Income Category: High Income



Human capital – knowledge, skills, and good health – empowers people to achieve their potential and drives economic growth. This brief tracks progress by Palau in building and using human capital. This page presents the Human Capital Index (HCI), its components parts, and relevant benchmarks. The HCI quantifies how underinvestment in education and health for today's children reduces future incomes. Data are the most recently available as of 2020. The back page presents a set of Human Capital Complementary Indicators (HCCI) that shows progress at each stage of the lifecycle.

THE HUMAN CAPITAL INDEX

A child born in Palau will be **59%** as productive when she grows up as she could be if she enjoyed complete education and full health.

This is similar to the average for the East Asia & Pacific region (59%) and higher than for Upper Middle Income countries (56%).

THE HUMAN CAPITAL INDEX COMPONENTS

- Probability of Survival to Age 5. Of every 100 children born in Palau, 98 survive to age 5.
- Expected Years of School. In Palau, a child who starts school at age 4 can expect to complete 11.7 years of school by her 18th birthday.
- Learning-Adjusted Years of School. Factoring in what children actually learn, expected years of school is 8.7 years.
- Average Harmonized Test Scores. Students in Palau score 463 on a scale where 625 represents advanced attainment and 300 represents minimum attainment.
- Adult Survival Rate. Across Palau, 87% of 15-year-olds survive until age 60.
- Fraction of Children Under 5 Not Stunted. Internationally comparable data on stunting are not available for Palau.

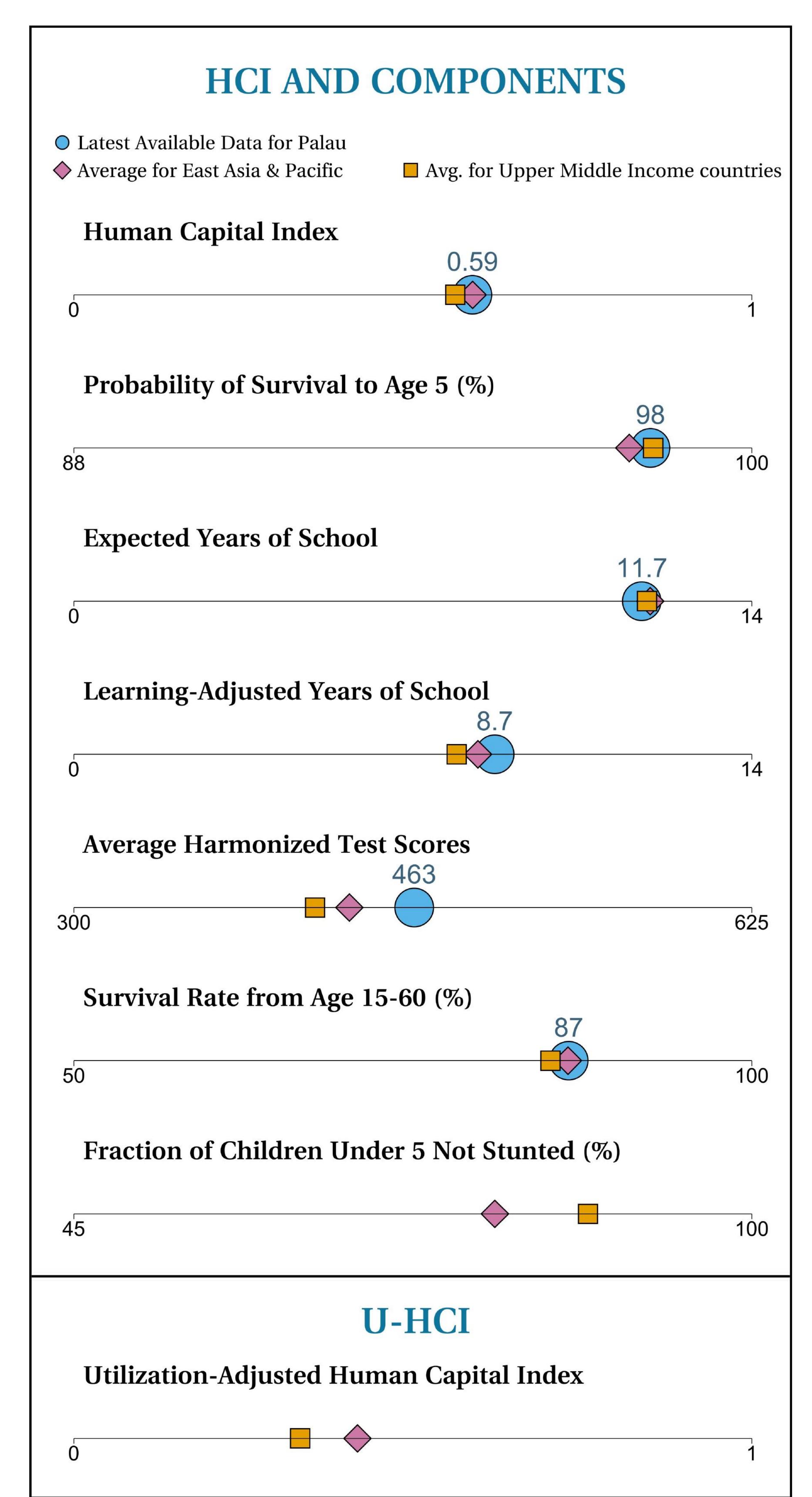
UTILIZATION-ADJUSTED HUMAN CAPITAL INDEX

