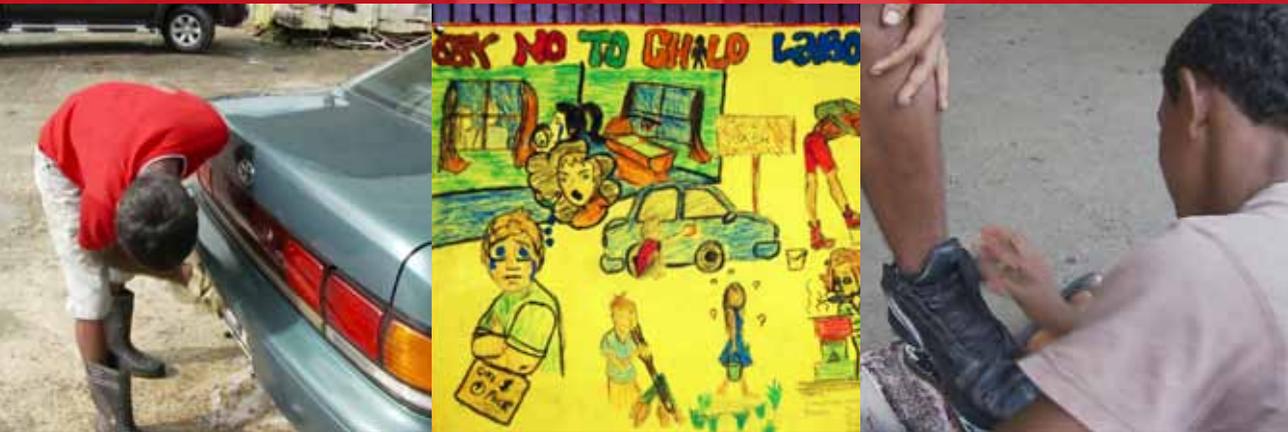
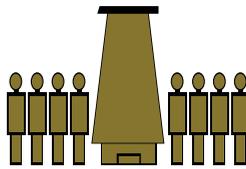




An Employers Guide for **Eliminating Child Labour**





Fiji Commerce & Employers Federation

An Employers Guide for **Eliminating Child Labour**

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FOREWORD

Fiji Commerce & Employers Federation

Child labour is normally concentrated in the informal economy, the rural sector and in other industries hidden from mainstream public view. Children who are engaged in child labour would miss out on a basic education, are below the legal work age or work in hazardous, illegal or degrading conditions and therefore unable to develop to their full potential.

Employers and employers' organizations can play a role in the global fight against child labour.

Employers can take responsible action to remove child labour from their workplaces, by reducing the risk from hazards for adolescent workers and refuse to hire children that fall below statutory age requirements..

FCEF and its members can also lobby for effective schooling and for remedial programmes, that can help to raise public awareness and change attitudes through campaigns and through corporate social responsibility programs.

FCEF appreciates the assistance of the International Labour Organization (ILO) and the International Organisation of Employers (IOE) who have worked closely together to develop this template. This Guide is unique in that it considers child labour from the perspective of employers and their organizations, while keeping the welfare of children and their families at the centre of the analysis. In addition, this Guide offers practical ideas and advice

by drawing on the experiences of staff at a number of national employers' organizations that have worked with the ILO over the past several years on child labour projects. Numerous examples of the positive actions taken by employers and their organizations are included. These examples provide evidence and offer historical cases, lessons learnt and the way forward in dealing with child labour in the workplace.

This Guide benefited from the inputs of a wide range of experts. They were first reviewed at an interregional workshop for employers' organizations held at the International Training Centre of the ILO in Turin, Italy, in July 2006. Ideas and suggestions were also received from experts at the IOE, the ILO's Bureau for Employers' Activities and the ILO's International Programme on the Elimination of Child Labour (IPEC). The Guide is fully consistent with, and indeed supports the ILO's Minimum Age Convention (C. 138) and the ILO's Worst Forms of Child Labour Convention (C. 182) and the Employment Relations Promulgation 2007.

FCEF hopes that this Guide can help you and your organization/ business make a difference in combating child labour in Fiji.

Nesbitt Hazelman
CHIEF EXECUTIVE

Fiji Commerce & Employers Federation
15 August 2013

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The labour of children

Complex Set of Supply and Demand Factors

In the world today, an estimated 218 million boys and girls work as child labourers. Of this total, over 126 million are engaged in hazardous work.¹

In many cases, they live in countries where child labour is banned. They work anyway because the poverty of their family situation requires it, because adequate and affordable schooling is not available and because social norms deem it to be acceptable. At the same time, child labour persists not only because children supply their labour but also because plantations, farms, factories, businesses and households generate a demand for such labour. The successful elimination of child labour

Complex Set of Supply and Demand Factors

worldwide requires efforts to tackle simultaneously this complex set of supply and demand factors. Employers and their organizations are important players in the effort to eliminate child labour. At the global level, employers' organizations have supported the adoption of ILO Conventions against child labour. At the national level, employers' organizations engage actively in tripartite dialogue regarding the ratification of Conventions, the adoption of national anti-child labour laws and compliance with those laws. Individual employers and employers' organization also participate, with the ILO and other stakeholders in projects and programmes to reduce child labour.



¹ The End of Child Labour: Within reach (Geneva: ILO-IPEC, 2006). The data refer to estimates for 2004 and were the latest available figures from ILO's

International Programme on the Elimination of Child Labour (IPEC) at the time of publication.

Purpose of the Guides

This guide is designed to help FCEF, employers and their associations understand statutory requirements, recognise and take remedial action against child labour.

It provides strategies for:-

- ▶ The prevention of child labour, the withdrawal of children from work and
- ▶ The protection of those children who are above the minimum age of employment and are working.
- ▶ Provides definitions, and explanation of the causes and the consequences of child labour,

- ▶ And the rationale for to not to employ children not meeting minimum requirements.

In short, it provides an understanding of the following issues.

Explains what can be done about child labour from the business point of view.

- ▶ Addressed to enterprises and explains their options and possible strategies for eliminating child labour.
- ▶ The collective role that employers' organizations and other business associations can play in helping their members on this important topic.



What is child labour?

A 'child' is under the age of 18

Article 2 of the ILO's Worst Forms of Child Labour Convention, 1999 under the (C. 182) defines a 'child' as anyone under the age of 18. There are 318 million economically active children in the world. About two-thirds of these children (218 million) are engaged in what is considered child labour. The remainder participate in acceptable forms of work. Child labour is work that harms a child's well-being and hinders his or her education, development and future livelihood. Child labour is work which, by its nature and/or the way it is carried out, harms, abuses and exploits a child and deprives the child of an education.

Other definitions of Child Labour

In addition to the term "child labour", the ILO also uses the expressions "working children" and "economically active children", notably for statistical purposes. These two terms denote work by a child of more than one hour during a seven-day period. This work can be paid or unpaid, for the market or not, regular or casual, legal or illegal.² In many cases such work is within the law, and therefore is not considered child labour. Thus, it is important when reading statistics to distinguish between "child labour" which is illegal, and the activities defined by these other terms which include child labour but also include the work that children are doing legally. The ILO uses these other terms because it is easier to collect data based on them rather than exclusively on child labour. A portion of the cross-country comparative data provided by the ILO uses this broader definition.

²The terms 'working children' and 'economically active children' exclude chores done in a child's own household.



