,3	6,3	8,3	4,2
Guatemala	2000	8,9	11,4	6,3	34,5	45,5	23,2	16,1	21,0	11,1
Honduras	2002	4,0	5,8	2,2	22,2	32,5	11,7	9,2	13,3	5,0
México**	1999	5,2	7,2	3,0	18,2	25,7	10,7	9,5	13,2	5,6
Nicaragua	2000	5,9	8,5	3,3	21,2	30,6	11,3	9,9	14,4	5,4
Panamá	2000	1,6	2,5	0,6	7,4	12,2	2,5	3,3	5,2	1,2
Paraguay	2004	4,6	6,4	2,6	24,9	35,5	14,1	10,9	15,4	6,3
Peru*	2001	20,7	22,4	19,0	28,0	30,3	25,7	22,9	24,8	21,0
Rep. Dominicana***	2000	11,4	16,3	6,3	22,9	35,9	10,0	14,4	21,5	7,3
Venezuela	2000	1,9	2,4	1,3	5,2	8,4	1,9	2,9	4,2	1,5

\* The survey of Bolivia covered the child labour for the 7 year-old and more population and the survey of Peru for the 6 year-old and more population. Our own estimate is included here that considers from those 5 years-old, carried out from the rates of work observed by simple ages and gender and taking into account the tendency of the direct relation between the simple ages and the rates of child labour (which are reduced as the age is reduced).

\*\* For Mexico the information refers to 6-17 years-old.

\*\*\* The numbers for the Dominican Republic show a difference in comparison with those published in ILO, 2004, due mainly to an adjustment of the expansion factors of the survey after the publication.

\*\*\*\* The original estimate only included the rates by gender, so that the estimate for both sexes corresponds to our own estimate with the estimates of population for the year 2000 of CELADE.

Source:

Argentina: Survey on Activities of Boys, Girls and Adolescents 2004 -September and December- (EANNA 2004);

Bolivia: Home Survey November-December 2002 - Mecovi Program-;

Brazil: Pesquisa Nacional por Amostra de Domicílios 2003 (PNAD 2003);

Chile: National Survey of Activities of Children and Adolescents 2003;

Colombia: Continuous Homes Survey, Module of Child labour 2003;

Costa Rica: Home Survey of Multiple Purposes 2002, special module of child labour (EHPM 2002);

Ecuador: Survey on Employment, Unemployment, Sub-employment and Child Employment 2001 (ENEMDUR 2001);

El Salvador: Homes Survey of Multiple Purposes 2005, special module of child labour (EHPM 2005);

Guatemala: National Survey of Life Conditions 2000 (ENCOVI 2000);

Honduras: Permanent Homes Survey of Multiple Purposes 2002, special module of child labour (EHPM 2002);

México: National Employment Survey 1999, special module of child labour (ENE 1999); but the data were taken from INEGI (2004);

Nicaragua: National Survey of Child and Adolescent labour 2000 (ENTIA 2000);

Panamá: Survey on Child labour 2000 (ETI 2000);

Paraguay: Permanent Survey of Homes 2004 -module of employment of 5-17 years-old persons-;

Perú: National Homes Survey 2001 -IV term- (ENAHO 2001-IV);

Dominican Republic: National Survey of Child labour 2000 (ENTI 2000);

Venezuela: Homes Survey by Sampling 2000 from a processing carried out by the National Statistics Institute published in (ILO-IPEC, 2004).

Chart A.2

**Costa Rica, Bolivia and Guatemala: occupational category and branch of activity of the working 5 to 17 years-old population, according to age groups.  
-persons and percentages-**

	Costa Rica			Bolivia**			Guatemala		
	5 to 11	12 to 14	15 to 17	7 to 11	12 to 14	15 to 17	5 to 11	12 to 14	15 to 17
<b>Persons</b>									
<b>Occupational Category</b>	23.394	25.835	64.294	210.856	203.522	241.720	206.630	312.873	418.027
employer or active partner	0	298	563	0	0	781	267	953	2.943
worker on his own	1.231	3.503	7.844	3.782	8.580	19.422	15.603*	43.518*	90.711*
State employee	0	0	65	0	288	1.156	0	346	8.586
private business employee	2.197	7.443	35.883	6.168	18.336	38.816	6.843	43.827	112.117
domestic employee	335	507	4.078	1.375	6.688	13.199	3.499	16.719	18.660
non remunerated worker	19.631	14.084	15.861	199.531	169.630	168.346	180.418	207.510	185.010
<b>Branch of activity</b>	23.394	25.835	64.294	210.856	203.522	241.720	206.630	312.873	418.027
agriculture, husbandry and fishing	14.828	12.937	22.226	171.675	144.573	150.776	147.289	178.021	197.448
exploitation mines and quarries	0	0	114	1.021	205	323	0	438	333
manufacturing industry	1.090	2.443	6.677	6.057	11.296	16.952	17.735	38.050	57.515
electricity, gas and water	0	0	0	0	0	0	165	360	518
construction	1.099	1.248	5.553	372	1.419	3.961	1.260	14.557	30.876
trade, restaurants and hotels	5.288	6.618	18.101	27.029	30.846	40.815	32.979	52.249	82.675
transport, storage and communications	0	420	1.487	1.695	2.435	7.785	369	2.900	5.129
other services	805	1.939	10.136	3.007	12.748	21.108	6.833	26.298	43.533
not well specified activities	284	230	0	0	0	0	0	0	0

