



Working Paper Series

#2016-036

Child labour in China Can Tang, Liqiu Zhao, Zhong Zhao

Maastricht Economic and social Research institute on Innovation and Technology (UNU-MERIT)

email: info@merit.unu.edu | website: http://www.merit.unu.edu

Maastricht Graduate School of Governance (MGSoG)

email: info-governance@maastrichtuniversity.nl | website: http://www.maastrichtuniversity.nl/governance

Boschstraat 24, 6211 AX Maastricht, The Netherlands

Tel: (31) (43) 388 44 00

UNU-MERIT Working Papers ISSN 1871-9872

Maastricht Economic and social Research Institute on Innovation and Technology UNU-MERIT

 $\label{eq:mastricht} \begin{tabular}{ll} Maastricht Graduate School of Governance \\ MGSoG \end{tabular}$

UNU-MERIT Working Papers intend to disseminate preliminary results of research carried out at UNU-MERIT and MGSoG to stimulate discussion on the issues raised.



Child Labour in China[†]

Can Tang
Renmin University of China
Liqiu Zhao
Renmin University of China
Zhong Zhao*
Renmin University of China
UNU-MERIT, Maastricht
IZA, Bonn

May, 2016

Abstract

We present the first systematic study on child labour in China. Child labour is not a negligible social phenomenon in China; about 7.74% of children aged from 10 to 15 were working in 2010, and they worked for 6.75 hours per day on average, and spent 6.42 hours less per day on study than other children. About 90% of child labourers were still in school and combined economic activity with schooling. Our results show that child labour participation is positively associated with school dropout rate. A child living in a rural area is more likely to work. Compared with place of residence, the gender of a child is less important. The educational level of the household head and its interaction with the gender of the household head seem to be unimportant. However, household assets per capita and household involvement in non-agricultural activities are negatively related to the incidence of child labour. A child from a household with more adults is less likely to work. The prevalence of child labour in China exhibits significant regional variations. The child labour incidence is correlated with the development level of each region: the Western region has the highest percentage of child labour, followed by the Eastern and Central region.

JEL Codes: J43; J81; O15

Keywords: Child Labour; School Dropout; Working Hours; China

_

We would like to acknowledge helpful comments from the Editor, Belton M. Fleisher; the Guest Editor, Zhiqiang Liu, an anonymous referee, Furio Rosati and participants of "The Transition from School to Work Seminar" jointly organized by the School of Labour and Human Resources at Renmin University of China and the Understanding Children's Work (UCW) Programme. We thank the Institute of Social Survey at Peking University for providing the China Family Panel Study used in this paper. Liqiu Zhao acknowledges financial support from the Natural Science Foundation of China (Grant No. 71403286). Zhong Zhao acknowledges financial support from the Special Fund for Building World-Class Universities and Disciplines through the Renmin University of China (Grant No. 16XNL005). All views and the remaining errors are the authors' alone.

^{*} Corresponding author: Zhong Zhao, School of Labor and Human Resources, Renmin University of China, Beijing, China. Email: mr.zhong.zhao@gmail.com.

I. Introduction

Child labour is an important subject both academically and politically worldwide; this topic is also crucial for policy formation, since it has strong implications for the welfare of children and households and for the economy as a whole. A large number of studies show that child labour creates significant adverse effects on the human capital of children. It negatively affects their school enrolment and academic achievement (Heady, 2003; Gunnarsson et al., 2006; Dumas, 2012; He, 2016) and also has adverse effects on the health of children (O'Donnell et al., 2005). Moreover, these negative effects seem to last for a long time; e.g., an adult earns less if she was working during her childhood, even after controlling for educational level (Emerson and Souza, 2011). These negative outcomes for the children inevitably affect the welfare of the households. At the macro level, child labour also has important implications for the long-run growth of developing countries, as human capital is crucial to the development of a country.

In the economics literature, the issue of child labour has drawn considerable attention, especially among development economists. Different aspects have been examined carefully, both theoretically and empirically. From the theory side, the issues of efficiency, labour standards, restrictions on child labour, etc., are subjects of many studies, for example, Baland and Robinson (2000), Ranjan (2001), Tsuyuhara (2014), and Sirohi (2014), among others.

The empirical literature on child labour is even larger. Topics include the effect of parental or household income on child labour (Rogers and Swinnerton, 2004; de Carvalho Filho, 2012), the effect of household wealth on child labour (Bacolod and Ranjan, 2008; Basu et al., 2010; Bouoiyour and Miftah, 2014), how financial development affects child labour (Dehejia and Gatti, 2005), the effects of economic shocks on the incidence of child labour (Beegle et al., 2006), the role of globalisation, international trade, and FDI on child

labour (Edmonds and Pavcnika, 2005; Davies and Voy, 2009; Zhao et al. 2016), and the importance of household structure, parental preference, and bargaining power of the mother in the child labour participation decision (Purkayastha, 1998; Reggio, 2011; Kumar, 2013). Edmonds (2008) provides a comprehensive survey of the economics literature on child labour.

However, there is almost no economic study of child labour in China, though, as the largest developing country in the world, China was classified as posing an "extreme risk" of child labour as indicated by Maplecroft's 2014 Child Labour Index (Maplecroft, 2014). The few exceptions, having other research focuses, mention child labour in China only as a byproduct. For instance, Chen (2013) examines the time allocation of children to home production when identifying non-cooperative behaviour of Chinese migrant-sending households.

In this paper, we show that child labour is not a negligible social phenomenon in China. Based on the national representative data from the China Family Panel Study, we find that approximately 7.74% of children aged between 10 to 15 years were engaged in labour in 2010.² This percentage was even higher in the relatively poor Western and Central regions and in rural areas. About 90% of child labourers were still in school and combined economic activity with schooling. Children who were involved in labour worked 6.75 hours per day on average, and spent 6.42 hours less per day on study than children who were not. The school dropout rate for the children who were working was 11.57%, and this was 9.6% higher than that for the children who were not working. Our findings differ from those of He

-

¹ After we finished the first draft of this paper, a study, He (2016), on the relationship between child labour and academic achievement using the 2000 data from Gansu province in China comes to our attention. We will discuss this paper later.

² This 7.74% is calculated from the whole children sample (including observations with key missing variables) after adjusting for the sampling weight. The un-weighted percentage is 9.41%. After deleting observations with key missing variables, there are about 7.59% (weighted) and 10.05% (unweighted) of children aged between 10 to 15 years were engaged in labour in 2010.

(2016), which uses data from Gansu province in 2000. Though He (2016) finds that child labour in that time period has a significant negative effect on a child's academic achievement, he concludes that child labour is not a big problem in China. The difference between our conclusions and those of He (2016) is partly due to different dataset used. The data used in He (2016) only include children from 9 to 13 years old and only on Gansu province; more importantly, the study sample of He (2016) only includes the children who are still enrolled in school.

In this paper, we intend to present a general picture of child labour in China. Since it is the first systematic study on this issue, we will provide a bird's-eye view instead of focusing on causality from key variables (for example, government policies) to the incidence of child labour in China. Thus, this study is more on correlations than on causality.

More specifically, we will examine child labour participation, working hours, and school dropouts along different important dimensions, such as gender and place of residence. Through regression analyses (linear probability model, tobit model, and Heckman selection model), we aim to understand the correlations of the likelihood of child labour (working hours) with key variables, including characteristics of children, households, and household heads. We will also explore the relationship between child labour and school dropouts.

Our results show that child labour participation is positively associated with the dropout rate. A child living in a rural area is more likely to work.³ Compared with place of residence, the gender of a child are less important. The educational level of a household head and its interaction with the gender of the household head seem to be unimportant. However, household assets per capita and household involvement in non-agricultural

³ After controlling for a child living in a rural area or not, the *hukou* status becomes unimportant, since place of residence and *hukou* are highly correlated.

activities are negatively related to the incidence of child labour. A child from a household with more adults is less likely to work.

The prevalence of child labour in China exhibits significant regional variations. The child labour incidence is correlated with the development level of each region: the Western region has the highest percentage of child labour, followed by the Eastern and Central region.

When we expand the definition of child labour to include household chores and taking care of family members, we find that, in contrast to working hours, living in urban areas is significantly and positively correlated with child time spent on household chores. Neither per capita household assets nor household involvement in non-agricultural activities is significantly related to child time spent on household chores and taking care of family members in general, but girls spend significantly more time on those tasks than boys.

The remainder of this paper is organized as follows: Section 2 describes the data used, discusses the definition of child labour, and provides a first look at child labour in China. Section 3 investigates child labour participation, working hours, and the relationship between child labour and school dropouts through regression analyses. Section 4 examines child time allocation to household chores and taking care of family members. We conclude this study in Section 5.

II. Data and a First Look at Child Labour in China

1. The China Family Panel Studies

The data set used in this paper is from the China Family Panel Studies (CFPS). The CFPS, funded by the Chinese government, is a nationally representative longitudinal survey conducted by the Institute of Social Science Survey of Peking University. The CFPS was

formally launched in 2010 after several years of pre-testing, and has collected rich information on communities, families, and individuals.

In this study, we use the first wave, i.e., the baseline survey of the CFPS in 2010. It covers 25 provinces, and these provinces host 95% of the Chinese population. ⁴ The sampling of the CFPS is based on a three-stage random process and is designed to be nationally representative. The primary sampling unit is the administrative district or county, the second-stage sampling unit is the administrative village or community, and the final stage is the household. The first wave, including 14,960 households and 42,490 individuals, covers both urban and rural China. The baseline data was collected through face-to-face interviews with computer-assisted personal interviewing technology.

For the purpose of our study, we restrict our analysis to children aged between 10 and 15 years (inclusive). The CFPS has a child module, which collects detailed information on the education, working experience, time use, interpersonal communications, daily life, health, and personal experience of children aged between 10 and 15 years in both urban and rural areas. More specifically, the time use of children is divided into six categories: personal life (including sleep, meals, personal hygiene, household chores, and taking care of family members); individual work; study; entertainment and social activities; transportation; and other. Individual work, which refers to work outside of the household for pay (cash or in kind), work in agriculture for the household, and work in a household business, enables us to define the *child labour* indicator in this paper. Thus, the CFPS provides us a unique opportunity to study child labour in China. For detailed information on the CFPS, refer to Xie (2012).

2. Definition of Child Labour

_

⁴ "Provinces" here include provinces, provincial-level municipalities, and provincial-level autonomous regions (excluding Hong Kong, Macao, Taiwan, Xinjiang, Tibet, Qinghai, Inner Mongolia, Ningxia, and Hainan).

There is no consensus regarding the definition of child labour in the literature. Most studies adopt a stringent definition and define child labourers as children in wage work. Some researchers define them as children who engage in economic production.⁵ A few researchers define child labour as all non-school and non-leisure activities of children. From this perspective, child labour would include domestic chores, such as cooking, home cleaning or caring for family members. The definition officially employed by the International Labour Organization's (ILO) depends on whether the work is harmful to a child's health or development, regardless of whether this work is economic or non-economic, market or non-market.

The term "child labour" is often defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development.

- "What is child labour?" International Labour Organization, 2012.

Partly because of controversy over what types of activities can be considered harmful, the definition of child labour employed by the ILO's Statistical Information and Monitoring Program on Child Labour (SIMPOC) has varied over time (Edmonds, 2008). For more detailed discussion on the definition of child labour, we refer to Guarcello et al. (2005) and Edmonds (2008).

Household chores as well as taking care of family members are unlikely to be harmful to a child's health or development, and do not affect school attendance. Thus, in this paper, we mainly focus on work outside the household for pay (cash or in kind), work in agriculture

goods and services for the market, the corresponding production for own consumption".

6

⁵ The production of economic goods and services is classified under the United Nations System of National Accounts (SNA). According to the SNA, "the production of economic goods and services includes all production and processing of primary products whether for the market, for barter, or for own consumption, the production of all other goods and services for the market and, in the case of households which produce such

for the household, and work in a household business. More specifically, we code any child with positive time in the work category as a child labourer, and also construct the variable working hours from this category alone. Nevertheless, to consider as a wide range of activities as the data permit, in Section 4 we also investigate factors associated with child time allocation to household chores and taking care of family members.