The ILO estimates that there are about 317 million economically active children in the world, of which 218 million fall into the category of child labour.³

Minimum age and hazardous work

The majority of countries have fixed a general minimum age for work. This minimum is usually set at 14, 15 or 16 years of age. Under Fiji's Employment Relations Promulgation 2007, the minimum age is 15 years. Under the National Occupational Health & Safety Act children must not be employed on the grounds that is injurious to health or is hazardous, dangerous or unsuitable, including attendance on machinery, working with hazardous substances, driving motor vehicles, heavy physical labour, the care of children or work within the security services. The ERP also states that a child must not be employed underground in a mine.

ILO and UN Conventions

The definitions vary from country to country although they are often based on or include elements of the two ILO Conventions on child labour, the Minimum Age Convention (C. 138) and the Worst Forms of Child Labour Convention

(C. 182), as well as the UN Convention on the Rights of the Child. A country that has ratified these Conventions commits itself to complying with their provisions.

Minimum Age Convention (C. 138)

The ILO's Minimum Age Convention calls for the minimum working age to be set at not lower than the end of compulsory schooling, and in any case at not less than age 15 – which is the age also stipulated in the ERP.

Defining light work

However, light work may be permitted for those between the ages of 13 and 15. The Convention and Fiji's ERP defines light work for these children as that which is: not likely to be harmful to their health or development, and not such as to prejudice their attendance at school, their participation in

vocational orientation or training programmes approved by the competent authority, or their capacity to benefit from the instruction received.

High standards in developing countries

Developing countries do not always avail themselves of the lower age criteria contained in C. 138. For example, Brazil, China and Kenya set the minimum age at 16, while Germany, Japan and Switzerland have set it at age 15. (See Figure 1 below.) C. 138 was agreed by ILO delegates in 1973 and has been ratified by 80% of its more than 175 member countries. Fiji ratified C 138 in 2003.

Worst Forms of Child Labour Convention (C. 182)

A focus on worst forms of work

The ILO's Worst Forms of Child Labour Convention was adopted unanimously by ILO delegates in 1999 and covers all children up to the age of 18. As its title suggests, the Convention relates to particular types of work that children should not undertake. C 182 has been ratified by 177 member countries, including Fiji in 2002.

Article 3 defines these worst forms (which are also incorporated under Part 10 of the ERP 2007) as:

Figure 1: Basic distinctions in ILO child labour standards

18				
15*				
12**				
	<i>Work excluded from minimum age Legislation***</i>	<i>Light work</i>	<i>Regular work</i>	<i>Hazardous work</i>
				<i>Unconditional from work worst forms of child labour</i>

*The minimum age for admission to employment or work determined in the Fiji ERP stipulates 15 years.
 **The minimum age at which light work is permissible in Fiji is 13-15.
 ***For example, household chores, work in family undertakings and work undertaken as part of education.
 This can also be construed as character building and a learning process.
 Source: ILO (2002). A Future without Child Labour (Geneva), p. 10.

³The End of Child Labour: Within reach (Geneva: ILO-IPEC, 2006), Table 1.1.

- a. all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage, and serfdom, and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict
- b. the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances
- c. the use, procuring or offering of a child for illicit activities in particular for the production and trafficking of drugs as defined in the relevant international treaties
- d. work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

Unconditional worst forms

Legitimate businesses will be free of the types of “work” mentioned in subparagraphs (a) to (c). These types of work are sometimes referred to as the “unconditional worst forms of child labour”. Subparagraph (d) of Article 3 describes what is referred to as “hazardous child labour” (HCL). C. 182 has been ratified by over 90% of the ILO’s member countries.

Under the Fiji ERP, a child must not be employed underground in a mine.

Hazardous child labour

Defining HCL

According to C. 182, HCL is work in dangerous or unhealthy conditions that could result in a child being killed or injured (often permanently) and/or made ill (often permanently) as a consequence of poor safety and health standards and working arrangements. HCL is also covered under the ILO’s Minimum Age Convention (C. 138).



Hazard and risk

“Hazard” is closely associated with “risk”. A hazard is anything with the potential to do harm. A risk is the likelihood of potential harm from that hazard being realized. For example, the hazard associated with power-driven agricultural machinery might be getting trapped or entangled by moving parts. The risk will be high if guards are not fitted and workers are in close proximity to the machine. If, however, the machine is properly guarded, regularly maintained and repaired by competent staff, then the risk will be low.

National determination

The exact list of hazardous activities is to be determined by each country after consulting with employers and workers. The ILO’s Minimum Age Recommendation (R. 146) states that, in

determining what constitutes hazardous work, “full account should be taken of relevant international labour standards such as those concerning dangerous substances, agents or processes (including ionizing radiations), the lifting of heavyweights and underground work” (para. 10.a). Advice for governments on hazardous child labour activities which should be prohibited is also given in the ILO’s Worst Forms of Child Labour Recommendation (R. 190), which reads:

A child should not be exposed to:

- a. work which exposes them to physical, psychological or sexual abuse
- b. work underground, under water, at dangerous heights or in confined spaces
- c. work with dangerous machinery, equipment or tools, or which involves the

manual handling or transport of heavy loads

- d. work in an unhealthy environment which may expose them to hazardous substances, agents or processes, or to temperatures, noise levels and vibrations damaging to their health
- e. work under particularly difficult conditions such as work for long hours or during the night or work where they are unreasonably confined to the premises of the employer and where it is injurious to health or is a hazardous, dangerous or unsuitable including attendance on machinery, working with hazardous substances, driving motor vehicles, heavy physical labour, the care of children or work within security services. Also must not be employed between 6 p.m. and 6 a.m.



What is an ILO Convention?

An ILO Convention is an international agreement on an important labour-related issue that has been reached by the delegates of governments, workers and employers meeting at the annual International Labour Conference of the ILO.

After passage of a Convention at the Conference, each country is then asked to ratify the Convention through its legislature (parliament, congress, etc.). Ratification may involve the inclusion of provisions specific to the circumstances of the country. Once ratified, the country is bound to carry out the provisions of the Convention (as ratified).

The ILO reviews the implementation of Conventions and holds countries accountable. The Worst Forms of Child Labour Convention (C. 182) has been ratified by over 160 countries since its passage in 1999.

Sectors and gender

High concentration in farming

While public images present unsmiling children in dirty clothes working in quarries, match factories and carpet-making shops, the vast majority of children who work are engaged in agriculture. A full 69 per cent of the world's working children are engaged in this sector. Services, including domestic cleaners and servants, account for 22 per cent of working children while industry employs only 9 per cent.⁴

Boys more likely to work than girls

Of children aged 5-11, girls are slightly more likely to be engaged in child labour than boys. Overall, however, boys are more likely to work than girls and the difference increases with age. Boys constitute 62 per cent of total child labourers aged 15-17. Boys are more likely to be engaged in hazardous work for children in all age categories.⁵ Girls predominate in some types of activities such as domestic work.



⁴Ibid., Table. 1.3.

Informal Sector, agricultural and supply chains

Informal enterprises and farming

Much of the problem, however lies now with informal sector enterprises and small scale farms. Informal enterprises are by their nature, beyond the reach and concern of government inspectors. While in developed countries the informal economy is relatively small in size, in developing countries it accounts for 40-50 per cent of total employment.⁶ If child labour is to be eliminated, and agriculture

that needs attention. The Fiji in 60 per cent of the labour market according to recent studies. In Fiji's context a large number of children engage in family business/agricultural labour, Child labour occurs when children are engaged in family based work at the expense of pursuing their right to a basic education.

Agricultural supply chains

Large agricultural buyers and processing firms source from small producers further up the supply chain. It is in these small farms, often known as out-growers, that child labour is most prevalent in the agriculture sector.



