

The quality of jobs places Panama in third place on the index



PANAMA

What is the Better Jobs Index?

The Better Jobs Index measures jobs in countries based on two dimensions: quantity and quality. The quantity dimension is composed of two indicators: the **labor participation** rate and the **employment** rate. Quality, on the other hand, consists of the **formality** rate and **living wage sufficient to overcome poverty**. Thus, the index is the weighted average of these four indicators*, and their scores range from 0 to 100. For a country to get 100 points, all people who participate in the labor force must be employed with a formal job that provides them with a living wage.

* Indicators are calculated using the population aged 15-64, excluding those who are studying and who, therefore, are not working or looking for work. If you want to know more, consult the methodology document.

Panama surpasses the Latin American average in all four indicators of the Better Jobs Index

The country, which performs better in the quality dimension than the quantity dimension, has the fifth widest gender gap in the region

Panama's data shows a positive evolution, especially for the living wage indicator

Panama (with 63.8 points) ranks third on the Better Jobs Index, well above the Latin American average (57.1). The country ranks fifth for the quality dimension (50.5) and sixth for the quantity dimension (77.1).

Better Jobs Index: 3rd out of 17

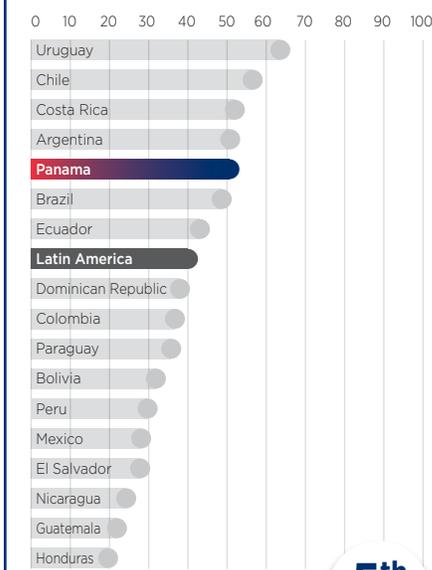
Labor participation rate	6 th
Employment rate	5 th
Formality rate	5 th
Living wage rate	4 th

Country information¹

Working age population	2,448,000
Labor force	1,721,000
Employed population	1,628,000

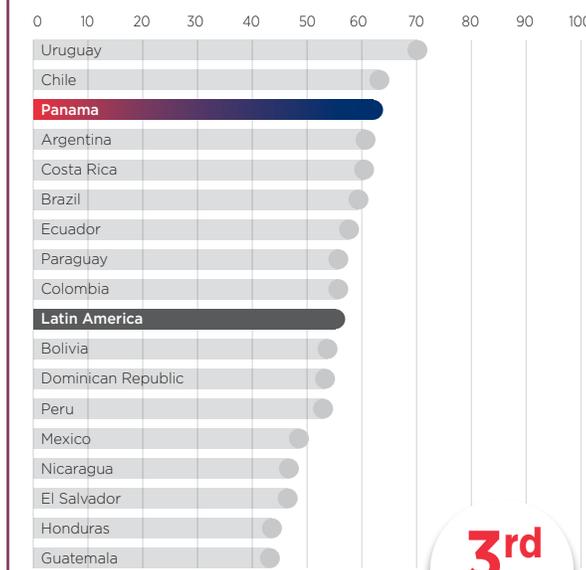
¹Source: Labor Markets and Social Security Information System (SIMS), with data published by Instituto Nacional de Estadística y Censo (INEC). Last year available: 2015.