In general, the minimum age of employment is 15 years old, which is the minimum age of completion of compulsory schooling (ILO, 1973). In China, three relevant laws, namely, the Labour Law of the People's Republic of China (Article 15), Regulations Banning Child Labour (Article 2) and the Law of People's Republic of China on the Protection of Minors (Article 28), stipulate that state organs, social bodies, enterprises, institutions, non-governmental not-for-profit organizations and private businesses are prohibited from employing children under the age of 16.6 Employment of children under the age of 16 is referred to as using child labour. Employers who use child labour shall be fined by the labour protection authorities at the rate of 5000 yuan per month for each child labourer used (Regulations Banning Child Labour, Article 6). Additionally, adolescent workers (aged from 16 to 18) are protected from any over-strenuous, poisonous or harmful labour or any dangerous operation by the Law of People's Republic of China on the Protection of Minors (Article 28). Thus, in this study we restrict our sample to children aged between 10 and 15 years.

3. A First Look at Child Labour in China

-

⁶ Units of literature and art, physical culture and sport, and special arts and crafts that need to recruit juveniles under the age of 16 must go through the formalities of examination and approval according to the relevant provisions of the State and guarantee their right to compulsory education.

In this part, we provide first look at child labour in China based on the study sample in the paper. Figure 1 presents the prevalence of child labour in China. Panels A and B examine child labour incidence by residence (urban or rural area) and *hukou* type (urban or rural) separately. The graphs in these two panels are quite similar. Generally speaking, the trend in incidence of child labour is increasing with age: at age 10, approximately 10% of children are engaged in child labour, and this percentage increases to about 12% at age 15. At all age levels, the children living in rural areas or having a rural *hukou* are considerably more likely to work; the rural-urban gap is as large as 6-9%.

[Figure 1 about here]

In Panel C, we examine regional patterns of child labour incidence. Overall, the incidence of child labour is negatively correlated with regional economic development. More specifically, the Western region, which is the poorest part of China, has the higher percentage of children engaged in child labour, and the Eastern and Central region, the more developed part, has the lower incidence of child labour. In Panel D, we investigate the gender differences in the incidence of child labour. At earlier ages, girls are more likely to work, but this is reversed at age 11. The gender difference in the incidence of child labour is negligible after age 12. Overall, the gender difference is not as striking as the rural-urban difference or regional differences.

The detailed time allocation for child labourers and non-child labourers is reported in Table 1. We mainly focus on two types of activities: work and study. On average, the child labourers work 6.75 hours per day, which is equal to the amount for a full-time worker. The child labourers spend about 2.0 hours per day on study, compared with 8.4 hours for

⁷ All results in this part are not adjusted for sampling weight, since the sampling weight by age group is not available.

children who are not labourers. There is a strong trade-off between hours worked and hours studied. In other words, most of the working hours of child labourers come from the time which would have been spent on study had they not had to do market or domestic work. There are also some differences in time allocation for remaining activities; for example, child labourers spend more time on household chores and taking care of family members, but less time on leisure and transportation. However, the differences are not as striking as the differences in hours of work and study. When we look into the gender and the residence dimensions, the time allocation difference between child labourers and non-child labourers remains.⁸

[Table 1 about here]

In order to better understand child labour in China, we further divide children's activities into four categories: economic activity only; school only; combine economic activity and school; and neither school nor economic activity. Table 2 reports the proportion of children in each category. About 90% of child labourers in China are still in school and combine economic activity with schooling, though they spend much fewer hours on study. Only 40% of children who drop out of schools participate in child labour. Approximately 1.7% of children are neither in school nor in economic activity. Table 2 also shows that these patterns do not differ across gender and residence.

[Table 2 about here]

Since child labour participation so greatly displaces study time as shown in Table 1, we investigate the relationship between child labour and school attendance further in Figure 2. In Panel A, we compare the school dropout rate between child labourers and non-child labourers. We find that the dropout rate for child labourers is considerably higher than the

⁸ The time allocation results by gender are available from the authors upon request.

rate for non-child labourers, especially for children aged above 14 years. At age 15, the dropout rate for child labourers is as high as 40%, compared with 5% for the non-child labourers.

From Panels B to D, we focus on child labourers alone. Panel B shows that there is no difference in the dropout rate between girls and boys before age 12, but the rate for girls is higher than that for boys after age 12. Panel C divides the child labourers by their place of residence. For the child labourers younger than 14, the dropout rate in rural areas is higher than that in urban areas, but the gap between rural and urban areas narrows after age 14; e.g., for the child labourers aged 15, the dropout rate is around 40% in rural areas and 35% in urban areas. Panel D investigates whether the dropout rate differs by the *hukou* status of the child labourers. We find that for the child labourers with urban *hukou*, their dropout rate is almost zero (see the dashed line, which is almost coincident with the horizontal axis). Almost all the school dropouts are from the child labourers with rural *hukou*.

From Panels C and D, we find that the school dropout rate increases sharply from age 14 to age 15. One possible explanation is that the 9-year compulsory education system in China requires that all children must attend school for a minimum of 9 years, including 6 years of primary education and 3 years of junior high school education, and a child is likely to complete her junior high school education between ages 14 and 15. Children who have completed junior high school education are more likely to drop out of school.

[Figure 2 about here]

4. Summary Statistics of Other Variables

As discussed before, we restrict our study sample to children aged from 10 to 15. After deleting the children that have missing values on key variables, we have 2,407 children in our final sample, among whom 242 (about 10%) participated in market or domestic work.

Table 3 shows the summary statistics for the main variables used in this paper. The percentage of children engaged in child labour in our study sample is 10.05%. The school dropout rate is significantly higher for child labourers (11.57%) than that for non-child labourers (1.94%). Additionally, the child labourers are more likely to be older, to live in rural areas, to have a rural *hukou*, and to reside in the Western region. The differences in gender and ethnicity between these two child groups are, however, small.⁹

[Table 3 about here]

There is no significant difference in age and gender of household head between child labourers and non-child labourers. However, child labourers tend to come from households with less educated household heads. Moreover, child labourers are less likely to come from households involved in non-agricultural activities and from households close to a high school. The assets per capita of a household with child labourers are significantly lower. Interestingly, child labourers are less likely to come from villages or communities with a higher proportion of adults who pay attention to news about law enforcement.

III. Child Labour Incidence, Working Hours, and School Dropouts

In this section, we examine the child labour incidence, working hours, and school dropouts through regression analyses. Since in the previous section we found that the prevalence of child labour is similar along the residence dimension and along the *hukou* dimension, and the school dropout rate for child labourers with urban *hukou* is almost zero, when we study the rural-urban difference in child labour incidence, we focus on children living in rural or urban areas rather than on having rural or urban *hukou*, for one of our focuses is on child labour and school dropouts.

_

⁹ Han is the largest ethnic group in China and accounts for more than 90% of the Chinese population.

We should emphasize that since this is the first systematic study on child labour in China, we intend to provide a general picture instead of focusing on causality from some key variables (for example, government policies) to the incidence of child labour; thus the goal of this study is more on correlations than on causality. Undoubtedly, causal analyses are very important and can provide more insights for policy formulations. We are identifying and carrying out cause-effect analyses of child labour in our current and future research; for example, in a related recent study, Zhao et al. (2016) investigate the causal linkage between trade liberation and child labour in China.

1. Child Labour Incidence

First, we explore how the characteristics of children, households, and household heads are associated with the incidence of child labour. The dependent variable here is a binary variable that equals 1 if a school-aged child engages in child labour. Individual characteristics include the gender, age, ethnicity, *hukou* type, residence, and health status of children. Household characteristics include log household assets per capita, the number of adults, the number of children under age 18, whether a household is involved or partly involved in any non-agricultural industry, and the geographical location of the household. We also control for the characteristics of household heads, such as gender, age, and education. To study the relationship between child labour participation and a host of characteristics, we rely on a linear probability model here.

Table 4 reports the main results for the full sample, and separately for rural and urban children (defined by their place of residence) and for girls and boys. A child living in urban areas is about 4.5% less likely to be a child labourer for the full sample and for boys and girls separately. This is consistent with the findings of Fafchamps and Wahba (2006), which show that children living in or near urban centres work less. Han nationality of a child is significantly associated with 5.44% increase in the incidence of child labour, and this

correlation is driven by the subsample of rural children and boys. The coefficient of the gender of children is small and insignificant. The *hukou* status of children is also insignificant. One possible reason for the insignificance of *hukou* is that *hukou* variable and the residence variable are highly correlated, a large part of the effect from *hukou* was captured by the residence variable, and this collinearity increases the standard error of *hukou* greatly. We also find that the children's health is negatively associated with child labour participation.

[Table 4 about here]

Besides the above children's characteristics, which have a strong relationship with child labour participation for the full sample and for different subsamples as well, there are some characteristics of children that exhibit different relations with child labour incidence in different subsamples. Compared with a girl with only her father alive, a girl with both parents alive is 29.08% less likely to be a child labourer. However, a child with both parents alive is more likely to be a child labourer if the child is in an urban area. Perhaps children who migrated with their parents to an urban area are more vulnerable to child labour. It would be interesting to explore the reasons behind these variations across different groups of children.

Now we turn to the characteristic of household heads. The age and gender of household heads are not significantly associated with the incidence of child labour. Additionally, the coefficients for the educational level of household heads and for the interaction between the educational level and the gender of household heads seem to be insignificant. Fafchamps and Shilpi (2014) also find that the association between mother's education and children's welfare is not strong either.

Household characteristics are important factors associated with child labour participation, as the child labour decision is usually made at the household level. In order to

avoid the endogeneity problem caused by child-work-associated income, we control for household assets per capita instead of household income per capita in the paper. We find that household assets per capita is significantly and negatively related to the incidence of child labour, especially for boys and children in urban areas. The coefficients for a family's being in debt in the previous year are all negative (though insignificant), indicating that these families may be willing to borrow instead of sending their children to work. Whether a household is involved in non-agricultural activities is significantly and negatively associated with the incidence of child labour for the full sample, but insignificant for all the subsamples.

In general, one additional adult in the household decreases the incidence of child labour by about 3.62%. This is reasonable in that the more adults a household has the less likely it is to be short of labour. The number of children under age 18 in a household seems to have a nonlinear relationship with the incidence of child labour. Specifically, the child labour participation rate is negatively correlated with the number of children when the number of children is below 1.7. The child labour incidence increases with the number of children when the number of children is above 1.7. The result of the negative correlation is consistent with the findings of Qian (2009), which show that having a second child increases the school enrolment rate of the firstborn child because of economies of scale in schooling. The positive correlation may be due to the household's resource constraint.

Compared with children in the poorest (Western) region, children in the richer and more developed Middle and Eastern regions are less likely to work. Taking the full sample as an example, a child in the most developed (Eastern) region or in the relatively developed (Central) region is 11.33% or 13.62% less likely to be a child labourer, respectively.

2. Working Hours

Now we go one step further to examine the working hours of children. In order to analyse the number of hours worked by children, we apply a censored regression model, i.e., tobit model, and a two-stage Heckman selection model, which allows us to correct for selection bias.

2.1 Tobit Model and McDonald and Moffitt's Decomposition

Since a substantial proportion of children are observed with zero hours of working, we use a tobit model in this analysis, and examine the same set of independent variables as in Table 4. Table 5 presents the results from tobit analysis. For all groups, living in urban areas is associated with a significant decrease in working hours. Han nationality of a child is significantly associated with an increase in working hours of children for the full sample and for all subsamples except girls. Again, the rural *hukou* status of children becomes insignificant here after controlling for the place of residence.

[Table 5 about here]

An older household head is related to an increase in the working hours of boys and children in urban areas. Neither the education of household heads nor its interaction with the gender of household heads is significantly correlated with working hours of children.

Per capita household assets and household involvement in non-agricultural activities, both of which capture the wealth of a household, are negatively associated with working hours of children. As before, the coefficients for whether the family was in debt last year are negative. There is a U-shaped relationship between the number of adults in a household and the working hours of children. Specifically, the working hours decline with the number of adults when the number of adults is smaller than 5. And urban children and girls benefit most

from a larger number of adults in the household. Like child labour participation, regional disparity is also important for understanding the working hours of child labour.

Because a majority of children are not working, the characteristics of children, households, and household heads may be associated with working hours on the extensive margin (the participation of children in the labour market) but not on the intensive margin (working hours conditional on working). Next, we apply McDonald and Moffitt's (1980) decomposition based on the tobit model to understand the associations on these two margins.

Table 6 reports the decomposition results for the full sample.¹⁰ Living in urban areas and Han nationality are positively associated with working hours on both the extensive and the intensive margin. Living in urban areas is associated with a 5.2% lower likelihood of working and 0.62 more working hours conditional on working. A Han child is 4.7% more likely to work on the extensive margin and works 0.56 hours more on the intensive margin than a minority child. However, the gender, age, and *hukou* type of children are not important characteristics significantly associated with working hours.