⁵The End of Child Labour: Within Reach (Geneva: ILO, 2006) p. 8

⁶M. Ayyagari, T. Beck and A. Demiguc-Kunt (2003). Small and medium enterprises across the globe: A new database, World Bank, mimeo.

What causes child labour?

What is the combination of causes?

The various factors that can contribute:

- Poverty
- Low wages
- Cost of living
- Cost of education (& associated costs e.g. uni forms/bus fares/books)
- Unemployment
- Natural disasters
- Broken homes
- Family/parent neglect because of large family size
- Sickness, death or imprisonment of parent or working sibling
- Economic recession or depression
- Political unrest, war or social strife that disrupts economy
- Social and/or traditional obligations

Low household income (poverty)

Poverty forces children to work

A powerful determinant of child labour is poverty. Parents send their children out to work or ask them to work in the family business or on the family farm because the family has a low income and needs the extra money (or work effort) that the children provide. This is becoming visible in Fiji where some children are on the streets selling pastries and food packs during and after school hours.

Poverty is not the only factor

It is important to remember, however, that while poverty is an important factor influencing household decisions on child labour, it is not the only factor. The decline in child labour at the national level has historically, not come about



solely as a result of changes in income levels. It has also been affected by a host of other factors including legislation (ban on child labour, compulsory schooling, increase in social welfare benefits), changes in attitudes and changes in the nature of work.

Wealth Paradox

We note as well a World Bank study that provides evidence of a so-called 'wealth paradox' related to child labour. This is a situation in which families with land may be more likely to ask their children to work than families that do not possess land.⁸ This situation can occur especially at peak times of the agricultural cycle (i.e. planting and harvesting)

when hired labour is difficult and/or expensive to engage for those families with land. It is called a wealth paradox because we might expect that wealthier families (with land) would have less child labour because they have less need to send their children out to work. The study found evidence, however, that the opposite may be true.

Health

The state of health of the key income-earners in the family can have an important influence on whether to send a child out to work. If parents are sick, children are forced to become breadwinners.

The death of one or both parents can produce a similar result.

Fertility Dynamics

Fertility is another influencing factor. A larger household has a greater potential to supply child labour as well as a greater need generate income.

A large household also has a reduced capacity to afford education. Older siblings are more likely to work to raise income to support the education of their younger brothers and sisters.

⁸ S. Bhalotra and C. Heady (2003). 'Child farm labour: the wealth paradox', *World Bank Economic Review*, 17(2), pp. 197-227.

Lack of decent, low-cost schooling

Fees as a barrier to schooling

The alternative to working is attending school. Parents find it difficult to send their children to school, however, if they must pay tuition and other fees (uniforms, notebooks). If parents cannot afford these costs, children stay away from school and often end up working for the family or for others. The barriers created by school-related fees can be considerable.

It is not true in all cases, however, that the abolition of fees will result in higher enrolments, because there are a range of other social and economic barriers that can create barriers to education.

For example, families living far away from the

nearest school also face difficulties either because they cannot afford the cost of transportation or because it is too difficult or time-consuming for their children to walk.

Free school meals

Schools play two additional important roles affecting child labour. Firstly, they are useful in monitoring a ban on child labour because it is generally easier to monitor school attendance than to monitor the employment practices of thousands of businesses. Secondly, providing free meals at school is now used in many programmes as a key strategy for reducing child labour. Free lunches decrease the costs to poor households of opting for school over child labour.

However, it is important that free lunches be provided on a sustainable basis and not end when a 'project' ends. In this regard, school administrators, local school boards/councils and the government should be encouraged to provide full or part-funding for the meal component of a child labour project. This provides a better chance that meals will be continued after the broader project has ended.

Quality of schooling

It is also important, of course, that schooling be of adequate quality to ensure that students are learning something. If parents feel that their children are not getting an education, they will be less inclined to send them to school. Parents may also not feel that education increases their child's prospects of securing a good job due to the nature of the job market, including various forms of discrimination. In addition, some parents feel that their children need only a certain level of education (basic reading, writing and mathematics). For example, an artisan may feel that teaching his 14-year-old son the family trade is better than allowing the boy to continue his education for another year.

Social norms and attitudes

Social stigma can reduce child labour

Social norms and attitudes may have an impact on the level of child labour, although this remains an area that is not well understood. Some researchers suggest that societies may differ in the level of social pressure - or social stigma - related to child labour.

For example, in societies where the stigma is low, parents are not influenced by their neighbours to keep their children in school and away from work. In other societies, however, this social stigma may be high, in which case it discourages parents from allowing their children to work. Such a difference may provide part of the answer as to why countries with similar poverty levels, educational infrastructures and social fabric show differences in the incidence of child labour.¹¹

Gender attitudes

Social values can also lead to gender biases in child labour. These biases may affect the type of work that is done by girls and boys, the number of hours worked (including domestic chores) and, most critically, decisions about who goes to work and who gets an education. In many societies, girls work more hours than boys when domestic chores are taken into account. The composition of the family often determines whether girls or boys, and who in the birth order, will go to work or to school. Generally, younger children have a greater chance of going to school and are supported by the income earned through the work done by older children.¹²

Demand from households, family farms or family businesses

Household chores

Many children work for their parents. Children do household chores, which allows their parents to do other work, either on the family land plot, in a micro business or for a wage working for others. Household chores will often be greater in areas where the infrastructure is poor or non-existent.

Own children as a substitute for hiring outsiders

Children are also asked to work in the family business or on the family farm to reduce or avoid the costs of hiring outsiders. Such outside labour may also not be available at peak times in the agricultural cycle. This means that poor families that are, nonetheless,



in possession of land to operate a farm or have the resources to run a business can be more likely to have their children working than poor families that do not have these resources.

Demand from other businesses

Paid less than adults

Businesses hire children for a variety of reasons. When supply factors are strong - i.e. many children are looking for work - businesses may hire more children. Furthermore, in many cultures child labour is not viewed as negative, but instead children are seen as a natural and traditional part of the labour market. At the same time, businesses often hire children to keep costs low. Overall, the main reasons why businesses hire children can be categorized in the following manner:

Labour shortage —

At certain points in the agricultural cycle (notably at harvest), farms plantations and other business may experience a shortage of adult labour.

Children are hired to fill the gap. Mechanization of farming and other work Processes can reduce the demand for child labour.

¹¹K. Basu and Z. Tzannatos (2002), "The global child labor problem: What do we know and what can we do?" World Bank Economic Review, 17(2), pp. 147-173.

¹²K. Basu and Z. Tzannatos (2002), above, p. 161.

¹³S. Bhalotra and C. Heady (2003), "Child farm labour: the wealth paradox", World Bank Economic Review, 17(2), pp. 197-227.

Cheaper —

Children are often paid less than adults. However, children are only a cheaper form of labour if the wage is low enough to offset the lower productivity.

Assist a poor family —

In some cases, an employer may be aware that a child's family is poor and hire the child to ensure that the family obtains more income.

More manageable —

Children are less able to defend their rights and interests than are adult workers. Thus, they are

sought by some employers as a more manageable form of labour for difficult situations. The Fiji ERP entitles a child to join the trade union movement.

Ignorance and innocence —

Children can be ignorant of the risks associated with handling dangerous substances and fearless in dangerous situations (climbing, working with heavy machinery). Thus, they may be sought over adult workers who are more cautious and thus might work more slowly. The Fiji ERP covers children under the Occupational Health and Safety Act.



Consequences of child labour

Impact on a child's education and future earnings.