Quality dimension



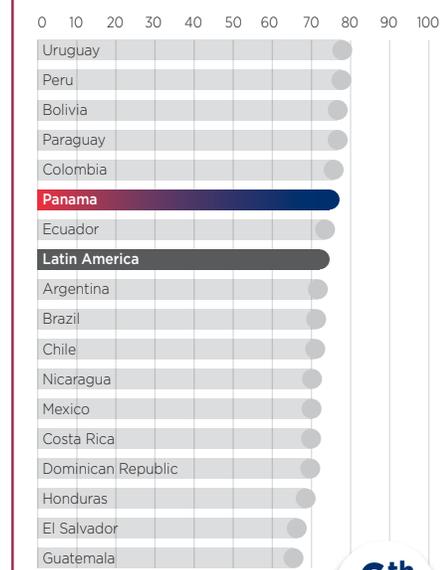
5th
place

BETTER JOBS Index



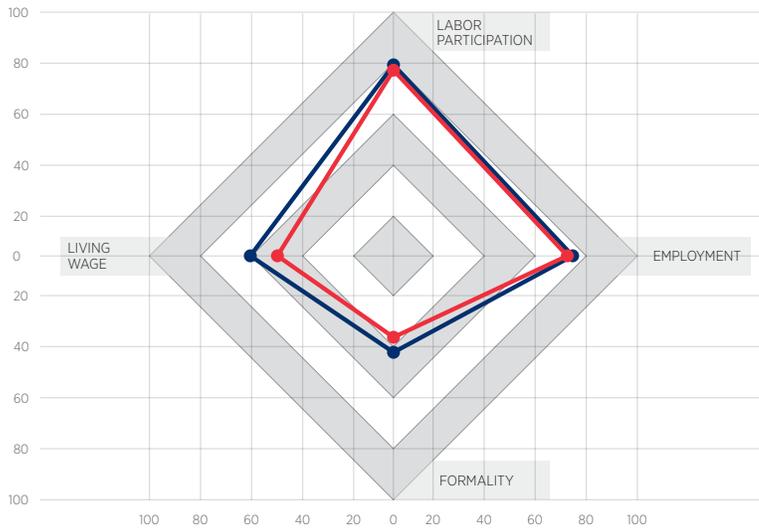
3rd
place

Quantity dimension



6th
place

At a glance - Panama and Latin America



Panama's score on the Better Jobs Index is higher than the regional average for both dimensions, quantity and quality. For indicators related to the quantity dimension, the country obtains more points for both the participation rate (79.2 vs 77) and the employment rate (74.9 vs 71.3). In terms of quality, Panama ranks fifth for the formality rate (40.8 vs. 33.5) and fourth for the indicator of living wages sufficient to overcome poverty (60.3 vs. 46.7).

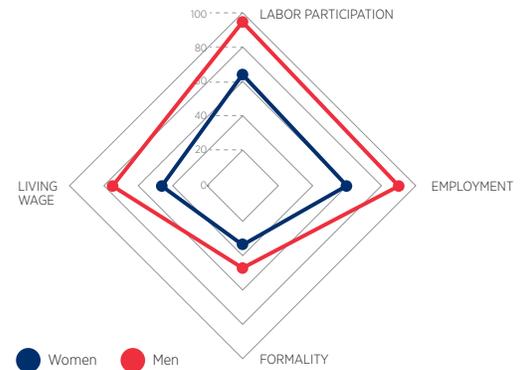
● Panama ● Latin America

Is there a gender gap?

Indicators by gender

Panama is the fifth country with the widest gender gap on the Better Jobs Index. The difference between genders is 25.6 points: The male index gets 76.9 points (fourth place) and the female gets 51.3 (fourth place). This difference is greater in Panama compared to the Latin American average (22.5 points).

The gender gap is wider for the quantity dimension (the male score exceeds the female by 30.1 points, 92.5 vs 62.4) than for the quality dimension (the male score is higher by more than 20 points, 61.3 against 40.3).



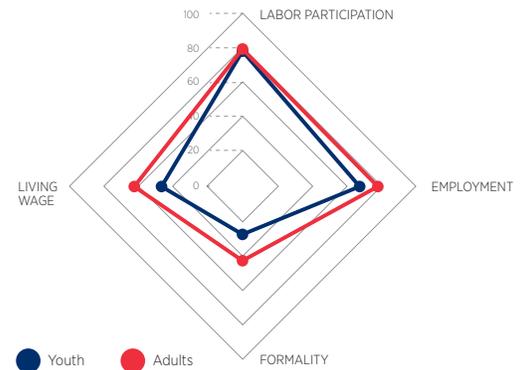
● Women ● Men

Does age make a difference?

Indicators by age

Panama's adult-youth gap on the Better Jobs Index is the seventh widest in the region (10.6 points, 65.7 points vs. 55.1), wider by a few tenths than the regional average (10.2).

This difference is smaller for the quantity dimension (78.1 vs 72.3 points) than for the quality dimension, where it exceeds 15 points (53.3 vs. 37.9).

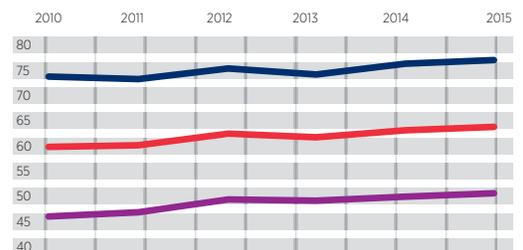


● Youth ● Adults

Performance over the years

The evolution of Panama's score on the Better Jobs Index has been positive in recent years, going from 59.8 points in 2010 to 63.8 points in 2015, the last available year. The largest increase occurred in the quality dimension, where it improved by 4.6 points (from 45.9 to 50.5). The evolution in the quantity dimension was also positive, going from 73.7 to 77.1 points between 2010 and 2015.

● Quantity ● Quality ● Better Jobs Index



Copyright © [2017] Inter-American Development Bank. This work is licensed under a Creative Commons IGO 3.0 Attribution-NonCommercial-NoDerivatives (CC-IGO BY-NC-ND 3.0 IGO) license (<http://creativecommons.org/licenses/by-nc-nd/3.0/igo/legalcode>) and may be reproduced with attribution to the IDB and for any non-commercial purpose. No derivative work is allowed.

Any dispute related to the use of the works of the IDB that cannot be settled amicably shall be submitted to arbitration pursuant to the UNCITRAL rules. The use of the IDB's name for any purpose other than for attribution, and the use of IDB's logo shall be subject to a separate written license agreement between the IDB and the user and is not authorized as part of this CC-IGO license.

Note that link provided above includes additional terms and conditions of the license.

The opinions expressed in this publication are those of the authors and do not necessarily reflect the views of the Inter-American Development Bank, its Board of Directors, or the countries they represent.