[Table 6 about here]

The age and gender of household heads are, in general, not significantly associated with working hours of children on both margins. The coefficients of the educational level of household heads alone and its interaction with the gender of household heads are all insignificant. With regard to the characteristics of households, household assets per capita and household involvement in non-agricultural activities are negatively related to working hours of children. However, the number of adults seems to be unimportant for the full sample.

¹⁰ The decomposition results for subgroups are available upon request.

The results from the decomposition exercises also show considerable regional variations in child labour. Child labourers in the relatively rich areas are 9.38% to 12.46% less likely to engage in child labour, and they work 1.11 to 1.48 hours less if they work.

2.2 Heckman Selection Model

Hours worked by children can arise from two different decisions: a participation decision and a decision of how many hours to work per day. To address the selection problem, we apply the Heckman selection model in this section. In China, the minimum legal working age is 16, set by laws and regulations of the People's Republic of China as discussed previously. Parents and other guardians are prohibited from sending their children under the age of 16 to work. Thus, children from households with high levels of legal awareness are less likely to engage in child labour. However, the level of legal awareness tends not to be associated with the number of hours worked by children conditional on working. To avoid potential endogeneity problems, we can apply the legal awareness of neighbours, proxied by the share of adults paying attention to news about law enforcement in a village or community (excluding own households), as an exclusionary variable, which affects whether a child engages in child labour but not the amount of working hours.

We report the results of the second stage of Heckman selection model in Table 7 and first stage in Appendix Table 1. The share of adults paying attention to news about law enforcement in a village/community (excluding the child's own household) is significantly and negatively associated with the child labour participation except for boys and rural children. The results of the second-stage regressions suggest that only the place of residence, age of children, and *hukou* type are significantly correlated with working hours of children. However, the coefficients of the inverse Mills ratio are found to be insignificant in all second-stage regressions, which indicate that selectivity bias may not be a serious problem.

[Table 7 about here]

3. Child Labour and School Dropouts

As the number of hours in a day is fixed, there is a trade-off between hours worked and school attendance. A large number of studies find that child labour has adverse effects on school attendance of children (e.g., Psacharopoulos, 1997; Ray, 2003). ¹¹ In China, all children must attend school for at least 9 years, under what is known as the 9-year compulsory education system. It includes 6 years of primary education, usually starting at age 6, and 3 years of junior high school education for ages 12 to 15. Thus, according to the Compulsory Education Law of the People's Republic of China (1986), all children in our study are required to enrol in schools. Nevertheless, approximately 2.9% of children drop out of schools in our study sample. In this section, we explore the association between child labour participation and school dropout in the context of China.

The results are presented in Tables 8 and 9. The dependent variable in both tables is school dropouts. The variables of interest are child labour participation and working hours of children in Table 8 and Table 9, respectively. Child labour participation is significantly associated with a higher school dropout rate, and the correlation is stronger for rural children and for girls. The results in Table 9 suggest that working hours of children have a similar relationship with school dropout rate.

Next, we examine the characteristics of children. The school dropout rate does not differ significantly across the residence and the gender of school-aged children. However, boys are less likely to dropout in rural areas. Han nationality is significantly associated with lower school dropout rate. There is a nonlinear relationship between the age of children and the school dropout rate. The dropout rate is at its minimum when a child reaches the age of

 $^{^{11}}$ He (2016) also finds that child labour negatively affect a child's academic achievement, using data from Gansu province in China.

11. After age 11 the dropout rate increases with the age of children. Rural *hukou* is only significantly related to higher dropout rate for rural children. The presence of parents is associated with lower dropout rate in general.

[Table 8 about here]

[Table 9 about here]

A male household head is significantly related to an increase in school dropout rate. However, neither the educational level of the household head nor its interaction with the gender of the household head is significantly associated with school dropout rate. Household wealth, measured by household assets per capita and household involvement in non-agricultural activities, seems not to be significantly related to the dropout rate. Neither coefficients of the number of children nor coefficients of the number of adults are significant. There are also significant regional differences in the school dropout rate.

IV. Household Chores and Taking Care of Family Members

As discussed in Section 2.2, there is no consensus regarding the definition of child labour in the literature. In this paper, we mainly focus on work outside the household for pay (cash or in kind), work in agriculture for the household, and work in a household business. However, only focusing on a limited set of activities can bias our understanding of child time allocation. In this section, we further investigate child time allocation to household chores and to taking care of family members, respectively. Household chores refer to any unpaid labour for the final consumption of one's family or oneself, such as preparing food, housecleaning, putting clothes and other items in order, and shopping. Taking care of family members refers to taking care of old, young, sick, paralyzed, or pregnant family members without getting paid.

The dependent variables are hours spent per day on household chores and taking care of family members, in Table 10 and Table 11, respectively. As a large fraction of children have values of zero for the time spent on household chores and caring for family members, we apply the tobit model here. In contrast to working hours, the results in Tables 10 and 11 indicate that living in urban areas is significantly and positively correlated with child time spent on household chores; however, it is not significantly related to child time on taking care of family members. Girls spend significantly more time on doing household chores and taking care of family members than boys. Overall, neither household assets per capita nor household involvement in non-agricultural activities is significantly associated with child time spent on household chores and taking care of family members. However, a child from a household that was in debt in the previous year spends more time on taking care of family members. The number of children under 18 is associated with more time spent on household chores and caring for family members. Compared to children in the Western region, children in the Central and Eastern regions spend less time on household chores and taking care of family members.

[Table 10 about here]

[Table 11 about here]

The results in Tables 10 and 11 indicate that child time spent on household chores and taking care of family members is not significantly associated with the same variables as child time spent on working. Thus, it is inappropriate to pool the hours on non-school and non-leisure activities together in the analysis. In this paper, we investigate different time-use categories separately.

V. Conclusion

There is a long history of research on child labour in economics, and the related economics literature is large. Existing literature consistently shows that child labour has many adverse effects on health and educational achievement of children. These adverse outcomes for the child labourers inevitably affect the welfare of the household, and have important implications for the growth and development of a country. However, there is almost no study on child labour in China, which is surprising, given that China is the largest developing country in the world. However, even after more than 30 years of high-speed economic growth, child labour is still not a negligible social phenomenon in China: about 7.74% of the children aged from 10 to 15 were engaged in child labour in 2010. This percentage was even higher in the Western and Central regions and in rural areas. Most child labourers were still in school and combined economic activity with schooling. The children who were working worked an average of 6.75 hours, and spent 6.42 hours less on study, per day. This highlights the importance of studying child labour in China.

In this paper, we examine a series of variables associated with child labour participation, working hours, and school dropouts, including characteristics of children, households, and household heads. We also investigate the correlations for different groups, e.g., classified by residence or by gender.

Our results show that child labour participation is positively associated with the school dropout rate. A child living in a rural area is more likely to work. Compared with the place of residence, the gender of a child is less important. The incidence of child labour increases with age, but the increase is small; the school dropout rate experiences a sharp increase from age 14 to age 15. A possible reason is that the 9-year compulsory education system in China requires that all children must attend school for a minimum of 9 years, including 6 years of primary education and 3 years of junior high school education, and a

child is likely to complete her junior high school education between ages 14 and 15. Children who have completed junior high school education are more likely to drop out of school.

The educational level of a household head and its interaction with the gender of the household head seem unimportant. However, a child from a household with higher household assets per capita or more adults is less likely to work.

The prevalence of child labour varies widely across regions in China. The child labour participation rate is negatively associated with regional economic development: the Western region has the highest incidence of child labour, followed by the Central region. We also find that child labour participation is positively associated with school dropouts.

When we expand the definition of child labour to include household chores and taking care of family members, we find that in contrary to working hours, living in urban areas is significantly and positively correlated with child time spent on household chores. Neither per capita household assets nor household involvement in non-agricultural activities is significantly related with child time spent on household chores and taking care of family members in general, but girls spend significantly more time on those activities than boys.

In this paper, we present the first systematic study on child labour in China, and provide a bird's-eye view. Undoubtedly, causal studies, such as those involving some key variables (for instance, the effects of public policies on child labour incidence in China), are very important and can provide more insights for policy formulations. Thus, we are identifying and carrying out cause-effect analyses of child labour in the follow-up research.

References:

- Attanasio, O., Fitzsimons, E., Gomez, A., Gutierrez, M. I., Meghir, C., and Mesnard, A. (2010), "Children's Schooling and Work in the Presence of a Conditional Cash Transfer Program in Rural Colombia," *Economic Development and Cultural Change*, 58(2), 181-210.
- Chen, J. J., (2013), "Identifying Non-cooperative Behavior among Spouses: Child Outcomes in Migrant-Sending Households," *Journal of Development Economics*, 100(1), 1-18.
- Bacolod, M. P. and Ranjan, P., (2008), "Why Children Work, Attend School, or Stay Idle: The Roles of Ability and Household Wealth," *Economic Development and Cultural Change*, 56(4), 791-828.
- Basu, K., Das, S., Dutta, B., (2010), "Child Labor and Household Wealth: Theory and Empirical Evidence of an Inverted-U," *Journal of Development Economics*, 91(1), 8-14.
- Baland, J.-M. and Robinson, J. A., (2000), "Is Child Labor Inefficient?" *Journal of Political Economy*, 108(4), 663-679.
- Beegle, K., Dehejia, R. H., and Gatti, R., (2006), "Child Labor and Agricultural Shocks," *Journal of Development Economics*, 81(1), 80-96.
- Bouoiyour, J. and Miftah, A., (2014), "Household Welfare, International Migration and Children Time Allocation in Rural Morocco," *Journal of Economic Development*, 39(2), 75-95.
- Davies, R. B. and Voy, A., (2009), "The Effect of FDI on Child Labor," *Journal of Development Economics*, 88(1), 59-66.
- de Carvalho Filho, I. E., (2012), "Household Income as a Determinant of Child Labor and School Enrollment in Brazil: Evidence from a Social Security Reform," *Economic Development and Cultural Change*, 60(2), 399-435.
- Dehejia, R. H. and Gatti, R., (2005), "Child Labor: The Role of Financial Development and Income Variability across Countries," *Economic Development and Cultural Change*, 53(4), 913-932.
- Dumas, C., (2012), "Does Work Impede Child Learning? The Case of Senegal," *Economic Development and Cultural Change*, 60(4), 773-793.

- Edmonds, E. V., (2008), "Child Labor," *Handbook of Development Economics*, 4, 3607-3709.
- Edmonds, E. V. and Pavcnika, N., (2005), "The Effect of Trade Liberalization on Child Labor," *Journal of International Economics*, 65(2), 401-419.
- Edmonds, E. V. and Shrestha, M., (2014), "You Get What You Pay For: Schooling Incentives and Child Labor," *Journal of Development Economics*, 111, 196–211.
- Emerson, P. M. and Souza, A. P., (2011), "Is Child Labor Harmful? The Impact of Working Earlier in Life on Adult Earnings," *Economic Development and Cultural Change*, 59(2), 345-385.
- Fafchamps, M. and Shilpi, F., (2014), "Education and Household Welfare," *Economic Development and Cultural Change*, 63(1), 73-115.
- Fafchamps, M. and Wahba, J., (2006), "Child Labor, Urban Proximity, and Household Composition," *Journal of Development Economics*, 79(2), 374-397.
- Guarcello, L., Lyon, S., Rosati, F., Valdivia, C. (2005). "Towards Statistical Standards for Children's Non Economic Work: A Discussion based on Household Survey Data". Working paper No. 16. "Understanding Children's Work", Rome, Italy.
- Gunnarsson, V., Orazem, P. and Sanchez, M., (2006), "Child Labor and School Achievement in Latin America," *World Bank Economic Review*, 20, 31-54.
- He, H. (2016), "Child Labour and Academic Achievement: Evidence from Gansu Province in China," *China Economic Review*, 38, 130-150.
- Heady, C., (2003), "The Effect of Child Labor on Learning Achievement," World Development, 31, 385-398.
- International Labour Organization (ILO) (1973). C138 Minimum Age Convention, 1973. ILO, Geneva.
- Kumar, A., (2013), "Preference Based vs. Market Based Discrimination: Implications for Gender Differentials in Child Labor and Schooling," *Journal of Development Economics*, 105, 64-68.