Reduces human capital and income in later life

Working full-time prevents a child from getting an education. She or he does not learn the basics of reading, writing and arithmetic and does not develop thinking processes. This inhibits the child's future earning capacity. In effect, children get stuck in low-skilled and low-paying jobs.

Research suggests that the earlier a child begins working, the higher is the penalty that she or he pays in terms of lower income earnings as an adult.¹⁷ Evidence from Brazil indicates that early entry into the workforce reduces lifetime earnings by 13 to 20 per cent.¹⁸ Following a review of existing research,

the ILO estimates that a person's income is 11 per cent higher every year for each additional year that that person (as a child) stayed in school.¹⁹ Simply put: children, particularly the younger ones, are better off in school than at work.

Combining work and schooling

Families that send their children to work, therefore, gain income in the short term but they sacrifice earnings in the long term. The issue is not so simple, of course, because families may rely on the income of their children to survive. Thus, the transfer of children from work to school must recognize the need for the family to compensate for the loss of income generated by the child. In many poor countries, children will combine school with work, although the extent of this practice varies between countries.

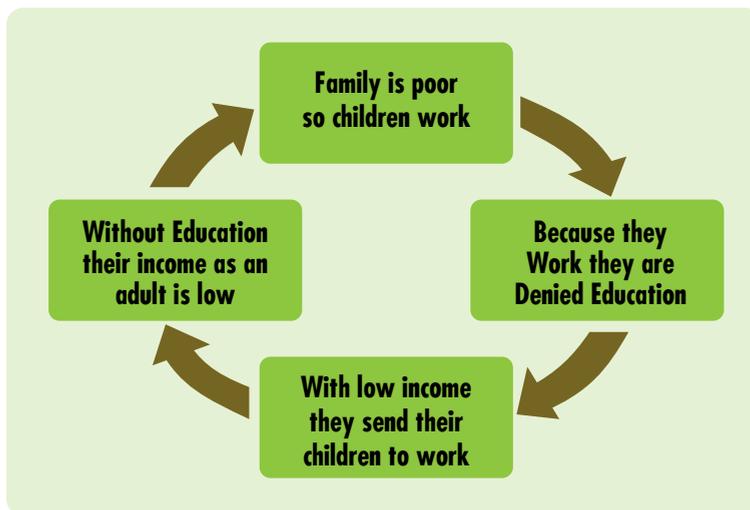


Figure 3:
Cycle of poverty and child labour

Combining school and work

Care must be taken to ensure that the work is appropriate for the child's age and does not leave the child too tired for proper participation in school.

Cycle of Poverty

Because child labourers generally are from poor families, the fact that they are prevented from obtaining an education means that the poverty passes from one generation to the next.²¹ In effect, child labour is part of a vicious cycle of poverty, as depicted in Figure 3.

Efforts to reduce child labour must endeavour to break the cycle by getting children to stay in school so that they, in turn, can gain better employment and be in a better position to support the schooling of their own children.

Health and safety of children

Bodies are Still growing

Work hazards that are low-risk for adults can be high-risk for children. They are more vulnerable

to risks because their bodies are still growing.

Box 3 lists the main physical characteristics that make children more vulnerable to dangers in the workplace. In addition, risk is increased through a number of social factors. These include: lack of work experience and thus inability to make informed judgements; desire to perform well without realizing the risks; lack of safety and health training; learning of bad safety and health behaviour from adults; inadequate or harsh supervision; and lack of power in terms of organization and rights.

More Task and Conditions

The ILO estimates that 22,000 children are killed every year at work.²³ The level of risk to child labourers is determined more by the tasks and the conditions under which they are carried out than by the specific industry. In addition, because they lack maturity and experience, are physically smaller and are often undernourished, children are affected by long working hours and dangerous substances. They are also susceptible to injury from tools and machines designed for adults.



¹⁷P. Emerson and A. Souza (2002). 'The effects of adolescent labour on adult earnings and female fertility in Brazil', Working Paper, Dept. of Economics, University of Colorado.

¹⁸The End of Child Labour: Within Reach (Geneva: ILO, 2006) p. 24. ¹⁹Investing in Etheir income as an very Child (Geneva: ILO, 2003), p. 12.

²¹K. Basu and Z. Tzannatos (2002), above, p. 15.

²²A.G. Fassa (2003), Health benefits of eliminating child labour (Geneva: ILO-IPEC), Tables 72-84.

²³Cited in IPEC Safety and Health Fact Sheet, "HCL in Agriculture: an Overview".

Children are at greater risk than adults

Children are susceptible to all the dangers faced by adults in the workplace. However, they are affected more strongly by hazards and risks because their bodies are still growing. Their main physical vulnerabilities include:

Skin: A child has 2.5 times more skin per body weight than an adult, which, along with thinner skin, can result in greater absorption of toxins.

Respiration: A child breathes more deeply and frequently than an adult and thus can take in more hazardous substances.

Brain: Maturation can be hindered by exposure to toxic substances. Metals are retained in the brain more readily in childhood and absorption is greater.

Gastro-intestinal, endocrine and reproductive systems and renal function: Internal systems are maturing during childhood and adolescence and are less efficient in eliminating hazardous agents. Exposure to toxics can hinder maturation. The endocrine system and hormones play key roles in growth and can be disrupted through exposure to chemicals.

Energy consumption: Because they are growing, children have a high energy consumption which can result in greater exposure to toxins.

Fluids: Children are more likely to dehydrate as they lose more water (per weight) than adults through the lungs and skin and their kidneys are less able to concentrate urine.

Sleep: 10 to 18-year-olds require about 9.5 hours of sleep a night for proper development.

Temperature: Children have increased sensitivity to heat and cold as the sweat glands and thermo-regulatory system are not fully developed.

Physical strain: Physical strain, especially when combined with repetitive movements, on growing bones and joints can cause stunting, spinal injury and other life-long deformations and disabilities.

Cognitive and behavioural development: Younger children have a weaker capacity to recognize and assess potential safety and health risks and make decisions about them.

Reduced life expectancy: While difficult to quantify, the earlier a person starts working, the more premature the ageing that will follow.

Source: Training resource pack on the elimination of hazardous child labour in agriculture: Book 1 - A Trainer's Guide (Geneva: ILO-IPEC, 2005), pp. 14-17.



Long-term impact on economic growth

Caught in Low Equilibrium trap

Child labour has a direct effect on individual lives and families, but it also has a larger, cumulative impact on society and its long-term growth. A society with high levels of child labour is susceptible to being caught in a low-level equilibrium trap in which a relatively uneducated workforce continues to produce low quality goods at low levels of productivity.²⁴ A new generation needs to break the

vicious cycle and allow children the chance to go to school instead of working so that they can be more productive in future years. They will then be able to contribute to the efficient production of higher quality goods and to the expansion of markets both domestically and internationally.

US\$4.1 trillion net benefit over 20 years

ILO research suggests that the benefits of concerted action against child labour substantially outweigh the costs. The global economy could generate a net gain of US\$4.1 trillion over 20 years by eliminating child labour. (See Box 4 for details.)

Global cost-benefit analysis

Determining the economic impact of eliminating child labour is a difficult task, involving numerous assumptions and considerable estimation. Nonetheless, a study by the ILO has tried to determine the net benefit (or cost) arising from a total elimination of child labour during the period 2000 to 2020. The results are astonishing.

The costs are:

- increasing the quantity and quality of education; providing income transfers to households; and
- administering the income transfer programme and the targeting of the worst forms of child labour.

The benefits are:

- the increased future productive capacity of children who stay in school longer; and a reduction in the time lost due to work-related injury sustained by children.

