

Guatemala: From Poverty to Child Work

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Snapshot of Guatemala

- A Central American country with a population of 12.6 million of which 43% are indigenous.
- 56% of the population is poor –this poverty is shaped by geographic isolation and ethnic diversity.
- A 36-year civil war imposed high costs on the country's development.
- The 1996 Peace Accords were a turning point for the country's development path.



Labor Markets, Growth, and Livelihoods in Guatemala

- **Largest Economy** in Central America (accounts for 1/3 of regional GDP).
- Despite history of macro stability and reasonable growth, the current **economics situation is worrisome** as growth is slowing and given recent macro shocks (global economic shocks and price shocks to coffee).
- Poor are **highly dependent** on **agriculture** which employs 60% of the entire labor force.
- There is a **high level of informality** in the labor market and labor policies tend to not reach the poor.
- **Child labor** is the highest in Latin America with 20% of 7-14 year olds working.
- **Returns to education** are extremely low (3%-6% a year).

Poverty and Inequality in Guatemala

Both Poverty and Inequality are among the highest in Latin America

- 56% of the population is poor and 16% extreme poor.
- Gini Coefficients equal 48 and 57 for consumption and income.
- Poverty is predominantly rural and indigenous.
- Ethnic inequality is apparent: although the indigenous represent 43% of the population, they hold less than $\frac{1}{4}$ of income and consumption.

Social Indicators in Guatemala

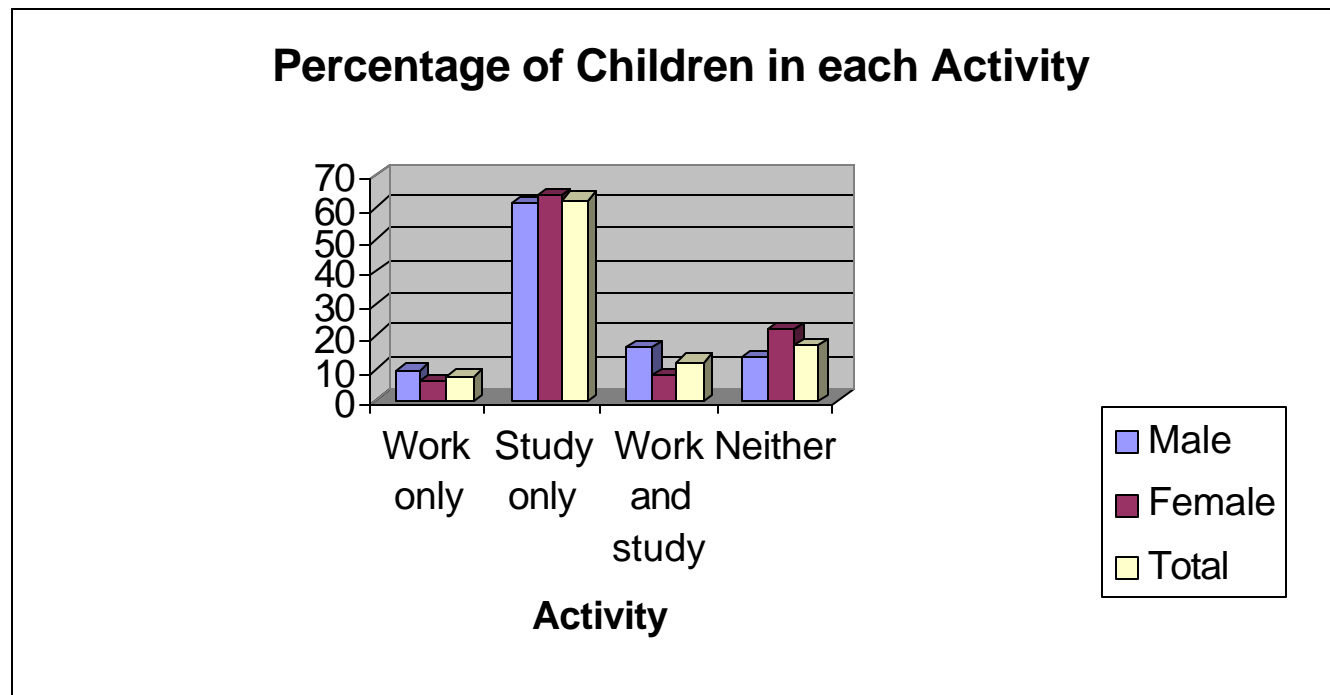
- About 44 percent of the population is less than 14 years old, 65 percent is under 25, and the population growth rate stands at 2.61 percent.
- Infant mortality is 55 per 1,000 live births, and maternal mortality is 110 per 100,000 live births.
- Approximately 16 percent of infants suffer from low birth weight and approximately 50 percent of children are malnourished.
- The Illiteracy rate is 31%, and drop-out and repetition rates follow a similarly high pattern.
- Social indicators are even worse for indigenous groups, females, and for rural residents.