- Maplecroft, Child Labor Index 2014. Available at: http://maplecroft.com/portfolio/new-analysis/2013/10/15/child-labour-risks-increase-china-and-russia-most-progress-shown-south-america-maplecroft-index/.
- McDonald, J. F. and Moffitt, R., (1980), "The Uses of Tobit Analysis," *The Review of Economics and Statistics*, 62(2), 318-21.
- O'Donnell, O., Doorslaer, E., and Rosati, F., (2005), "Health Effects of Child Work: Evidence from Rural Vietnam," *Journal of Population Economics*, 18(3), 437-467.
- Psacharopoulos, G. (1997). "Child Labour versus Educational Attainment: Some Evidence from Latin America". *Journal of Population Economics*, 10, 377-386.
- Purkayastha, D. (1998), "Child Labor, Human Capital, and the Role of Parental Power in Poor Households," *Journal of Economic Development*, 23(2), 43–55.
- Ranjan, P., (2001), "Credit Constraints and the Phenomenon of Child Labor," *Journal of Development Economics*, 64(1), 81-102.
- Ray, R. 2003. "The Determinants of Child Labour and Child Schooling in Ghana". *Journal of African Economics*, 11, 561-590.
- Reggio, I., (2011), "The Influence of the Mother's Power on Her Child's Labor in Mexico," Journal of Development Economics, 96(1), 95-105.
- Rogers, C. A. and Swinnerton, K. A., (2004), "Does Child Labor Decrease When Parental Incomes Rise?" *Journal of Political Economy*, 112(4), 939-946.
- Sirohi, R. A., (2014), "Child Labour, Human Capital Accumulation and Foreign Aid," *Journal of Economic Development*, 39(3), 1-14.
- Tsuyuhara, K., (2014), "A Welfare Analysis of Child Labor Restriction: Intergenerational Perspectives," *Journal of Economic Development*, 39(3), 15-33.
- Xie, Y., (2012), "China Family Panel Studies (2010) User's Manual," Institute of Social Science Survey, Peking University, Beijing, China.
- Zhao, L., F. Wang and Z. Zhao, (2016), "Trade Liberalization and Child Labor in China", unpublished manuscript, School of Labor and Human Resources, Renmin University of China, unpublished manuscript.

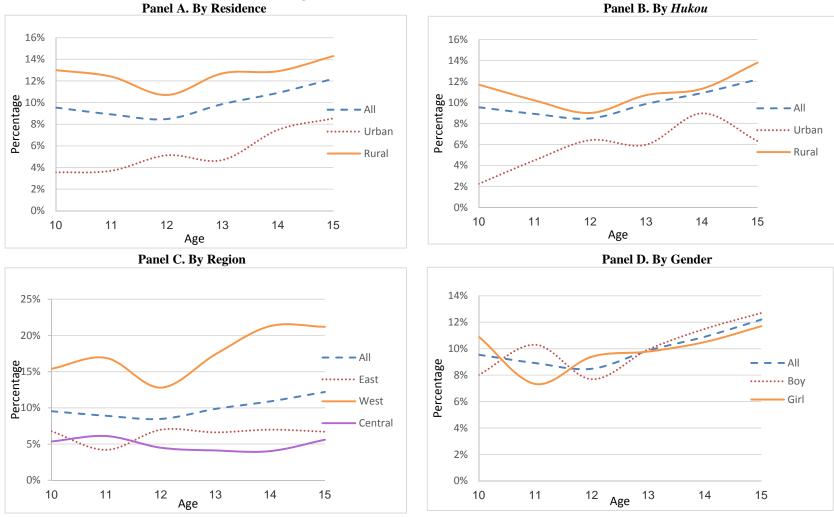


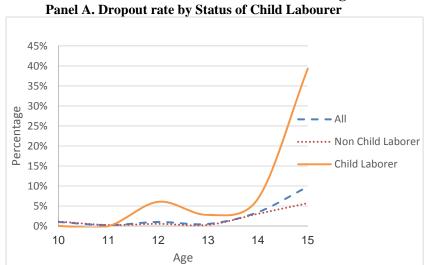
Figure 1. The Prevalence of Child Labour

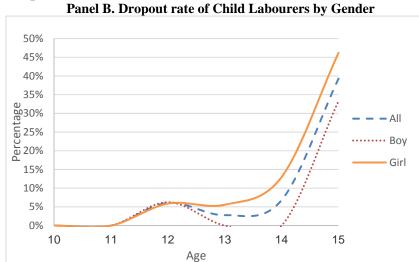
Notes: 1. Authors' calculations based on the 2010 wave of the China Family Panel Study. Only observations in the regression analysis are included.

3. The Eastern region includes Beijing, Tianjin, Hebei, Liaoning, Shanghai, Jiangsu, Zhejiang, Fujian, Shandong and Guangdong; the Central regions includes Shanxi, Jilin, Heilongjiang, Anhui, Jiangxi, Henan, Hubei and Hunan; and the Western region refers to Sichuan, Chongqing, Guizhou, Yunnan, Shaanxi, Gansu and Guangxi.

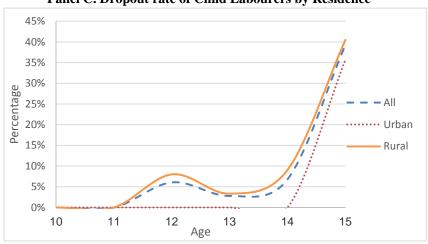
^{2.} The definition of child labour is as in note 2 in Table 1.

Figure 2. School Dropout Rate

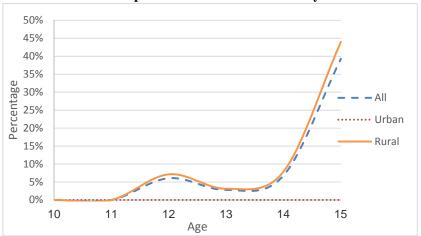




Panel C. Dropout rate of Child Labourers by Residence



Panel D. Dropout rate of Child Labourers by Hukou



Notes:

- 1. Authors' calculations based on the 2010 wave of the China Family Panel Study. Only observations in the regression analysis are included.
- 2. The definition of child labour is as in note 2 in Table 1.

Table 1.Time Allocation of Children: 10 to 15 Years Old

Unit: hours per day

_		All			Urban			Rural	
<u>-</u>	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Activities	Child Labourer	Non-child labourer	Difference	Child Labourer	Non-child labourer	Difference	Child Labourer	Non-child labourer	Difference
Sleep	8.757	8.7955	-0.0385	8.6061	8.7085	-0.1024	8.7957	8.8529	-0.0572
Eating activities	1.2365	1.1881	0.0484	1.2561	1.195	0.0611	1.2315	1.1835	0.048
Personal hygiene	0.817	0.8083	0.0087	0.9167	0.7957	0.121**	0.7914	0.8166	-0.0252
Housework	0.7127	0.4509	0.2618***	0.5455	0.3876	0.1579**	0.7556	0.4927	0.2629***
Taking care of the family	0.2489	0.1774	0.0715**	0.1273	0.1362	-0.0089	0.2802	0.2045	0.0757**
Work	6.7542	0	6.7542***	6.5455	0	6.5455***	6.8078	0	6.8078***
Study	2.0056	8.4255	-6.4199***	2.1939	8.8441	-6.6502***	1.9572	8.1498	-6.1926***
Leisure	2.3622	2.9848	-0.6226***	3.3348	3.0171	0.3177	2.1125	2.9636	-0.8511***
Transportation	0.4006	0.5109	-0.1103***	0.3773	0.525	-0.1477**	0.4066	0.5017	-0.0951**
Others	0.378	0.3722	0.0058	0.303	0.2896	0.0134	0.3973	0.4266	-0.0293
No activity	0.3941	0.3177	0.0764	0.3379	0.3102	0.0277	0.4086	0.3227	0.0859
Total	24.0669	24.0315	0.0354	24.5439	24.209	0.3349**	23.9444	23.9146	0.0298

Notes:

- 1. Authors' calculation based on the 2010 wave of the China Family Panel Study.
- 2. A child labourer is defined as a child who works outside of the household for pay (cash or in kind), works in agriculture for the household, or works in a household business, i.e., belongs to the Work category in this table.
- 3. T-test of difference between child labourers and non-child labourers is reported in columns (3), (6) and (9).

Table 2: Child Involvement in Economic Activities and Schooling by Gender and Residence

	Economic Activity Only	Combining School and Economic Activity	School Only	Neither in School nor in Economic Activity
All children	1.16%	8.90%	88.20%	1.74%
Girl	1.42%	8.60%	88.23%	1.75%
Boy	0.91%	9.19%	88.16%	1.74%
Live in urban area	0.56%	5%	93.10%	1.34%
Live in rural area	1.52%	11.20%	85.29%	1.99%

Notes: 1. Authors' calculations based on the unweighted study sample of the 2010 wave of the China Family Panel Study.

2. Economic activities refer to work outside the household for pay (cash or in kind), work in agriculture for the household, and work in a household business.

Table 3. Summary Statistics

		All	Child L	abourers	Non-chile	d labourer	Difference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Mean	Standard error	Mean	Standard error	Mean	Standard error	
Characteristics of the Children							
Child labour (dummy)	0.1005	0.3008	1	0	0	0	1***
School dropout (dummy)	0.0291	0.1681	0.1157	0.3205	0.0194	0.1380	0.0963***
Living in urban area (dummy)	0.3731	0.4837	0.2066	0.4057	0.3917	0.4882	-0.1851***
Boy (dummy)	0.5019	0.5001	0.5041	0.501	0.5016	0.5001	0.0025
Han nationality (dummy)	0.8961	0.3051	0.8802	0.3254	0.8979	0.3028	-0.0177
Age (year)	12.567	1.7396	12.7521	1.7795	12.5464	1.7343	0.2057*
Rural hukou (dummy)	0.7985	0.4012	0.8884	0.3155	0.7885	0.4085	0.0999***
Number of hospital visits last year	1.1558	2.2393	0.8058	1.8534	1.1949	2.2754	-0.3891**
Only mother alive (dummy)	0.0162	0.1263	0.0207	0.1425	0.0157	0.1244	0.005
Only father alive (dummy)	0.0112	0.1053	0.0207	0.1425	0.0102	0.1003	0.0105
Both parents alive (dummy)	0.9726	0.1633	0.9587	0.1994	0.9741	0.1588	-0.0154
Western region (dummy)	0.3631	0.481	0.6364	0.482	0.3326	0.4712	0.3038***
Central region (dummy)	0.2908	0.4542	0.1446	0.3525	0.3072	0.4614	-0.1626***
Eastern region (dummy)	0.3461	0.4758	0.219	0.4144	0.3603	0.4802	-0.1413***
Characteristics of the Household Head							
Age of household head (years)	44.3473	10.1957	44.1777	9.6463	44.3663	10.2572	-0.1886
Household head is male (dummy)	0.7744	0.4181	0.7603	0.4278	0.776	0.417	-0.0157
Education of household head (years)	5.9175	4.5748	5.0145	4.403	6.0185	4.5835	-1.004***
Characteristics of the Household							
Non-agricultural activities by the family							
(dummy)	0.1055	0.3073	0.0537	0.2259	0.1113	0.3146	-0.0576***
Family was in debt last year (dummy)	0.3577	0.4794	0.3471	0.477	0.3589	0.4798	-0.0118
Log of per capita assets (Chinese yuan)	7.0689	2.4295	6.5072	2.8366	7.1317	2.3722	-0.6245***
Number of adults	2.8953	1.1866	2.814	1.1889	2.9044	1.1863	-0.0904
Number of children under age 18	1.8841	0.941	2.095	1.0909	1.8605	0.9201	0.2345***
Distance to the nearest high school (km) Share of adults paying attention to the news of law enforcement in the	16.327	19.1121	24.2359	24.368	15.4431	18.226	8.7928***
village/community	0.3716	0.2129	0.3004	0.207	0.3795	0.2122	
Number of observations	2	407	2	42	21	165	

- 1. Authors' calculation based on the 2010 wave of the China Family Panel Study.
- 2. The definition of child labour is as in note 2 in table 1.3. T-test of difference between child labourers and non-child labourers is reported in column (7).