The results of estimating these costs and benefits is a US\$4.1 trillion net benefit to the global economy over the 20-year period, with the bulk of that benefit (US\$2.7 trillion) gained by Asia due to its current high level of child labour. The costs would be US\$760 million, while the benefits would come mostly from educating children longer (US\$ 5.1 billion) rather than from improved health (US\$28 million).

Source: Investing in Children (Geneva: ILO-IPEC, 2003), p. 4.



Four reasons why employers should eliminate child labour

Moral and economic reasons

There are at least four main reasons why employers should reduce and eliminate child labour. These reasons rest not only on ethical imperatives but also on factors that make good business sense.

Reason One: Complying with the law.

It's illegal

The first reason to stop child labour is that in most countries it is against the law. An enterprise should abide by child labour laws just as it should

comply with other legal requirements as set down by the government under which it operates. Failure to obey the law can bring penalties and other state sanctions. By complying, the enterprise becomes an honest corporate citizen that need not engage in costly and wasteful avoidance strategies such as hiding workers from labour inspectors. The enterprise can deal in an honest and forthright manner with government officials, and participate without fear in any enterprise support or promotion activities that the government may operate. Such support can be especially helpful for small and medium enterprises. Abiding by the law, in the case of child labour or other aspects of labour laws, allows an enterprise to establish an open and “cooperative” relationship with government instead of a closed and “confrontational” one.



Reason Two: Expanding market access

Foreign Buyers suppliers looking for suppliers free of child labour

Increasingly, the buying public is becoming aware of child labour through the activities of non-governmental organizations, lobby groups and the media. International buyers and brands wish to meet accepted international labour standards and also to avoid bad publicity and potential boycotts. These buyers seek producers in developing countries that are certified as being free of child labour and that have worked hard to ensure that child labour is not used by the suppliers they source from. Each year international buyers “turn over” a large number of their suppliers, that is, they eliminate suppliers that are not meeting a range of standards, including labour standards. Enterprises that wish to maintain or expand their range of buyers thus need to ensure that child labour is not used.

Builds the reputation of a sector

Thus, the elimination of child labour is good for individual businesses in poor countries. But in addition it is good for entire sectors. Sectors can build a reputation for being child-labour free, and that reputation becomes known to buyers who are then more willing to place orders. Those businesses that produce directly for export or operate further down an export-related supply chain are finding increasingly that child labour denies them access to new market opportunities and may ultimately cause their businesses to fail.

Inhibits Development of a productive workforce

While the pressure to eliminate child labour is coming from international buyers, active social organizations in some developing countries are increasing the level of vigilance on businesses that supply only the domestic market.

Reason Three: Improving productivity

Short-term savings vs. medium long-term and costs

Enterprises often hire children because they think that it improves their profitability. This is usually a short-term perspective, however. Child labour detracts from long-term enterprise success because it inhibits the development of a trained and productive workforce of adult workers. Children have short attention spans, less appreciation of quality control and less capacity to use machinery efficiently. They are not as strong physically as adults. Furthermore, they can easily be injured by heavy equipment or difficult tasks which, in turn, increases costs related to the recruitment and training of new workers.

Local Companies Too

Some businesses, notably smaller ones engaged in the informal sector, can easily calculate the direct cost savings of employing children at low wages instead of adults at higher wages (including the minimum wage). It is, however, much more difficult to calculate the full and long-term costs - the real costs - of engaging children who produce at lower levels of productivity and are often injured.



Reason Four: Ethics - Doing the right thing

Building a Better Economy

An enterprise owner can also reflect on the impact that his/her business has on society, both in an economic sense and in a social or ethical sense. The owner contributes to the economy by employing him/herself, by generating output and by employing others. The owner can also contribute to society by making hiring decisions that allow children to get an education. In turn, these children will earn more in the future, will be part of a more educated

workforce and will contribute to a more productive economy.

It's The Right Thing to Do

But the decision to avoid hiring children does not need to be based strictly on the future economic benefits it brings to children and society. Sparing children the misery of hard and hazardous work is desirable in itself. It allows children, immediately and as children, to have a happier life (if they live in households with an adequate income). In such a situation, not hiring child labour is simply the right thing to do.



Is The Elimination Of Child Labour Within Reach?

Worst Forms of Child Labour Have Fallen By 26%

The past two decades have seen concerted efforts to reduce the level of child labour, including its worst forms. While accurate figures are hard to come by, current ILO estimates indicate that the number of child labourers has fallen considerably in recent years. From a total of 246 million child labourers in 2000, the figure fell to 218 million by 2004, a decline of 11 per cent. The number of children in hazardous work has fallen more rapidly: from 171 million to 126 million over the same time period, a decline of 26 per cent. The ILO attributes these good results to a variety of factors, including economic growth and development in certain regions (notably Asia), the increased ratifications of ILO Conventions and the efforts of governments, often working with workers' and employers' organizations, to raise awareness and improve schooling for children and increase income opportunities for their parents.²⁵



Using this guide - To Suit Your Business

Each enterprise has its own Goals

It is difficult to propose a single strategy for all types of enterprises and all situations of child labour. A local producer focused on the domestic market. The concern is that several workers may be under-age and the business wants to remain within the law and also wants to do the right thing. Conversely, a plantation may be employing the children of its adult employees to help bring in the harvest. It may be hard to find other adult workers at that time of the year when the demand for workers is high.

Suggestions on steps-but business can decide on its own strategy

Not all sections will be useful to all enterprises. The guide is organised along eight steps which are

Worst forms may be Eliminated

Does the ILO feel that, based on past trends and supported by continued efforts, child labour can be eliminated in the coming decades? The title of the ILO's 2006 Global Report on child labour - The End of by 2016 Child Labour: Within Reach - provides cause for optimism. The report suggests that, based on past trends and with the commitment of member States to put in place appropriate and time-bound national plans by the end of 2008, the worst forms of child labour can be totally eliminated by 2016. This will contribute to the reduction of child labour in all its forms, but the report does not provide a date for the total elimination of all forms.

²⁵The End of Child Labour: Within Reach (Geneva: ILO, 2006). All the figures in the paragraph are taken from pp. 1 and 6 (Table 1.1).

designed to help owners or managers work through a process. However, in many cases, a business may decide not to follow the steps in the order in which they are presented. Step 2 presents some ideas on different strategies. This step comes after Step 1 on 'Analysing the Situation', but the two steps are closely related. A company can do a preliminary analysis of the problem, map a strategy and then conduct a more detailed analysis. Conversely, an enterprise might want to discuss a preliminary strategy first, which includes a detailed analysis, and then develop a fuller strategy after the extent of the problem is known.

Four Guiding Principles

While the guide provides a variety of suggestions, it might be best to keep in mind four overall ideas or guiding principles in setting out a strategy and implementing it.

1. Understanding the Consequences of your Actions

Rushing to comply with legislation or buyer demands can lead to negative, unintended consequences for children and their families. Consider their welfare when creating a workplace free of child labour. For example, in the early 1990s, Bangladeshi garment manufacturers faced the prospect of a ban on exports to the US due to child labour. Between 40,000 and 50,000 children were immediately let go. Little is known of what happened to these children and their families. Some probably ended up in worse conditions. Careful planning can ensure that negative consequences are avoided.



2. Be Proactive Rather Than Reactive

Don't wait to be told or forced to reduce child labour. Be proactive and reduce child labour through internal efforts or work with organizations than can help. Include it as an action item in the company's strategic plan. Being proactive in finding solutions means that the enterprise will avoid bad publicity in the media, fines by the government and dictation by buyers. In addition, the removal of children from work takes time and planning. Being proactive means an enterprise stands a better chance of planning this process carefully.