continues

Continuation Chart A.2

	Costa Rica			Bolivia**			Guatemala		
	5 to 11	12 to 14	15 to 17	7 to 11	12 to 14	15 to 17	5 to 11	12 to 14	15 to 17
<b>Percentages</b>									
<b>Occupational Category</b>	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0
employer or active partner	0,0	1,2	0,9	0,0	0,0	0,3	0,1	0,3	0,7
worker on his own	5,3	13,6	12,2	1,8	4,2	8,0	7,6	13,9	21,7
State employee	0,0	0,0	0,1	0,0	0,1	0,5	0,0	0,1	2,1
private business employee	9,4	28,8	55,8	2,9	9,0	16,1	3,3	14,0	26,8
domestic employee	1,4	2,0	6,3	0,7	3,3	5,5	1,7	5,3	4,5
non remunerated worker	83,9	54,5	24,7	94,6	83,3	69,6	87,3	66,3	44,3
<b>Branch of activity</b>	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0
agriculture, husbandry and fishing	63,4	50,1	34,6	81,4	71,0	62,4	71,3	56,9	47,2
exploitation mines and quarries	0,0	0,0	0,2	0,5	0,1	0,1	0,0	0,1	0,1
manufacturing industry	4,7	9,5	10,4	2,9	5,6	7,0	8,6	12,2	13,8
electricity, gas and water	0,0	0,0	0,0	0,0	0,0	0,0	0,1	0,1	0,1
construction	4,7	4,8	8,6	0,2	0,7	1,6	0,6	4,7	7,4
trade, restaurants and hotels	22,6	25,6	28,2	12,8	15,2	16,9	16,0	16,7	19,8
transport, storage and communications	0,0	1,6	2,3	0,8	1,2	3,2	0,2	0,9	1,2
other services	3,4	7,5	15,8	1,4	6,3	8,7	3,3	8,4	10,4
not well specified activities	1,2	0,9	0,0	0,0	0,0	0,0	0,0	0,0	0,0

\* Includes 'day labourer and farmhand'.

\*\* In Bolivia they consider 7-11 years-old.

Source: own estimate from the Homes Survey of Multiple Purposes 2002 of Costa Rica, special module of child labour (EHPM 2002), of the Homes Survey November-December 2002 of Bolivia (Mecovi Program) and of the National Survey of Life Conditions 2000 of Guatemala (ENCOVI 2000).

**Chart A.3**

**Costa Rica, Bolivia and Guatemala: hours normally worked for  
by the working 5 to 17 years-old population\*, according to age groups.**

	Costa Rica			Bolivia**			Guatemala		
	5 to 11	12 to 14	15 to 17	7 to 11	12 to 14	15 to 17	5 to 11	12 to 14	15 to 17
Persons	23.394	25.835	64.294	210.856	203.522	241.720	206.630	312.873	418.027
9 or less	18.756	12.966	11.796	63.071	31.264	30.551	33.572	25.764	17.830
10 to 19	3.422	3.807	8.875	60.896	58.743	54.257	47.760	51.012	36.013
20 to 29	738	2.809	8.245	33.484	40.100	37.130	47.445	46.030	49.777
30 to 39	424	2.155	7.849	20.914	20.109	29.192	25.432	31.224	44.452
40 to 48	54	2.296	13.611	13.636	26.240	47.012	33.682	71.062	111.657
49 and more	0	1.504	13.102	15.201	25.766	42.002	17.881	86.057	158.031
Ignored	0	298	816	3.654	1.300	1.576	858	1.724	267
Percentages	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0
9 or less	80,2	50,2	18,3	29,9	15,4	12,6	16,2	8,2	4,3
10 to 19	14,6	14,7	13,8	28,9	28,9	22,4	23,1	16,3	8,6
20 to 29	3,2	10,9	12,8	15,9	19,7	15,4	23,0	14,7	11,9
30 to 39	1,8	8,3	12,2	9,9	9,9	12,1	12,3	10,0	10,6
40 to 48	0,2	8,9	21,2	6,5	12,9	19,4	16,3	22,7	26,7
49 and more	0,0	5,8	20,4	7,2	12,7	17,4	8,7	27,5	37,8
Ignored	0,0	1,2	1,3	1,7	0,6	0,7	0,4	0,6	0,1
Average of hours	6,2	17,0	31,7	20,3	26,7	31,9	26,5	38,0	43,8

\* In Bolivia they consider from 7-11 years-old.