Table 4. Child Labour Status: Linear Probability Model

	(1)	(2)	(3)	(4)	(5)
Variables	All	Rural	Urban	Girl	Boy
Live in urban area (dummy)	-0.0435***			-0.0487***	-0.0439**
	(0.0132)			(0.0185)	(0.0194)
Boy (dummy)	0.0079	0.0138	-0.0018		
	(0.0122)	(0.0176)	(0.0152)		
Han nationality (dummy)	0.0544**	0.0578*	0.0490	0.0376	0.0823**
	(0.0227)	(0.0301)	(0.0304)	(0.0320)	(0.0324)
Age (years)	-0.0644	-0.0796	-0.0349	-0.0764	-0.0490
	(0.0611)	(0.0847)	(0.0781)	(0.0882)	(0.0836)
Age squared (years squared)	0.0027	0.0032	0.0018	0.0031	0.0023
	(0.0024)	(0.0034)	(0.0031)	(0.0035)	(0.0033)
Rural hukou (dummy)	-0.0022	0.0451	0.0059	-0.0125	0.0044
	(0.0153)	(0.0371)	(0.0179)	(0.0231)	(0.0209)
Number of hospital visits last year	-0.0041*	-0.0051	-0.0031	0.0002	-0.0083**
•	(0.0024)	(0.0036)	(0.0019)	(0.0028)	(0.0040)
Only mother alive (dummy)	-0.0495	-0.1157	0.1298	-0.2715	0.0513
•	(0.0896)	(0.1191)	(0.0872)	(0.1747)	(0.1000)
Both parents alive (dummy)	-0.0599	-0.1018	0.0630***	-0.2908*	0.0533
•	(0.0735)	(0.0982)	(0.0231)	(0.1570)	(0.0704)
Age of household head (years)	0.0005	0.0007	0.0006	-0.0009	0.0017
	(0.0007)	(0.0010)	(0.0009)	(0.0009)	(0.0011)
Household head is male (dummy)	-0.0298	-0.0498	0.0172	-0.0164	-0.0252
` •	(0.0249)	(0.0342)	(0.0323)	(0.0322)	(0.0387)
Education of household head (years)	-0.0010	-0.0029	0.0033	-0.0004	-0.0008
•	(0.0027)	(0.0054)	(0.0029)	(0.0034)	(0.0045)
Education × male household head	0.0013	0.0026	-0.0025	0.0021	-0.0012
	(0.0030)	(0.0059)	(0.0034)	(0.0038)	(0.0048)
Non-agricultural activities by the family (dummy)	-0.0292*	-0.0334	-0.0223	-0.0336	-0.0178
	(0.0162)	(0.0285)	(0.0170)	(0.0234)	(0.0229)
Family was in debt last year (dummy)	-0.0164	-0.0212	-0.0062	-0.0250	-0.0097
	(0.0131)	(0.0178)	(0.0165)	(0.0191)	(0.0185)
Log household assets per capita (Chinese yuan)	-0.0071**	-0.0063	-0.0077*	-0.0075	-0.0070*
	(0.0031)	(0.0046)	(0.0040)	(0.0046)	(0.0042)
Number of children	-0.0333	-0.0197	-0.0761	-0.0587*	0.0019
	(0.0240)	(0.0297)	(0.0531)	(0.0332)	(0.0327)
Number of children squared	0.0093*	0.0077	0.0165	0.0135**	0.0022
•	(0.0047)	(0.0054)	(0.0130)	(0.0061)	(0.0069)
Number of adults	-0.0362*	-0.0431	-0.0182	-0.0853**	-0.0084
	(0.0197)	(0.0265)	(0.0230)	(0.0381)	(0.0231)
Number of adults squared	0.0027	0.0030	0.0019	0.0096*	-0.0009
•	(0.0023)	(0.0030)	(0.0027)	(0.0050)	(0.0023)
Central region	-0.1362***	-0.1631***	-0.0792***	-0.1467***	-0.1266***
	(0.0174)	(0.0219)	(0.0297)	(0.0239)	(0.0255)
Eastern region	-0.1133***	-0.1324***	-0.0680**	-0.1077***	-0.1224***
<u>-</u>	(0.0167)	(0.0210)	(0.0287)	(0.0227)	(0.0248)
Constant	0.7383*	0.8644	0.2715	1.2366**	0.3608
	(0.3829)	(0.5292)	(0.4723)	(0.5649)	(0.5237)
Observations	2,407	1,509	898	1,199	1,208
R-squared	0.0612	0.0617	0.0383	0.0746	0.0686

^{1.} The dependent variable is child labour participation. The definition of child labour is as in note 2 in Table 1.

2. Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1.

3. Central region and Eastern region are as defined in Figure 1.

4. Data source: the 2010 wave of the China Family Panel Study.

Table 5. Working Hours: Tobit Model

Tubic C. V	(1)	(2)	(3)	(4)	(5)
Variables	All	Rural	Urban	Girl	Boy
Live in urban area (dummy)	-3.7041***	Ruiui	Cibun	-3.8850**	-3.6702**
zivo in uroun urou (ounnity)	(1.1435)			(1.6162)	(1.5412)
Boy (dummy)	0.6816	0.9419	-0.1463	(1.0102)	(1.5 112)
Boy (dummy)	(0.8425)	(0.9694)	(0.5073)		
Han nationality (dummy)	3.3469**	3.0261**	4.7152***	2.7328	5.0774**
Trail nationality (duffinly)	(1.3292)	(1.4702)	(0.6766)	(1.7409)	(1.9863)
Age (year)	-5.9825	-6.7105	-5.3513***	-7.8227	-3.4276
Age (year)	(4.1965)	(4.7105)	(0.0544)	(5.9013)	(5.7002)
Age squared (years squared)	0.2504	0.2704	0.2512***	0.3139	0.1598
Age squared (years squared)	(0.1665)	(0.1875)	(0.0038)	(0.2342)	(0.2260)
Rural <i>hukou</i> (dummy)	-0.0636	4.6948	0.4120	-1.0437	1.0564
Rurai <i>nukou</i> (dummy)					
Normalism of the societate significant and societate states and societate states are societated as a second societate states and societate states are societated as a second societate states are societated as a second societate states are societated as a second societated societated as a second societated societated as a second societated s	(1.4768)	(3.8281)	(0.5558)	(2.0497)	(2.1554)
Number of hospital visits last year	-0.4257*	-0.3074	-1.0748***	0.0156	-0.7797*
	(0.2498)	(0.2550)	(0.1558)	(0.2594)	(0.4588)
Only mother alive (dummy)	-0.9228	-4.1961	64.2064***	-7.6433	4.0972
	(4.2111)	(4.8693)	(0.4144)	(5.8439)	(5.4046)
Both parents alive (dummy)	-1.8769	-3.3181	58.4473***	-11.0794***	4.4132
	(3.0162)	(3.2244)	(0.7169)	(3.4128)	(4.0985)
Age of household head (years)	0.0522	0.0566	0.0718***	-0.0923	0.1418**
	(0.0478)	(0.0556)	(0.0149)	(0.0696)	(0.0621)
Household head is male (dummy)	-1.2436	-2.0259	2.6935***	-0.1966	-0.7758
	(1.4412)	(1.5833)	(0.6545)	(1.9449)	(1.9937)
Education of household head (years)	0.0630	-0.0203	0.3640***	0.1053	0.1318
	(0.1908)	(0.2745)	(0.0582)	(0.2510)	(0.2751)
Education ×male household head	-0.0574	-0.0010	-0.3038***	0.0205	-0.3167
	(0.2103)	(0.3010)	(0.0573)	(0.2735)	(0.3048)
Non-agricultural activities by the family (dummy)	-2.8544*	-2.0490	-4.9051***	-3.1416	-2.1524
	(1.7033)	(2.1673)	(0.4594)	(2.5110)	(2.3323)
Family was in debt last year (dummy)	-1.1557	-1.2038	-0.6959	-1.7700	-0.6410
	(0.8953)	(0.9983)	(0.4510)	(1.3051)	(1.2204)
Log household assets per capita (Chinese yuan)	-0.4918***	-0.3306	-0.7900***	-0.4856*	-0.5450**
	(0.1773)	(0.2134)	(0.0782)	(0.2610)	(0.2411)
Number of children	-1.7870	-0.9670	-8.5568***	-3.2955*	-0.0403
	(1.3794)	(1.5349)	(0.3500)	(1.9460)	(2.0813)
Number of children squared	0.5295**	0.4147*	1.7857***	0.7615***	0.2000
1	(0.2294)	(0.2446)	(0.0820)	(0.2890)	(0.4032)
Number of adults	-1.8375	-1.5881	-1.5497***	-4.7443**	0.2130
	(1.2390)	(1.3352)	(0.2218)	(2.0159)	(1.5311)
Number of adults squared	0.1208	0.0761	0.1502***	0.5481**	-0.1493
ramosi or additio squared	(0.1474)	(0.1540)	(0.0316)	(0.2574)	(0.1705)
Central region	-8.8893***	-9.4264***	-8.1672***	-10.4986***	-7.6931***
Condui Togron	(1.1553)	(1.3646)	(0.4872)	(1.7860)	(1.4798)
Eastern region	-6.6918***	-6.9635***	-6.6679***	-6.5746***	-7.2717***
Lustern region	(0.9936)	(1.1574)	(0.5235)	(1.3144)	(1.4437)
Constant	31.8871	33.2354	-38.6296***	(1.3144) 66.5949*	-1.9137
Constant				(37.0761)	
Observations	(26.1960)	(29.7058)	(0.7196)	,	(35.6908)
Observations	2,407	1,509	898	1,199	1,208
Log pseudolikelihood	-1398	-1076	-313.3	-686.1	-697.4
Pseudo R-square Notari 1. The dependent variable is working hou	0.0502	0.0407	0.0551	0.0602	0.0594

1. The dependent variable is working hours of children per day. The definition of child labour note 2 in Table 1.

2. Robust standard errors in parentheses. *** p<0.01, *** p<0.05, ** p<0.1.

3. Central region and Eastern region are as defined in Figure 1.

^{4.} Data source: the 2010 wave of the China Family Panel Study.

Table 6. McDonald and Moffitt's Decomposition from Tobit Model

	(1)	(2)	(3)
Variables	Unconditional	Conditional	Probability
Live in urban area (dummy)	-0.3836***	-0.6153***	-0.0519***
	(0.1200)	(0.1892)	(0.0160)
Boy (dummy)	0.0706	0.1132	0.0096
	(0.0873)	(0.1399)	(0.0118)
Han nationality (dummy)	0.3466**	0.5560**	0.0469**
	(0.1389)	(0.2207)	(0.0187)
Age (years)	-0.6195	-0.9938	-0.0838
	(0.4366)	(0.6975)	(0.0588)
Age squared (years squared)	0.0259	0.0416	0.0035
	(0.0173)	(0.0277)	(0.0023)
Rural hukou (dummy)	-0.0066	-0.0106	-0.0009
•	(0.1529)	(0.2453)	(0.0207)
Number of hospital visits last year	-0.0441*	-0.0707*	-0.0060*
•	(0.0260)	(0.0414)	(0.0035)
Only mother alive (dummy)	-0.0956	-0.1533	-0.0129
•	(0.4360)	(0.6995)	(0.0590)
Both parents alive (dummy)	-0.1944	-0.3118	-0.0263
1	(0.3123)	(0.5009)	(0.0423)
Age of household head (years)	0.0054	0.0087	0.0007
, ,	(0.0050)	(0.0079)	(0.0007)
Household head is male (dummy)	-0.1288	-0.2066	-0.0174
` ',	(0.1492)	(0.2392)	(0.0202)
Education of household head (dummy)	0.0065	0.0105	0.0009
, , , , , , , , , , , , , , , , , , ,	(0.0198)	(0.0317)	(0.0027)
Education ×male household head	-0.0059	-0.0095	-0.0008
	(0.0218)	(0.0349)	(0.0029)
Non-agricultural activities by the family (dummy)	-0.2956*	-0.4742*	-0.0400*
····· ···· ··· ··· · · · · · · · · · ·	(0.1771)	(0.2827)	(0.0239)
Family was in debt last year (dummy)	-0.1197	-0.1920	-0.0162
	(0.0929)	(0.1487)	(0.0126)
Log household assets per capita (Chinese yuan)	-0.0509***	-0.0817***	-0.0069***
sog nousenote ussets per euprin (eminese junit)	(0.0186)	(0.0294)	(0.0025)
Number of children	-0.1851	-0.2969	-0.0250
	(0.1434)	(0.2292)	(0.0193)
Number of children squared	0.0548**	0.0880**	0.0074**
	(0.0240)	(0.0381)	(0.0032)
Number of adults	-0.1903	-0.3053	-0.0258
	(0.1284)	(0.2055)	(0.0174)
Number of adults squared	0.0125	0.0201	0.0017
ramoer of additional squared	(0.0123	(0.0245)	(0.0021)
Central region	-0.9206***	-1.4767***	-0.1246***
Contai region	(0.1288)	(0.1884)	(0.0170)
Eastern region	-0.6930***	-1.1117***	-0.0938***
Eastern region	(0.1095)	(0.1640)	(0.0149)
Observations	2,407	2,407	2,407

1. The dependent variable is working hours of children per day. The definition of child labour is as in note 2 in Table 1.

2. Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1.

3. Central region and Eastern region are as defined in Figure 1.

4. Data source: the 2010 wave of the China Family Panel Study. Notes:

Table 7. Working Hours: Heckman Selection Model (Second Stage)

1 able 7. Working Hours			` `		
** * 11	All	Rural	Urban	Girl	Boy
Variables	(1)	(2)	(3)	(4)	(5)
Live in urban area (dummy)	-3.88**			-3.1132	-5.657
D (1)	(1.548)	0.2022	0.0760	(2.3261)	(3.741)
Boy (dummy)	0.2017	0.2933	-0.0760		
**	(0.7187)	(0.7617)	(2.0681)	1 -110	2 == ==
Han nationality (dummy)	1.6933	1.5502	3.1210	1.6112	3.5765
	(1.7111)	(1.4730)	(6.42)	(1.91)	(5.3625)
Age (years)	-5.2380**	-4.8265	-13.6495	-4.75	-5.6087
	(2.6387)	(3.9495)	(10.383)	(4.34)	(6.096)
Age squared (years squared)	0.2137**	0.1944	0.5557	0.1886	0.2406
	(0.1077)	(0.1588)	(0.4084)	(0.1740)	(0.248)
Rural <i>hukou</i> (dummy)	-2.1035**	1.4902	-2.1378	-1.2352	-1.8179
	(0.9920)	(3.5372)	(3.250)	(1.697)	(3.051)
Number of hospital visits last year	-0.1365	-0.0698	-1.0882	0.0025	-0.5399
	(0.1707)	(0.229)	(1.246)	(0.2290)	(1.2501)
Only mother alive (dummy)	1.7886	1.0254	4.3622	0.5881	3.4888
	(3.3300)	(4.3933)	(16.3264)	(5.1985)	(7.6755)
Both parents alive (dummy)	1.5888	1.3487		-1.6533	4.6090
	(2.4903)	(3.5450)		(6.7866)	(5.9385)
Age of household head (years)	0.0411	0.0397	0.0755	-0.0584	0.1276
	(0.0264)	(0.0306)	(0.0953)	(0.0772)	(0.1135)
Household head is male (dummy)	0.0271	0.0179	-0.3980	0.6580	-0.1310
•	(0.9990)	(1.5015)	(6.0116)	(1.7147)	(2.2911)
Education of household head (years)	0.1230	0.0664	0.2533	0.2116	0.1673
,	(0.1181)	(0.2126)	(0.5146)	(0.2253)	(0.3500)
Education ×male household head	-0.1410	-0.1008	-0.0095	-0.1859	-0.3048
	(0.1335)	(0.2087)	(0.5754)	(0.2446)	(0.4729)
Non-agricultural activities by the	-2.1729	-1.5356	-3.4818	-3.4468	-1.2587
family(dummy)	(1.6263)	(2.8948)	(16.4344)	(3.3739)	(3.6529)
Family was in debt last year (dummy)	-0.0841	-0.1015	-0.5540	0.1019	-0.4458
raining was in door last your (daming)	(0.7649)	(0.9561)	(2.7878)	(1.4105)	(1.4674)
Log household assets per capita(Chinese	-0.1657	-0.1095	-0.3915	-0.0535	-0.4391
yuan)	(0.1685)	(0.1547)	(0.6190)	(0.2422)	(0.5259)
Number of children	-1.7404*	-1.1383	-0.3639	-2.3461	-1.1855
rumber of emidien	(0.9721)	(1.4156)	(10.3210)	(1.9180)	(2.4937)
Number of children squared	0.3015	0.1980	-0.3771	0.3764	0.2677
Number of children squared	(0.2186)	(0.3195)	(2.4173)	(0.3730)	(0.4776)
Number of adults	-0.6751	-0.3119	-3.2438	-1.5455	0.1918
Number of addits	(0.9296)	(1.397)	(7.5781)	(2.8100)	(2.2933)
Number of adults squared	0.0989	0.0481	0.5711	0.2608	-0.0747
Number of addits squared			(1.1079)		
Control marion	(0.1002)	(0.1548)		(0.3501)	(0.3712)
Central region	-3.3517	-3.3059	-3.8885	-3.3760	-5.5767
Eastern maion	(2.978)	(4.6328)	(6.5642)	(5.7254)	(7.4432)
Eastern region	-0.0998	0.2438	-0.4621	-0.0703	-2.5502
NCH 2	(2.4323)	(3.556)	(6.0479)	(3.83)	(7.6512)
Mills ratio	4.6693	3.9452	6.7204	3.6983	9.3798
_	(4.6123)	(6.6556)	(9.3130)	(6.5726)	(13.555)
Constant	33.2133**	27.4365	79.0266	39.5741	19.6803
	(15.3138)	(20.6737)	(61.4764)	(30.2080)	(42.753)
Observations	2,407	1,509	898	1,199	1,208

^{1.} The dependent variable is working hours of children per day. The definition of child labour is as in note 2 in Table 1.

^{2.} Bootstrapped standard errors with 200 replications in parentheses. *** p<0.01, ** p<0.05, * p<0.1.

^{3.} The exclusion restriction for the Heckman model is the share of adults paying attention to legal news in the village/community.

^{4.} Central region and Eastern region as defined in Figure 1.5. Data source: the 2010 wave of the China Family Panel Study.

Table 8. Child Labour Incidence and School Dropouts: Linear Probability Model

Variables	(1) All	(2) Rural	(3) Urban	(4) Girl	(5) Boy
Child labour (dummy)	0.0960***	0.0982***	0.0870**	0.1139***	0.0753***
	(0.0195)	(0.0221)	(0.0410)	(0.0287)	(0.0259)
Live in urban area (dummy)	-0.0010			0.0051	-0.0084
	(0.0083)			(0.0121)	(0.0112)
Boy (dummy)	-0.0072	-0.0161*	0.0036		
	(0.0068)	(0.0095)	(0.0086)		
Han nationality (dummy)	-0.0520***	-0.0674***	-0.0240	-0.0671***	-0.0325*
	(0.0153)	(0.0201)	(0.0197)	(0.0227)	(0.0194)
Age (years)	-0.1811***	-0.1862***	-0.1822***	-0.1820***	-0.1877**
	(0.0335)	(0.0451)	(0.0493)	(0.0474)	(0.0461)
Age squared (years squared)	0.0078***	0.0081***	0.0077***	0.0080***	0.0080**
	(0.0014)	(0.0019)	(0.0020)	(0.0020)	(0.0019)
Rural hukou (dummy)	0.0088	0.0430***	0.0027	0.0189	-0.0016
	(0.0096)	(0.0139)	(0.0128)	(0.0116)	(0.0151)
Number of hospital visits last year	0.0003	0.0009	-0.0007	0.0019	-0.0008
	(0.0011)	(0.0016)	(0.0013)	(0.0017)	(0.0013)
Only mother alive (dummy)	-0.1125	-0.1150	-0.0987	-0.3486**	0.0246
	(0.0786)	(0.0948)	(0.1404)	(0.1561)	(0.0931)
Both parents alive (dummy)	-0.1452**	-0.1486*	-0.1329	-0.2983*	-0.0799
	(0.0687)	(0.0789)	(0.1298)	(0.1567)	(0.0660)
Age of household head (year)	-0.0004	-0.0005	-0.0001	-0.0003	-0.0004
	(0.0003)	(0.0004)	(0.0005)	(0.0005)	(0.0004)
Household head is male	0.0194*	0.0151	0.0298**	0.0301*	0.0147
(dummy)	(0.0112)	(0.0158)	(0.0131)	(0.0177)	(0.0143)
Education of household head (year)	-0.0015	-0.0017	-0.0002	-0.0019	-0.0006
	(0.0012)	(0.0029)	(0.0008)	(0.0017)	(0.0019)
Education ×male household head	-0.0001	-0.0000	-0.0008	-0.0005	-0.0006
	(0.0013)	(0.0030)	(0.0012)	(0.0019)	(0.0018)
Non-agricultural (dummy) activities by the family	-0.0054	0.0028	-0.0142	-0.0032	-0.0042
	(0.0094)	(0.0168)	(0.0097)	(0.0128)	(0.0129)
Family was in debt last year (dummy)	-0.0056	-0.0139	0.0071	-0.0087	-0.0019
(dummy)	(0.0072)	(0.0094)	(0.0106)	(0.0103)	(0.0102)
Log of per capita assets	0.0012	0.0029	0.0002	0.0031	-0.0008
(Chinese yuan)	(0.0014)	(0.0025)	(0.0012)	(0.0020)	(0.0021)
Number of children	-0.0016	-0.0198	0.0561**	-0.0211	0.0206
	(0.0126)	(0.0157)	(0.0264)	(0.0177)	(0.0172)
Number of children squared	-0.0005	0.0022	-0.0117**	0.0025	-0.0047
1	(0.0023)	(0.0026)	(0.0058)	(0.0030)	(0.0029)
Number of adults	-0.0171	-0.0309*	0.0035	-0.0122	-0.0179
	(0.0130)	(0.0187)	(0.0135)	(0.0160)	(0.0175)
Number of adults squared	0.0023	0.0041	-0.0002	0.0015	0.0025
1	(0.0017)	(0.0025)	(0.0015)	(0.0019)	(0.0024)
Central region	0.0376***	0.0361***	0.0390***	0.0364***	0.0402**
	(0.0086)	(0.0111)	(0.0119)	(0.0117)	(0.0126)
Eastern region	0.0318***	0.0332***	0.0273***	0.0302***	0.0330**
· O ·	(0.0080)	(0.0110)	(0.0100)	(0.0109)	(0.0119)
Distance to the nearest high school (km)	0.0003	0.0004	-0.0002	0.0009**	-0.0002
<u> </u>	(0.0002)	(0.0003)	(0.0004)	(0.0004)	(0.0003)
Constant	1.2327***	1.2816***	1.1191***	1.3656***	1.2103**
	(0.2183)	(0.2939)	(0.3023)	(0.3256)	(0.3015)
Observations	2,407	1,509	898	1,199	1,208
R-squared	0.0963	0.1074	0.0945	0.1409	0.0828
Notes: 1. The dependent variable is the school dr 2. Robust standard errors in parentheses. 3. Central region and Eastern region as de 4. Data source: the 2010 wave of the Chir	ropout dummy. *** p<0.01, ** efined in Figure	p<0.05, * p<0.1			