3. Cooperate With Others

Many local and international organizations or coalitions have formed to fight child labour. Employers' organizations or sectoral bodies might also have active programmes on the issue. All of these may be able to help a company design a responsible programme. Other groups can help to monitor labour practices and set codes of conduct. Several organizations of this nature are listed in the guide.

4. Work Within Your Spheres

Enterprises are responsible for their own workplaces, but they also can have an influence beyond it. They can encourage or even help suppliers to reduce child labour; they can work with other organizations to create of influence awareness; they can support broader programmes to improve education facilities for children

Step 1: Analysing the situation

What is the Extent of Child Labour

To deal with child labour, it is first necessary to have an idea of the extent of the problem in the business or among its suppliers. The owners or managers probably already know whether the business has a problem and might be employing workers below the age of 18. They may not be aware, however, what the minimum age for work is or how hazardous work is defined. They may not be aware of what potential buyers require in terms of the age of workers. Thus, to fully understand the requirements and the business' situation, it may be important to



undertake a more detailed analysis of the situation. This can be done internally, or it may involve an audit by an outside firm with experience in these matters. Likewise for suppliers, an audit can be conducted internally or by an outside body. This section considers some of the issues to be addressed.

Defining child labour

How is child labour defined in my country?

It is necessary that the enterprise be aware of how child labour is defined in the law of the country. The country definition is important because it will allow the business to operate within the national law. This is a minimum requirement for any business.

Child Labour is work that harms a child's well-being and hinders his or education, personal development and future livelihood. Child labour is work which by its, and/or the way it is carried out, harms, abuses and exploits the child and deprives the child of an education.

The *objects* of the Fiji Employment Relations Promulgation 2007 (ERP) on 'Children' Part 10 Section 90 stipulates:-

- a. to prohibit work which, by its nature or the

circumstances in which it is carried out, is likely to harm the health, safety or morals of children;

- b. to establish the circumstances and ages at which children may work; and
- c. to confer certain rights on children and provide protection in view of their vulnerability to exploitation.

Section 91 stipulates the following '*Prohibition of Worst Forms of Child Labour*':

- a. all forms of labour slavery or practices similar to slavery, such as the sale or trafficking of children, debt bondage and any form of forced or compulsory labour, including forced or compulsory recruitment of children in armed conflict;
- b. the use, procuring or offering of a child for illicit activities in particular for the production and trafficking of drugs as defined in relevant international treaties; or
- c. the use, procuring or offering of a child for prostitution or pornography or for pornographic performances.
- d. Section 92 on '*Minimum Age*' stipulates that:
- e. 'The age of 15 years is the minimum age for employment of children.'

Section 93 on '*Employment of Children under 15 Years*' stipulates:

(1) A child under the age of 15 years must not be employed in any capacity other than in accordance with subsection (2);

(2) Subsection (1) does not apply to a child of 13 to 15 years of age engaged in employment or light work in a workplace in which members of the same family or of communal or religious group are employed provided that : –

- a. *the employment is not likely to be harmful to the health or development of the child; and*
- b. *the employment is not such as to prejudice the child's attendance at school, participation in vocational orientation or training programmes approved by a competent authority or capacity of the child to benefit from the instruction received.*

Section 94 on '*Trade Union Rights*' – A child who is 15 years or over has the right to join a trade union and to vote in a trade union election where the child is a member.

Section 95 on '*Certain Restrictions on Employment of Children*' –

(1) A child must not be employed underground in a mine.

(2) The Minister may after consulting the National Occupational Health & Safety Advisory Board established under the Health & Safety Act 1996 and by order in the 'Gazette', declare any employment or workplace to be a prohibited or restricted employment or workplace for the purposes of this Part on the ground that it is injurious to health or is hazardous, dangerous or unsuitable, including attendance on machinery, working with hazardous substances, driving motor vehicles, heavy physical labour, the care of children or work within security services.

Section 96 stipulates that an employer must not employ a child against the wishes of the parent or guardian.

Section 97 on '*Hours of Work for Children*' –

(1) A child must –

- a. *Not be employed or permitted to be employed for more than 8 hours in a day; and*
- b. *Be given at least 30 minutes paid rest for every continuous 4 hours worked.*

(2) A child must not be employed or permitted to be employed during a period when the child is required to attend school or for a period which prejudices the child's educational participation.

(3) Subsections (1) and (2) do not apply to a child employed under a contract of apprenticeship lawfully entered into under the provisions of any written law.

Section 98 on '*Conditions on Night Employment*' -

The Minister may, after consultation with the Board, by order in the 'Gazette', prescribe conditions for the employment of children between 6 o'clock in the afternoon of any day and 6 o'clock in the forenoon of the following day in a workplace.

Section 99 on '*Employers of Children to Keep Register*' –



(1) An employer of children in a workplace, or in an occupation which forms part of a workplace, must –

- a. *Keep a register of all children and the register must include particulars of their ages, the date of commencement and termination of their employment, the conditions and nature of their employment and any other prescribed particulars; and*
- b. *Must produce the register for inspection when required by a labour officer or labour inspector.*

(2) The register must be maintained separately and apart from any other register.

How employers can eliminate child labour

Requirements of the law

1. Minimum age for regular work in my country: _____ years
2. Maximum weekly hours of work that can be undertaken legally by children below this age: _____ hours
3. Minimum age for hazardous and “worst forms” of work (probably 18): _____ years
4. National (legal) definition of hazardous or worst forms of work in my area of business:
 _____,
 _____.
5. Other legal requirements, if any, regarding child labour:
 - a. _____
 - b. _____
 - c. _____.

Agreeing on hazardous work through social dialogue

In cases of doubt about relevant legislation and its interpretation, enterprises may consult national employers’ organizations. The ILO’s Worst Forms of Child Labour Convention (C. 182) stipulates that social partners (i.e. workers’ and employers’ organizations) at the national level are to engage in a dialogue and agree on a list of situations that constitute hazardous work for children. If such a list exists in your country, it may be available through the national employers’ organizations or the National Labour Ministry. This list should become part of the law on child labour

Asking for help and using common sense

A good dose of common sense can also go a long way in determining which tasks are not suitable for

children. Furthermore, an employer may decide to reduce the risks from hazards for all workers, adolescents and adults, through improved workplace safety and health. This will reduce the likelihood that young workers are at risk from hazardous situations.

Current situation in the business

Verifying age

Determine whether the enterprise is employing people who are classified as child labourers under the law. This can be done through an audit of current employees.



Checklist 3

Quick check of child labour in my business

Male/Female

1. Total number of children (below the age of 18) working in my business: _____ / _____ children
2. Number of children currently working in my business below the legal minimum age for work: _____ / _____ children
3. Number of children up to the age of 18 working at hazardous or “worst forms” tasks: _____ / _____ children
4. Number of workers whose age is difficult to verify: _____ / _____ persons
5. Number of workers who would be defined as child labourers by my suppliers: _____ / _____ children

Employing your own children

In many smaller businesses, the owner may employ one or more of his/her own children. If this is the case for your business, you may determine which of your children can, according to the law work in your business and which are not allowed to work. For your own and others' children, you may consider adopting the principle that work should not replace or impede the child's schooling.

Employing children can also be construed as character building and skills development phase.