Source: own estimate from the Homes Survey of Multiple Purposes 2002 of Costa Rica, special module of child labour (EHPM 2002), of the Homes Survey November-December 2002 of Bolivia (Mecovi Program) and of the National Survey of Life Conditions 2000 of Guatemala (ENCOVI 2000).



**Chart A.4**

**Costa Rica, Bolivia and Guatemala: school attendance/enrollment  
according to age groups and labour condition  
-persons and percentages-**

	Costa Rica (Assistance)			Bolivia(Assistance)			Guatemala(Registration)		
	7 to 11*	12 to 14	15 to 17	7 to 11*	12 to 14	15 to 17	7to 11*	12 to 14	15 to 17
Total population	429.852	255.791	273.759	1.100.959	682.102	588.846	1.621.789	906.029	780.726
attend	421.424	228.451	187.710	1.052.486	614.253	450.942	1.328.886	658.993	317.791
do not attend	8.428	27.340	86.049	48.473	67.849	137.904	292.903	247.036	462.935
Work	20.160	25.835	64.294	210.856	203.522	241.720	194.303	312.873	418.027
attend	19.600	16.823	23.829	191.310	160.201	140.729	157.728	179.945	121.027
do not attend	560	9.012	40.465	19.546	43.321	100.991	36.575	132.928	297.000
Do not work	409.692	229.956	209.465	890.103	478.580	347.126	1.427.486	593.156	362.699
attend	401.824	211.628	163.881	861.176	454.052	310.213	1.171.158	479.048	196.764
do not attend	7.868	18.328	45.584	28.927	24.528	36.913	256.328	114.108	165.935
Rate of school attendance work	97,2	65,1	37,1	90,7	78,7	58,2	81,2	57,5	29,0
Rate of school attendance do not work	98,1	92,0	78,2	96,8	94,9	89,4	82,0	80,8	54,2

\* For all the countries 7 years-old or more is considered to avoid problems associated with the first entry.

Source: own estimate from the Homes Survey of Multiple Purposes 2002 of Costa Rica, special module of child labour (EHPM 2002), of the Homes Survey November-December 2002 of Bolivia (Mecovi Program) and of the National Survey of Life Conditions 2000 of Guatemala (ENCOVI 2000).

**Chart A.5**

**Costa Rica, Bolivia and Guatemala: labour incomes  
associated with child labour  
(boys, girls and adolescents with remuneration and known hours)**

	Costa Rica		Bolivia		Guatemala	
	5 to 11	12 to 14	7 to 11	12 to 14	7 to 11	12 to 14
total average remuneration (MN)	8.695	22.278	170	373	177	352
average hours worked	9	21	28	41	30	44
average remuneration per hour (MN)	994	1.040	6	9	6	8

Source: own estimate from the Homes Survey of Multiple Purposes 2002 of Costa Rica, special module of child labour (EHPM 2002), of the Homes Survey November-December 2002 of Bolivia (Mecovi Program) and of the National Survey of Life Conditions 2000 of Guatemala (ENCOVI 2000).

**Chart A.6**

**Costa Rica, Bolivia and Guatemala: situation of poverty of the homes with girls and boys  
between 5-14 years-old who perform child labour, including and excluding the  
remuneration (received or attributed) for that work.**

situation with income excluding child labour	situation with income including child labour				
	extreme poverty	>extreme poverty up to poverty	>poverty up to 1.4 poverty	> 1.4 poverty	total
<b>Costa Rica*</b>					
extreme poverty	5.174	1.792	108	0	7.074
>extreme poverty up to poverty	0	6.652	1.970	243	8.865
>poverty up to 1.4 poverty	0	0	2.439	1.658	4.097
> 1.4 poverty	0	0	0	13.817	13.817
total	5.174	8.444	4.517	15.718	33.853
<b>Bolivia</b>					
extreme poverty	173.651	35.252	4.943	3.540	217.386
>extreme poverty up to poverty	0	10.914	8.083	1.858	20.855
>poverty up to 1.4 poverty	0	0	8.273	5.099	13.372
> 1.4 poverty	0	0	0	15.180	15.180
total	173.651	46.166	21.299	25.677	266.793
<b>Guatemala</b>					
extreme poverty	175.645	37.067	0	0	212.712
>extreme poverty up to poverty	0	79.899	12.896	752	93.547
>poverty up to 1.4 poverty	0	0	17.280	11.440	28.720
> 1.4 poverty	0	0	0	35.711	35.711
total	175.645	116.966	30.176	47.903	370.690

\* Homes with unknown income are excluded.