The Utilization-adjusted Human Capital Index (U-HCI) scales down the HCI by taking into account how many adults are not employed. The data on the utilization-adjusted human capital index are not available for Palau. The regional average for this indicator is **0.42** and the income group average is **0.33**.

Gender differences in Human Capital and Utilization

	Boys	Girls	Overall
Human Capital Index Utilization-Adjusted HCI	0.56	0.62	0.59

Note: - represents no internationally comparable data available.



Note: Missing symbols indicate internationally comparable data are not available to generate the corresponding statistic.



The Human Capital Complementary Indicators (HCCIs) offer a snapshot of human capital investments at four stages of the lifecycle. The figures show the latest available data, benchmarked against regional averages. The figures also report progress over the previous 5 years.

EARLY CHILDHOOD

- **Neonatal mortality rate.** The neonatal mortality rate is **9** per 1,000 live births (2021), compared to 10 in 2016. The indicator is lower than the regional average.
- **Participation rate in organized learning.** In 2020, **89**% of children who were one year younger than the official primary school entry age participated in an organized learning program. The indicator is above the regional average.
- **DTP vaccination rate, third dose.** In 2022, **94**% of infants received the third dose of the diphtheria, tetanus and pertussis vaccine, compared to 97% in 2017. The indicator is higher than the regional average.