Use the definition of hazardous work

In addition, an employer can determine whether workers below the age of 18 (but above the minimum age) are engaged in tasks where the risks from hazards are high. The employer can then reduce those risks as a way of eliminating hazardous child labour. A business might also want to quickly assess the possibility of replacing all child workers (up to the age of 18) with adults. This can be effective in ensuring that there is no hazardous child labour. However, this approach may result in the loss or refusal of employment for workers just below the age of 18, thus adding to the problem of youth unemployment.

Step 2: Designing the strategy

Different Objectives Conform to the Law

The strategy will be based on the objectives of the business and the extent of its child labour problem. A small business may simply wish. A medium-sized business may want to supply other firms or break into the export market itself. A large business may seek to assure its existing buyers and consumers that it does not use child labour.

Similar to Designing other Business Strategies

Most business owners and senior managers do not need advice on how to design a strategy. They frequently design strategies for various aspects of their business. Instead, they need ideas of what can be done; that is, what are the possible elements of a strategy on combating child labour. Those elements

are found in the other steps of this guide. This step provides just a little advice on different types of strategies and how the eight steps of the guide can be combined or adapted.

The process

Designing a child labour strategy might follow the following eight-step process as outlined on the next page. The substance of the strategy might include the elements listed in Box 1.

Box 1

Elements of a child labour strategy

1. Analysing the situation
2. Designing the strategy (with implementation schedule)
3. Three immediate actions: hiring, hazards and hours
4. Supporting child and household welfare
5. Eliminating the need for child labour in my business
6. Eliminating child labour in the supply chain
7. Using a code of conduct
8. Auditing, monitoring and certification





Consider

Step 1.

The owner or a senior manager designates one or more subordinates to consider the 'shape' of the problem and come up with a few ideas on how to move forward. In a small firm, this might be done by the owner .

Consult

Step 2.

A process of consultation then takes place. An individual or group consults with others working in the business, including workers' representatives, members of welfare committees and those who hire workers. A key issue here is whether any consultations also take place outside of the business (e.g. specialized consultant, NGO, employers' organization, sectoral group, buyers).

Draft

Step 3.

Following consultations, the person or group in charge drafts a strategy. This does not need to be elaborate. It can be four paragraphs on a single sheet

of paper which include the basic actions to be taken, by whom and when. For a large company it might be more developed and include specifying accountabilities.

Consult again

Step 4.

The draft strategy is then used to consult again. Determine whether the key internal people, including senior management and perhaps workers' representatives, agree and whether the line managers think it will work.

Decide

Step 5.

Consider these second-round comments and then decide on a strategy. At this stage, it might need to be formally written out.

Communicate

Step 6.

The strategy must then be communicated to the entire business and possibly to outsiders (buyers, sector organizations).

Implement

Step 7.

The next step is to implement the strategy, which will necessarily include the assignment of accountability for specific actions.

Review

Step 8.

And finally, some mechanism can be put in place to review the strategy's implementation and gauge its success or consider modifications. It is critical that key figures in the enterprise, including the most senior management, be engaged in and support this process.

Four scenarios: What an enterprise might seek to achieve

Seek Solutions to Meet Your Objectives

Your business needs to develop its own strategy. It might decide to follow all of the eight steps that structure this guide. However, it might also decide to follow only some of the steps or to change the order. To illustrate how this guide might be used to serve different circumstances, four invented scenarios are presented below. These represent the most common situations faced by businesses. The purpose here is not to imagine every case, but to provide a sense of how the guide might be used and adapted.

1). *In this first scenario, your enterprise does not employ anyone under the age of 18. There is thus no problem of child labour. However, the firms international buyers have recently been asking for proof that the business is free of child labour. In this case, Step 7 on creating a code of conduct and Step 8 on auditing, monitoring and certification will be the most relevant for your business. The central concern is to get an independent audit to confirm the existing reality.*

2). *In the second scenario, your small enterprise produces only for the domestic market. Recently, the issue of child labour has been raised in within the community and public authorities have increased*

their enforcement of existing laws. Your business employs individuals from the age of 16 upwards on a full-time basis and a few younger boys who come to work a few hours every day after school. In this case, the most relevant steps are Step 1 on analysing the situation and Step 3 on immediate action. Your goal would be to comply with the law and ensure that children are not working in hazardous conditions. You are not interested in engaging an outside auditor or setting a formal code of conduct.

3). *Want to Eliminate a Significant Problem*

In the third scenario, you are aware that your business employs, on a full-time basis, children under the legal working age. You know the parents of these children and you know that they are poor. They cannot afford to send their children to school. Laying off these children probably means that they will find work elsewhere, possibly in worse conditions.

At the same time, you are concerned that hiring more adults may raise your costs and make it more difficult to remain in business. In this case, it is best first to detail the extent of child labour (Step 1) and take whatever immediate action is possible to stop hiring and move children from hazardous work (Step 3). The real challenge, however, will be to see whether these children can be put in school without damaging their welfare and that of their families (Step 4). In this regard, you may need outside help from a community group or non-governmental organization that can help reduce the costs of sending the children to school and help the parents generate more income through microcredit schemes, cooperatives or other means. You have no interest in setting a formal code of conduct or allowing outside auditors to visit your premises.

4) *Want to Appease a Buyer Concerned with the Supply Chain*

In the fourth scenario, your business is a well-known clothing brand based in Europe. Your products are made to order by a number of local producers in south and south-east Asia. Recently, one of your competitors has been the subject of negative media reports because a supplier was found to have been employing under-aged workers. You are concerned that the same might happen to your firm. In this case, it is best to consider Step 6 regarding child labour in the supply chain. In addition, the firm's code of conduct (Step 7) may need to be reviewed or discussed with suppliers. It may well be that your office in the countries where the plants are situated may need to start regular or surprise checks on

suppliers, as suggested in Step 8.

Assistance from NGOs, community groups and others

A key question for your strategy is whether the elimination of child labour in your firm will be an entirely internal matter, or will involve some type of outside collaboration. As the scenarios above suggest, this will depend on the situation of the business. External collaboration in the form of an auditor may be essential for convincing buyers or consumers that your business is free of child labour. Other forms of external collaboration may include cooperating with community groups and non-governmental organizations to move children from work to school. Alternatively, a business may simply want to end child labour quietly on its own and not be associated in any public manner with the issue.

In short, the decision to involve outsiders will be based on the need to gain assistance (possibly finance, certainly advice) or recognition (by suppliers or consumers). Alternatively, the decision to handle the matter internally will be based on a desire to keep a low profile.

Step 3: Three immediate actions: hiring, hazards and hours (3 H's)

Immediate Actions

Immediately laying off children can be harmful to them and to the welfare of their families. There are, however, some immediate actions that can be taken by a business that can reduce the problem of child labour without adversely affecting the children. This is the 3 H's approach: a stop to under-age hiring, removing children from tasks where the risks from hazards are high and reducing hours to the legal level.

In some businesses where the incidence of child labour is low, these actions may allow for the total elimination of child labour, including the problem associated with workers below 18 but above the minimum age of work. This was the situation sketched out in Scenario 2 of the previous section (p. 16). In other businesses, unfortunately, these three actions will not eliminate the problem of child labour. The 3 H's approach can, however, be the first

immediate step of a larger strategy as outlined in the subsequent parts of this guide.

Immediate Action 1: End the practice of hiring children

H-1: Hiring

Your business can immediately stop the hiring of children. This will ensure that you are not adding to the problem. This is a not a freeze on hiring (which is temporary) but a permanent ban. It can be put into effect through a firm policy implemented by those in charge of the hiring process. The main concern is verifying the age of job applicants, as discussed in Step 1.

Once the hiring ban is in place, the business can then consider what can be done with children that it hired before the ban was imposed. Part of that strategy may be found in the following two immediate actions.