Table 9. Working Hours and School Dropouts: Linear Probability Model

	(1)	(2)	(3)	(4)	(5)
Variables	All	Rural	Urban	Girl	Boy
Working hours per day	0.0122***	0.0136***	0.0067	0.0140***	0.0103**
Working hours per day	(0.0028)	(0.0033)	(0.0048)	(0.0039)	(0.0040)
Live in urban area (dummy)	-0.0001	(0.0033)	(0.0010)	0.0054	-0.0070
Erve in aroun area (daminy)	(0.0084)			(0.0122)	(0.0112)
Boy (dummy)	-0.0072	-0.0163*	0.0037	(0.0122)	(0.0112)
Boy (dummiy)	(0.0068)	(0.0095)	(0.0087)		
Han nationality (dummy)	-0.0521***	-0.0686***	-0.0217	-0.0687***	-0.0318
Train manomanty (dammy)	(0.0154)	(0.0202)	(0.0196)	(0.0230)	(0.0194)
Age (year)	-0.1775***	-0.1784***	-0.1838***	-0.1788***	-0.1842***
rige (year)	(0.0335)	(0.0447)	(0.0501)	(0.0476)	(0.0458)
Age squared (years)	0.0077***	0.0078***	0.0078***	0.0078***	0.0079***
rige squared (years)	(0.0014)	(0.0018)	(0.0021)	(0.0020)	(0.0019)
Rural hukou (dummy)	0.0088	0.0416***	0.0032	0.0180	-0.0010
Kurai nakoa (dummy)	(0.0097)	(0.0140)	(0.0129)	(0.0116)	(0.0153)
Number of hospital visits last year	0.0003	0.0008	-0.0008	0.0019	-0.0008
rumber of mospital visits last year	(0.0011)	(0.0016)	(0.0013)	(0.0017)	(0.0013)
Only mother alive (dummy)	-0.1167	-0.1234	-0.0910	-0.3654**	0.0248
Only modici anve (duminy)	(0.0798)	(0.0965)	(0.1400)	(0.1554)	(0.0943)
Both parents alive (dummy)	-0.1499**	-0.1558*	-0.1297	-0.3113**	-0.0823
Both parents anve (duffinly)	(0.0700)	(0.0808)	(0.1297)	(0.1558)	(0.0679)
Age of household head (years)	-0.0004	-0.0006	-0.0001	-0.0003	-0.0005
Age of flousefloid flead (years)		(0.0004)	(0.0001)		(0.0003)
Household head is male (dummy)	(0.0003) 0.0193*	0.0147	0.0315**	(0.0005) 0.0291	0.0004)
Household head is male (duffilly)	(0.0112)	(0.0147)	(0.0135)	(0.0177)	(0.0133
Education of household head (year)	-0.0016	-0.0018	-0.0001	-0.0020	-0.0007
Education of flousefiold flead (year)	(0.0010)	(0.0029)	(0.0001	(0.0017)	(0.0019)
Education ×male household head	-0.0000	0.0029)	-0.0010	-0.0003	-0.0006
Education ×male nousehold head					
Non-amigultural activities by the family	(0.0013)	(0.0030) 0.0031	(0.0012)	(0.0019)	(0.0018)
Non-agricultural activities by the family	-0.0053		-0.0149	-0.0024	-0.0044
(dummy)	(0.0095)	(0.0171)	(0.0097)	(0.0131)	(0.0130)
Family was in debt last year (dummy)	-0.0061	-0.0142	0.0066	-0.0091	-0.0025
Log household assets man comits (Chinese vuyan)	(0.0072)	(0.0093)	(0.0108)	(0.0104)	(0.0102)
Log household assets per capita (Chinese yuan)	0.0011	0.0028	-0.0002	0.0028	-0.0007
NY 1 C 1'11	(0.0014)	(0.0025)	(0.0011)	(0.0019)	(0.0021)
Number of children	-0.0002	-0.0184	0.0541**	-0.0188	0.0209
North and Califfrance and A	(0.0126)	(0.0156)	(0.0264)	(0.0173)	(0.0173)
Number of children squared	-0.0007	0.0020	-0.0112*	0.0022	-0.0047
N 1 C 11	(0.0023)	(0.0026)	(0.0058)	(0.0030)	(0.0029)
Number of adults	-0.0182	-0.0325*	0.0028	-0.0146	-0.0185
N 1 6 11 1	(0.0130)	(0.0187)	(0.0137)	(0.0157)	(0.0175)
Number of adults squared	0.0024	0.0042*	-0.0002	0.0017	0.0026
	(0.0017)	(0.0025)	(0.0015)	(0.0018)	(0.0024)
Central region	0.0363***	0.0358***	0.0360***	0.0347***	0.0395***
	(0.0085)	(0.0111)	(0.0113)	(0.0115)	(0.0125)
Eastern region	0.0296***	0.0309***	0.0244**	0.0278**	0.0313***
	(0.0080)	(0.0110)	(0.0099)	(0.0108)	(0.0120)
Distance to the nearest high school (km)	0.0003	0.0004	-0.0002	0.0009**	-0.0002
	(0.0002)	(0.0003)	(0.0004)	(0.0004)	(0.0003)
Constant	1.2200***	1.2492***	1.1285***	1.3680***	1.1937***
	(0.2192)	(0.2933)	(0.3060)	(0.3260)	(0.3015)
Observations	2,407	1,509	898	1,199	1,208
R-squared Notes: 1 The dependent variable is the scho	0.0930	0.1095	0.0797	0.1344	0.0828

Notes:

- 1. The dependent variable is the school dropout dummy.

 2. Robust standard errors in parentheses. **** p<0.01, *** p<0.05, * p<0.1.

 3. Central region and Eastern region as defined in Figure 1.

 4. Data source: the 2010 wave of the China Family Panel Study.

Table 10. Household Chores: Tobit Model

	(1)	(2)	(3)	(4)	(5)
Variables	All	Rural	Urban	Girl	Boy
Live in urban area (dummy)	0.1269**			0.1841**	0.0592
,,	(0.0635)			(0.0868)	(0.0916)
Boy (dummy)	-0.2423***	-0.2773***	-0.2076***	(/	(
· 5 (· · · · 5)	(0.0499)	(0.0686)	(0.0670)		
Han nationality (dummy)	0.0166	0.0712	-0.1084	-0.1326	0.1905
3,	(0.0829)	(0.1072)	(0.1228)	(0.1086)	(0.1267)
Age (years)	0.3765	0.2781	0.5947*	0.0619	0.5762
<i>8</i> : 0 · · · ·)	(0.2490)	(0.3352)	(0.3526)	(0.3532)	(0.3501)
Age squared (years squared)	-0.0153	-0.0126	-0.0224	-0.0032	-0.0228
8 I	(0.0099)	(0.0134)	(0.0140)	(0.0141)	(0.0140)
Rural <i>hukou</i> (dummy)	0.2009***	0.2210	0.1454*	0.2896***	0.0722
Turur mmon (ummiy)	(0.0758)	(0.2225)	(0.0785)	(0.1047)	(0.1089)
Number of hospital visits last year	-0.0053	0.0091	-0.0194	-0.0155	0.0070
- · · · · · · · · · · · · · · · · · · ·	(0.0105)	(0.0134)	(0.0174)	(0.0159)	(0.0132)
Only mother alive (dummy)	0.2523	0.1137	0.4033	-0.2541	0.5296
omy momer and (dammy)	(0.2724)	(0.3572)	(0.4216)	(0.4234)	(0.3443)
Both parents alive (dummy)	-0.0119	-0.1501	0.2669	-0.4205	0.1750
Both parents arree (duminy)	(0.2268)	(0.2820)	(0.3610)	(0.3653)	(0.2751)
Age of household head (dummy)	0.0058**	0.0113***	-0.0011	0.0060	0.0065*
rige of nousehold nead (dummiy)	(0.0029)	(0.0039)	(0.0041)	(0.0043)	(0.0038)
Household head is male	-0.0610	-0.2174	0.2017	0.0065	-0.0991
(dummy)	(0.1006)	(0.1348)	(0.1484)	(0.1439)	(0.1423)
Education of household head	-0.0250**	-0.0279	-0.0205	-0.0407**	-0.0090
Education of nousehold head	(0.0117)	(0.0217)	(0.0136)	(0.0166)	(0.0165)
Education ×male household head	0.0041	0.0169	-0.0188	0.0124	-0.0047
Education Amale nousehold head	(0.0127)	(0.0232)	(0.0156)	(0.0179)	(0.0180)
Non-agricultural activities by the family(dummy)	-0.0074	-0.1902	0.0818	0.1062	-0.0688
Tron agricultural activities by the raining (duminy)	(0.0877)	(0.1582)	(0.0874)	(0.1319)	(0.1192)
Family was in debt last year (dummy)	0.0796	0.0446	0.1330*	0.1145	0.0351
raining was in debt last year (duminiy)	(0.0525)	(0.0691)	(0.0732)	(0.0758)	(0.0728)
Log of per capita assets (Chinese yuan)	0.0163	0.0221	0.0121	0.0001	0.0296*
Log of per capita assets (Chinicse yuan)	(0.0103)	(0.0156)	(0.0121	(0.0140)	(0.0153)
Number of children	0.1716**	0.1238	0.2611	0.2566**	0.1337
rumber of children	(0.0852)	(0.1112)	(0.2427)	(0.1135)	(0.1400)
Number of children squared	-0.0076	0.0005	-0.0257	-0.0189	-0.0112
rumber of emidren squared	(0.0149)	(0.0181)	(0.0604)	(0.0181)	(0.0279)
Number of adults	-0.0507	0.0199	-0.1842	-0.1989	0.0602
Number of addits	(0.0775)	(0.1023)	(0.1250)	(0.1343)	(0.0992)
Number of adults squared	0.0034	-0.0048	0.0198	0.0205	-0.0084
Number of adults squared	(0.0095)	(0.0123)	(0.0169)	(0.0176)	(0.0117)
Central region	-0.5435***	-0.7440***	-0.2561**	-0.5337***	-0.5649***
Central region	(0.0704)	(0.0951)	(0.1042)	(0.1015)	(0.0954)
Eastern region	-0.2765***	-0.3187***	-0.1741*	-0.0933	-0.4925***
Lastern region	(0.0627)	(0.0837)	(0.0923)	(0.0835)	(0.0919)
Constant	-2.4376	-1.7884	-3.7470*	0.1894	-4.3748**
Constant	(1.5662)	(2.0998)	(2.2099)	(2.2470)	(2.1954)
Observations	2,407	1,509	(2.2099) 898	1,199	1,208
Log pseudolikelihood	-2658	-1734	-891.7	-1384	-1253
Pseudo R-square	0.0383	0.0362	-891.7 0.0599	0.0488	0.0302
Notes: 1 The dependent variable is shill time an			0.0399	0.0488	0.0302

1. The dependent variable is child time spent on household chores (hours per day).
2. Central region and Eastern region as defined in Figure 1.
3. Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1.
4. Data source: the 2010 wave of the China Family Panel Study. Notes:

Table 11. Taking Care of Family Members: Tobit Model

Variables	(1) All	(2) Rural	(3) Urban	(4) Girl	(5) Boy
	-0.0826	Ruiui	Cibun	0.1516	-0.4477* [*]
ave in aroun area (daming)	(0.1235)			(0.1639)	(0.1891)
Boy (dummy)	-0.4269***	-0.4212***	-0.4715***	(012027)	(41-45-7)
-5 ((0.1010)	(0.1334)	(0.1463)		
ye in urban area (dummy) yy (dummy) yn nationality (dummy) ge (years) ge squared (years squared) yral hukou (dummy) yrath parents alive (dummy) ge of household head (years) yusehold head is male (dummy) yucation of household head (years) yucation ×male household head yn-agricultural activities by the family ye family (dummy) mily was in debt last year ymmy) yg household assets per capita (Chinese yuan) yn the family (dummy) yn the family (dummy) ye family (dummy) mily was in debt last year yn the family (dummy) yn the family (dummy)	0.6159***	0.7379***	0.2561	0.6211***	0.5321*
, and a sign ()	(0.1792)	(0.2279)	(0.2733)	(0.2244)	(0.2872)
age (years)	0.4305	0.8076	-0.3251	0.7752	-0.0960
<i>8</i> - (3 - 11 - 1)	(0.4718)	(0.6129)	(0.7289)	(0.6407)	(0.6927)
age squared (years squared)	-0.0201	-0.0351	0.0098	-0.0336	0.0005
8 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(0.0188)	(0.0245)	(0.0290)	(0.0256)	(0.0276)
tural <i>hukou</i> (dummy)	-0.1183	0.6289	-0.2680	0.1446	-0.5557**
,	(0.1510)	(0.4807)	(0.1632)	(0.2094)	(0.2214)
Jumber of hospital visits last year	-0.0365	-0.0344	-0.0492	-0.0630*	-0.0026
tunion of hospital visits last year	(0.0244)	(0.0316)	(0.0327)	(0.0344)	(0.0318)
Only mother alive (dummy)	0.1396	0.0552	0.5536	-0.6052	0.8075
my mouter and e (canning)	(0.6079)	(0.8218)	(0.9177)	(0.9453)	(0.7895)
Soth parents alive (dummy)	0.3870	0.3170	0.7019	0.1781	0.4907
our parents arrive (dammy)	(0.4799)	(0.5948)	(0.7966)	(0.7253)	(0.6347)
ge of household head (years)	0.0012	0.0005	0.0052	0.0008	0.0013
igo or nousemore neue (jours)	(0.0055)	(0.0070)	(0.0085)	(0.0075)	(0.0078)
Jousehold head is male (dummy)	0.1155	-0.1537	0.7204**	0.2358	-0.0311
rousenora nead is mare (dummiy)	(0.1787)	(0.2091)	(0.3432)	(0.2443)	(0.2483)
ducation of household head (years)	-0.0339	-0.0770**	0.0083	-0.0414	-0.0288
duction of nousehold head (Jeals)	(0.0226)	(0.0388)	(0.0318)	(0.0296)	(0.0328)
ducation ×male household head	-0.0060	0.0471	-0.0697*	-0.0085	0.0016
Addition Amale Household Head	(0.0248)	(0.0417)	(0.0360)	(0.0324)	(0.0355)
Ion-agricultural activities by the family	-0.0135	-0.0540	0.0809	0.0414	-0.0635
	(0.1507)	(0.2293)	(0.1854)	(0.1937)	(0.2362)
	0.2059**	0.1594	0.3022*	0.1680	0.2475*
	(0.0987)	(0.1196)	(0.1738)	(0.1319)	(0.1468)
	-0.0013	-0.0016	0.0063	0.0038	-0.0068
og nousenoid assets per capita (cinnese yaan)	(0.0207)	(0.0298)	(0.0278)	(0.0282)	(0.0299)
Jumber of children	0.2658*	0.1665	0.8058**	0.3590*	0.6746**
difficer of children	(0.1540)	(0.1879)	(0.4084)	(0.2089)	(0.3382)
Jumber of children squared	-0.0091	0.0083	-0.1384	-0.0122	-0.1429*
variber of emidren squared	(0.0253)	(0.0288)	(0.0935)	(0.0316)	(0.0757)
Jumber of adults	0.0435	0.2012	-0.2366	-0.0611	0.1467
difficer of additis	(0.1555)	(0.2135)	(0.2250)	(0.2274)	(0.2191)
e (years) e squared (years squared) ral hukou (dummy) mber of hospital visits last year ly mother alive (dummy) th parents alive (dummy) e of household head (years) usehold head is male (dummy) ucation of household head (years) ucation ×male household head n-agricultural activities by the family family (dummy) mily was in debt last year ummy) g household assets per capita (Chinese yuan) mber of children mber of children squared mber of adults mber of adults squared ntral region stern region nstant servations	-0.0154	-0.0376	0.0270	0.0006	-0.0295
variber of addits squared	(0.0199)	(0.0276)	(0.0281)	(0.0300)	(0.0270)
entral region	-0.4649***	-0.6701***	-0.1169	-0.4679***	-0.4485**
ciitai region	(0.1271)	(0.1596)	(0.2192)	(0.1759)	(0.1820)
astern region	-0.1458	-0.1472	-0.0486	-0.1441	-0.1284
astern region	(0.1184)	(0.1468)	(0.2035)	(0.1556)	(0.1805)
onstant	-4.4219	-7.4155*	-0.3812	-6.7247	-1.3889
Constant	(3.0284)	(4.0102)	(4.4976)	(4.1635)	(4.3980)
Negryations	2,407	1,509	898	1,199	1,208
	-1576	-1059	-505	-905.2	-658
	-13/0				
og pseudolikelihood	0.0358	0.0379	0.0423	0.0406	0.0263