Child Work in Guatemala

- Guatemala has the highest incidence of child work in Latin America:
 - 20% of 7-14 year-olds work.
- A typical child worker is a poor indigenous boy living in rural Guatemala:
 - Boys are twice as likely to work as girls.
 - 26% of the extreme poor children in this age category work.
 - 27% of indigenous versus 15% of non-indigenous kids work.

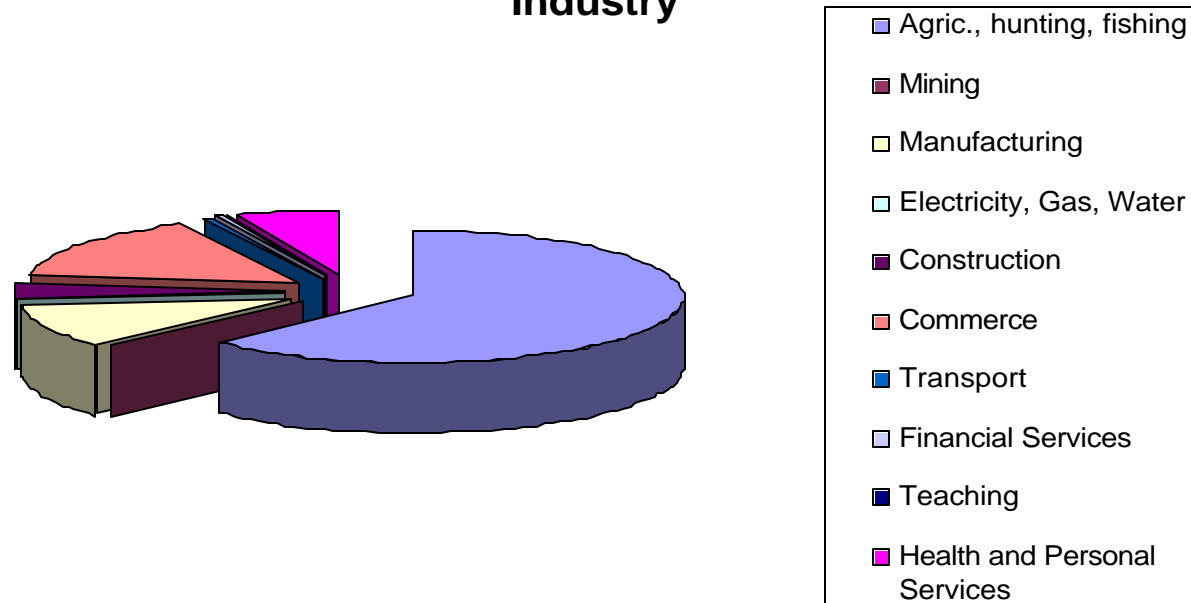
Child Work in Guatemala

Children often combine work and school: among the most common reasons for non-attendance and non-enrollment is work.



Child Work in Guatemala

Children's Work Incidence in Guatemala by Industry



Agriculture is the highest employer of children, and children commonly work unpaid for their families

Child Work in Guatemala

CHILD LABOR POLICY:

- The **Constitution** prohibits children less than 14 from working.
- In 1990 the gov't ratified **ILO Convention 138** which prohibits children younger than 15 from working.
- In 1992, the Ministry of Labor created the “**Organization for the Protection of the Child Worker**”.

Child Work in Guatemala

CHILD LABOR POLICY:

- The gov't in 1996 firmed a memo to institute the **IPEC** program in the country and has since formed “**The National Plan for the Eradication of Child Labor**”.
- The **Peace Accords** do not specifically mention child labor but offer an opportunity for the insertion of related agreements.
- The “**International Convention on the Rights of the Child**” has yet to be ratified by Guatemala.

Child Work: Present and Future Policy Action

Understanding Children's Work Project (UCW)

- An Inter-Agency Research Cooperation between the **ILO, UNICEF** and the **World Bank** based on the Agenda for Action adopted at the Oslo International Conference on Child Labor in 1997.
- Objectives are to **improve child labor research, data collection and data analysis**; to **enhance local and national capacity** for child labor data collection and research; and to **improve the assessment** of existing interventions in this field.
- Among the current countries actively involved include: Morocco, Yemen,..... Guatemala

Child Work: Present and Future Policy Action

UCW in Guatemala

- Joint report:
 - The trends, incidence, causes and consequences of child work in Guatemala using most recent ENCOVI 2000 data.
- Municipal Pilot Project:
 - 3 Municipalities: San Raymundo in the Departament of Guatemala, Chiché in El Quiché and Tejutla in San Marcos.
 - Rotafolio.....