SCHOOL AGE

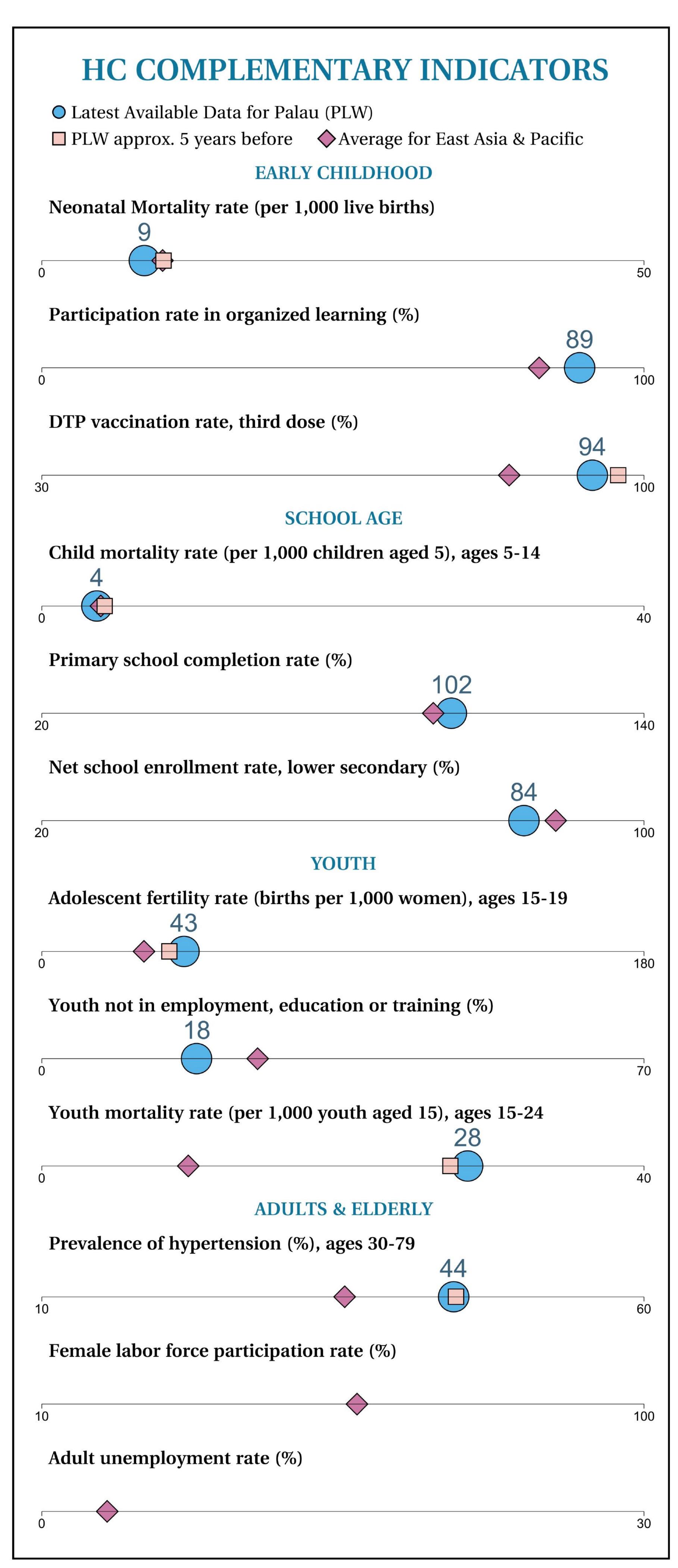
- **Child mortality rate.** The mortality rate for children ages 5-14 is 4 per 1,000 children aged 5 (2021). This remains unchanged since 2016. The indicator is similar to the regional average.
- **Primary school completion rate.** The primary school completion rate at the official entrance age of the last grade of that level is **102%** (2021). The indicator is above the regional average.
- **Net school enrollment rate, lower secondary.** The percentage of lower secondary school-aged children enrolled at that level is **84**% (2020). The indicator is lower than the regional average.

YOUTH

- **Adolescent fertility rate.** The number of births for every 1,000 women ages 15-19 is **43** (2021), compared to 38 in 2016. The indicator is higher than the regional average.
- Youth not in employment, education or training. In 2020, 18% of youth (ages 15-24) were not in employment, education or training. The indicator is below the regional average.
- **Youth mortality rate.** The mortality rate of youth ages 15–24 is **28** per 1,000 youth aged 15 (2021), compared to 27 in 2016. The indicator is higher than the regional average.

ADULTS & ELDERLY

- **Prevalence of hypertension.** The prevalence of hypertension among people ages 30-79 is **44%** (2019). This remains unchanged since 2015. The indicator is higher than the regional average.
- **Female labor force participation rate.** Internationally comparable data on this indicator is not available for Palau. The regional average for this indicator is 57%.
- Adult unemployment rate. Internationally comparable data on this indicator is not available for Palau. The regional average for this indicator is 3%.



Note: Missing symbols indicate internationally comparable data are not available to generate the corresponding statistic.