Source: own estimate from the Homes Survey of Multiple Purposes 2002 of Costa Rica, special module of child labour (EHPM 2002) and of the National Survey of Life Conditions 2000 of Guatemala (ENCOVI 2000).

**Chart A.7**

**Latin America (17 countries): rate of child labour of 5-14 years-old girls and boys by countries, and relevant macro dimensions**

	Rate of child labour 5-14 years old	% of poor population <sup>1</sup>	Index of human poverty <sup>2</sup>	Social public expenditure per capita (US\$ of 2000) <sup>3</sup>	Public expenditure per capita in education (US\$ of 2000) <sup>3</sup>	Net rate of enrolling in elementary school <sup>4</sup>	% of students that begin 1 grade and reach V grade <sup>4</sup>
Argentina	8,5	26,0a	4,3	1.283	279	98,8	93,1
Bolivia	19,9	63,9	13,9	136	66	95,2	81,2
Brazil	5,8	36,3	10,1	676	128	92,9	83,0
Chile	3,3	18,7	3,7	763	209	n.d.	99,0
Colombia	6,6	46,8	7,6	293	104	87,4	66,8
Costa Rica	5,9	21,1	4,4	774	235	n.d.	92,4
Ecuador	15,4	48,3	8,9	76	36	97,7	76,3
El Salvador	6,3	47,5	15,7	149	67	92,3	72,8
Guatemala	16,1	60,2	22,9	109	44	93,0	58,5
Honduras	9,2	74,8	17,2	126	70	90,6	62,5c
México	9,5	35,5	7,2	600	233	97,8	90,5
Nicaragua	9,9	69,3	18,0	68	32	87,9	71,0
Panama	3,3	33,0	7,9	683	185	98,2	89,8
Paraguay	10,9	60,5	8,3	114	55	94,3	77,2
Peru	22,9	51,1	11,6	170	50b	97,1	86,1
Dominican Rep.	14,4	47,5	11,9	180	72	92,9	69,1
Venezuela	2,9	37,1	8,8	488	213	92,0	91,0

1/ Poverty due to insufficiency of incomes. For the most recent year available.

2/ Around 2004.

3/ For 2002/2003.

4/ For the most recent year available.

a It refers to the Greater Buenos Aires.

b It refers to the period 1998/99.

c From I to VI grade.

Source:

rate of child labour: chart A.1;

% of poor population: ECLA (2006);

Index of Human Poverty: UNDP (2006);

social public expenditure per capita: ECLA (2006);

net rate of enrollment in elementary school: UN Statistics Division

([http://millenniumindicators.un.org/unsd/mispa/mi\\_goals.aspx](http://millenniumindicators.un.org/unsd/mispa/mi_goals.aspx))

% of students that begin 1 grade and reach V grade: UN Statistics Division

([http://millenniumindicators.un.org/unsd/mispa/mi\\_goals.aspx](http://millenniumindicators.un.org/unsd/mispa/mi_goals.aspx)),

except Honduras (UNDP, I Report ODM) and Brazil (UNDPD,

Objetivos de desenvolvimento do

milênio: relatório nacional de acompanhamento).

**Chart A.8**

**Latin America (18 countries): cost of monthly opportunity of child labour and average monthly salary of the people employed between non qualified<sup>1</sup>  
-US\$ per month-**

	Cost of monthly opportunity	Average monthly salary of the employed persons between non qualified 20-60 years-old
<b>Northern subregion</b>		
Costa Rica	32	207
El Salvador	42	135
Guatemala	31	117
Honduras	32	102
Mexico	50	182
Nicaragua	29	94
Panama	67	196
Dominican Rep.	36	n.d.
<b>Andean subregion</b>		
Bolivia	26	n.d.
Colombia	24	74
Ecuador	31	62
Peru	n.d.	n.d.
Venezuela	n.d.	n.d.
<b>Southern Cone subregion</b>		
Argentina	12	n.d.
Brazil	23	95
Chile	36	174
Paraguay	30	108
Uruguay	n.d.	n.d.

1/ It refers to the workers with less than 3 years of formal education

Source: ILO/IPEC (2005, 2006d y 2006e): Construct the future, invest in childhood: Economic study of the costs and benefits of eliminating child labour in Central America, Mexico and the Dominican Republic, in the Andean countries and in the countries of the Southern Cone.

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