Appendix Table 1. Working Hours: Heckman Selection Model (First Stage)

	All	Rural	Urban	Girl	Boy
Variables	(1)	(2)	(3)	(4)	(5)
Live in urban area (dummy)	-0.25***			-0.2780*	-0.257*
	(0.097)			(0.161)	(0.153)
Boy (dummy)	0.0475	0.0736	-0.0203		
	(0.080)	(0.093)	(0.162)		
Han nationality (dummy)	0.3327**	0.3026**	0.4630	0.27	0.498**
	(0.14)	(0.14)	(0.35)	(0.18)	(0.199)
Age (years)	-0.4092	-0.4547	-0.371	-0.5809	-0.2080
	(0.398)	(0.465)	(0.776)	(0.518)	(0.5350)
Age squared (years squared)	0.0174	0.0184	0.018	0.0234	0.0103
	(0.016)	(0.018)	(0.03)	(0.021)	(0.021)
Rural <i>hukou</i> (dummy)	-0.0554	0.3485	-0.044	-0.1754	0.0770
•	(0.128)	(0.289)	(0.192)	(0.204)	(0.237)
Number of hospital visits last year	-0.0346	-0.0262	-0.0799	0.0046	-0.0669
	(0.024)	(0.027)	(0.058)	(0.027)	(0.052)
Only mother alive (dummy)	-0.2115	-0.5413	5.38***	-1.0600	0.3124
, , , , , , , , , , , , , , , , , , ,	(0.4768)	(0.5080)	(0.5670)	(1.0506)	(0.5055)
Both parents alive (dummy)	-0.2661	-0.4191	4.8902***	-1.2457	0.3096
1	(0.3593)	(0.3564)	(0.3976)	(0.9850)	(0.3514)
Age of household head (years)	0.0042	0.0044	0.0062	-0.0070	0.0116*
g	(0.0042)	(0.0055)	(0.0084)	(0.0069)	(0.0064)
Household head is male (dummy)	-0.1476	-0.2253	0.2196	-0.0709	-0.0816
110 does not de la mare (dummi)	(0.1517)	(0.1463)	(0.3513)	(0.1852)	(0.2182)
Education of household head (years)	0.0044	-0.0038	0.0339	0.0100	0.0100
Education of household head (years)	(0.0189)	(0.0295)	(0.0310)	(0.0247)	(0.0326)
Education ×male household head	-0.0014	0.0046	-0.0282	0.0047	-0.0257
Education Amare nousenote nead	(0.0203)	(0.0307)	(0.0368)	(0.0276)	(0.0369)
Non-agricultural activities by the	-0.2306	-0.1710	-0.3859	-0.2041	-0.2032
family(dummy)	(0.1604)	(0.2129)	(0.2860)	(0.3009)	(0.2390)
Family was in debt last year (dummy)	-0.0981	-0.1043	-0.0592	-0.1441	-0.0639
ranning was in debt last year (dunning)	(0.0876)	(0.0867)	(0.1716)	(0.1372)	(0.1096)
Log household assets per capita(Chinese	-0.0396**	-0.0269	-0.0606**	-0.0450*	-0.0422*
yuan)	(0.0176)	(0.0214)	(0.0280)	(0.0270)	(0.0219)
Number of children	-0.1790	-0.1028	-0.8284	-0.3273	-0.0138
Number of children	(0.1377)	(0.1431)	(0.5215)	(0.2035)	(0.2106)
Number of children squared	0.0473**	0.0374	0.1675	0.0696**	0.2100)
Number of children squared	(0.0233)	(0.0232)	(0.1166)		(0.0441)
Number of adults	-0.19*	-0.1819	-0.1284	(0.0316) -0.451**	-0.0142
Number of addits			(0.2526)		
Number of adults agreed	(0.11) 0.0130	(0.131)	` ,	(0.2060) 0.0505*	(0.151)
Number of adults squared		0.0105	0.0117		-0.0102
Ct1i	(0.0130) -0.772***	(0.016)	(0.0323) -0.6912***	(0.0263)	(0.018) -0.697***
Central region	*** -	-0.842***		-0.91***	
T. A. C.	(0.11)	(0.1254)	(0.2644)	(0.1928)	(0.157)
Eastern region	-0.620***	-0.653***	-0.6537***	-0.59***	-0.699***
	(0.094)	(0.124)	(0.219)	(0.1346)	(0.1545)
Share of adults paying attention to legal	-0.5487**	-0.4678	-0.8594*	-0.760**	-0.3327
news in the village/community	(0.2240)	(0.2864)	(0.4639)	(0.3338)	(0.3784)
	2.4963	2.5438	-3.2217	5.8575*	-0.4961
Constant					
Constant	(2.4633)	(2.9233)	(4.8599)	(3.4918)	(3.4337)

^{1.} The dependent variable is working hours of children per day. The definition of child labour is as in note 2 in Table 1.

2. Bootstrapped standard errors with 200 replications in parentheses. *** p<0.01, ** p<0.05, * p<0.1.

3. The exclusion restriction for the Heckman model is the share of adults paying attention to legal news in the village/community.

^{4.} Central region and Eastern region as defined in Figure 1.5. Data source: the 2010 wave of the China Family Panel Study.

The UNU-MERIT Working Paper Series

- 2016-01 *Mexican manufacturing and its integration into global value chains* by Juan Carlos Castillo and Adam Szirmai
- 2016-02 New variables for vocational secondary schooling: Patterns around the world from 1950-2010 by Alison Cathles
- 2016-03 *Institutional factors and people's preferences in social protection* by Franziska Gassmann, Pierre Mohnen & Vincenzo Vinci
- 2016-04*A semi-endogenous growth model for developing countries with public factors, imported capital goods, and limited export demand* by Jan Simon Hallonsten and Thomas Ziesemer
- 2016-05 Critical raw material strategies in different world regions by Eva Barteková and René Kemp
- 2016-06 On the value of foreign PhDs in the developing world: Training versus selection effects by Helena Barnard, Robin Cowan and Moritz Müller
- 2016-07 Rejected Afghan asylum seekers in the Netherlands: Migration experiences, current situations and future aspirations
- 2016-08 Determinants of innovation in Croatian SMEs: Comparison of service and manufacturing firms by Ljiljana Bozic and Pierre Mohnen
- 2016-09 Aid, institutions and economic growth: Heterogeneous parameters and heterogeneous donors by Hassen Abda Wakoy
- 2016-10 On the optimum timing of the global carbon-transition under conditions of extreme weather-related damages: further green paradoxical results by Adriaan van Zon
- 2016-11 *Inclusive labour market: A role for a job guarantee* scheme by Saskia Klosse and Joan Muysken
- 2016-12 Management standard certification and firm productivity: micro-evidence from Africa by Micheline Goedhuys and Pierre Mohnen
- 2016-13 The role of technological trajectories in catching-up-based development: An application to energy efficiency technologies by Sheng Zhong and Bart Verspagen
- 2016-14 The dynamics of vehicle energy efficiency: Evidence from the Massachusetts Vehicle Census by Sheng Zhong
- 2016-15 Structural decompositions of energy consumption, energy intensity, emissions and emission intensity A sectoral perspective: empirical evidence from WIOD over 1995 to 2009 by Sheng Zhong
- 2016-16 Structural transformation in Brazil, Russia, India, China and South Africa (BRICS) by Wim Naudé, Adam Szirmai and Nobuya Haraguchi
- 2016-17 Technological Innovation Systems and the wider context: A framework for developing countries by Hans-Erik Edsand
- 2016-18 Migration, occupation and education: Evidence from Ghana by Clotilde Mahé and Wim Naudé
- 2016-19 The impact of ex-ante subsidies to researchers on researcher's productivity: Evidence from a developing country by Diego Aboal and Ezequiel Tacsir
- 2016-20 Multinational enterprises and economic development in host countries: What we know and what we don't know by Rajneesh Narula and André Pineli
- 2016-21 International standards certification, institutional voids and exports from developing country firms by Micheline Goedhuys and Leo Sleuwaegen

- 2016-22 *Public policy and mental health: What we can learn from the HIV movement* by David Scheerer, Zina Nimeh and Stefan Weinmann
- 2016-23 *A new indicator for innovation clusters* by George Christopoulos and Rene Wintjes
- 2016-24 Including excluded groups: The slow racial transformation of the South African university system by Helena Barnard, Robin Cowan, Alan Kirman and Moritz Müller
- 2016-25 Fading hope and the rise in inequality in the United States by Jo Ritzen and Klaus F. Zimmermann
- 2016-26 Globalisation, technology and the labour market: A microeconometric analysis for Turkey by Elena Meschi, Erol Taymaz and Marco Vivarelli
- 2016-27 The affordability of the Sustainable Development Goals: A myth or reality? By Patima Chongcharoentanawat, Kaleab Kebede Haile, Bart Kleine Deters, Tamara Antoinette Kool and Victor Osei Kwadwo
- 2016-28 Mimetic behaviour and institutional persistence: a two-armed bandit experiment by Stefania Innocenti and Robin Cowan
- 2016-29 Determinants of citation impact: A comparative analysis of the Global South versus the Global North by Hugo Confraria, Manuel Mira Godinho and Lili Wang
- 2016-30 The effect of means-tested social transfers on labour supply: heads versus spouses
 An empirical analysis of work disincentives in the Kyrgyz Republicby by Franziska
 Gassmann and Lorena Zardo Trindade
- 2016-31 The determinants of industrialisation in developing countries, 1960-2005 by Francesca Guadagno
- 2016-32 *The effects of productivity and benefits on unemployment: Breaking the link* by Alessio J. G. Brown, Britta Kohlbrecher, Christian Merkl and Dennis J. Snower
- 2016-33 Social welfare benefits and their impacts on labour market participation among men and women in Mongolia by Franziska Gassmann, Daphne François and Lorena Zardo Trindade
- 2016-34 The role of innovation and management practices in determining firm productivity in developing economies by Wiebke Bartz, Pierre Mohnen and Helena Schweiger
- 2016-35 Millennium Development Goals (MDGs): Did they change social reality? by Janyl Moldalieva, Arip Muttaqien, Choolwe Muzyamba, Davina Osei, Eli Stoykova and Nga Le Thi Quynh
- 2016-36 Child labour in China by Can Tang, Liqiu Zhao, Zhong Zhao