Immediate Action 2: Eliminate hazardous child labour

H-2: Hazards

Children should not be working in conditions in which the risks from hazards are high. 'Hazardous' child labour is defined in the ILO's Worst Forms of Child Labour Recommendation (R. 190) as work involving: exposure to physical, psychological or sexual abuse; work underground, under water, at dangerous heights or in confined spaces; exposure to dangerous machinery, equipment or tools; the handling of heavy loads; exposure to unhealthy environments (substances, agents, processes, temperatures, noise, vibrations); and work under difficult conditions, including for long hours, at night or being unreasonably confined to the premises of the employer.

Determining Hazards

Work that is injurious to health or is of a hazardous, dangerous or unsuitable including attendance on machinery, working with hazardous substances, driving motor vehicles, heavy physical labour, the care of children or work within security services.



Also must not be employed underground in a mine.

There are two ways to eliminate hazardous child labour:

- reduce the risk from hazards by improving workplace safety and health
- remove adolescents from tasks and environments that are deemed hazardous for adolescents but not for adults (i.e. heavy loads, night work, heavy machinery).

In the first situation, an adolescent would continue working in the same workspace and at the same tasks, but the environment and tasks would now be low-risk. In the second situation, an adolescent would be reassigned to different tasks and/or a different environment in which the work is more suitable to his or her development.

Requires Ongoing Vigilance

This is an immediate action but it requires ongoing vigilance, in particular to ensure that children do not gradually shift back into high-risk activities or situations. For example, an owner or a senior manager might send clear instructions to his or her subordinates on this issue and children may

be removed from high-risk work. However, these subordinates may be under pressure to meet production quotas and might be tempted to revert back to the practice of placing children in such conditions. Thus, senior management needs to ensure that this one-off immediate action is monitored and verified from time to time.

Immediate Action 3: Reduce the hours for children under the minimum age

H-3: Hours

In many countries, national legislation allows children to do light work of a limited duration each week. Such work is permitted under Art. 7 of the ILO's Minimum Age Convention (C. 138) and is explained briefly in Guide 1.

The Fiji ERP legislation relating to 'light work' is detailed on P8 where children can do some work while also attending school on a regular basis.

Reduce Hours But Not Income

There is, however, one important requirement here: while the hours may be reduced, the income should not, if at all possible. This will ensure that the child continues to take home the same amount of money to support him or herself and the family. And, it will decrease the likelihood that s/he will have to work somewhere else instead of going to school.



Step 4: Supporting children and their families

Dismissal Can Be Dangerous

The immediate actions, outlined in Step 3, may reduce the problem of child labour in your business

but not eliminate it. Children may still be working at or near full time. It is dangerous to simply dismiss these children as it can cause hardship for them and their families. Instead, action is needed that balances the dual concerns of removing children from work and finding ways to ensure that family income is maintained. In this step, a number of suggestions are put forward that may be more or less suitable depending on the size and financial means of the enterprise.

Working with child labour reduction programmes

Compensating for the loss of a child's wage and getting children into school generate costs. As a result, efforts to reduce child labour often rely on the support of projects funded by governments and donors.

A comprehensive approach is most effective and normally involves the following components:

- decreasing the costs of schooling (lowering or eliminating school fees and related expenses, providing stipends for children, etc.)
- providing midday meals at school
- Providing transitional schools for children who have fallen behind their peer group
- Offering vocational training programmes for older children
- Organizing credit and other income-generating activities for parents.

Encouraging Microfinance and Skills training

Microcredit and savings and credit cooperatives can provide one or both parents with the start-up capital needed for an income-generating activity.

The added income can reduce the need for the wages earned by a child.

Income Generation for Parents

Parents can engage in light trading, in service provision (e.g. tailoring), in the manufacture of wood, metal and other products and in food and agro-processing. Craft activities can serve the tourist trade.

Effective microcredit provision is a complex undertaking that requires an experienced microcredit provider. It is often best to supplement credit with vocational training to increase the quality of the products produced. Microcredit is often less successful with the very poor. It is therefore important that families be properly advised and trained in the use of microcredit. An enterprise can partner with a microcredit organisation on this.

Avoid Discrimination

Care is needed to ensure that this type of support is not discriminatory.

Savings and Credit Schemes

Some employers already have taken the initiative in encouraging its workers to set up a savings and credit scheme. They also provide or guarantee soft loans (i.e. at low rates of interest) to its employees to help cover education expenses, notably at the start of the school year when school fees are due.

Improving wages and hiring family members

Hire The Child's Parent or Older Sibling

An enterprise owner may also look at his own operations and consider ways in which his pay or hiring decisions can help families. For example, if a parent and a child work for the same employer, the employer may be able to increase the parent's wages. Alternatively, if members of the family (parents, older siblings) are unemployed, these might be hired instead of the children or to fill vacancies.

Step 5: Eliminating the need for children in your business

Difficulties Faced By Small Enterprises

Small firms tend to be more reliant on the cost savings generated from paying low wages to children. This includes the low wages – or no wages – paid to young family members. Here in Step 5, some suggestions are provided, notably for

smaller firms, which can help to reduce the reliance on child labour.

1. Mechanize

Often children below the legal working age undertake tasks that can be done by machines. Replacing children with machinery is thus one way of reducing the child labour problem.

2. Improve Production Layout

Production can also be made more efficient by rearranging the production layout. Depending on the situation, this may reduce the manpower requirement and, in some situations, the need to employ children.

3. Review The Wage Differential

Misconceptions exist regarding the costs of eliminating child labour. If children are employed because they are cheaper to hire, the actual wage differential between hiring an individual below the legal work age and hiring someone above that age may be reviewed. Enterprises might also consider that the slightly older workers in these cases are likely to be more productive.

4. Reduce Child Family Labour

The owners of small enterprises and small farms often employ their own children. These children may not be paid or may be paid very little. This situation is very difficult to handle because the cost savings (of not paying for the labour) may be important for the farm or business operated by a poor family. Furthermore, balancing the education of children with the family workload is never easy. This is especially true when the workload varies with the agriculture cycle. The points made under the three sections above are relevant here. The family head(s) will need to consider whether the increase in cost that arises from hiring non-family members can be accommodated, and whether work can be reorganized to generate time and cost savings.

Children are not an indispensable part of an operation. What a child below the minimum age can do, so can someone over that age.

Step 6: Eliminating child labour from the supply chain

Responding To Bad Publicity

Legally, businesses are only responsible for their own hiring and employment practices. Many international buyers will now only purchase from businesses that respect certain international standards.

Make Suppliers Aware of Your Business Requirements

New and existing suppliers are to be made aware that child labour will not be tolerated. ISO certification could also be sought.

Write The Conditions Into Contracts

Contracts with suppliers can set out the minimum age of employment, the hazardous tasks that cannot be undertaken by those under 18 and any other labour conditions.

Monitor Your Suppliers

A monitoring system will ensure ongoing compliance with contract requirements. The issues of monitoring are dealt with in greater detail in Step 8.

Work With Suppliers To Improve Conditions

If child labour is detected, it is not necessary to immediately abandon the supplier. If a supplier is reliant on your purchases, abandonment can cause layoffs, including those of children, thus making their situation worse.

Provide Credible Warnings

The supplier needs to know that you are serious about child labour. It can be made clear that if concrete steps are not taken to eliminate the problem, then contracts will be terminated and no new contracts issued.

Drop Suppliers That Fail To Reform

If a supplier does not make serious efforts to solve

the problem, then the buyer may have no option but cancel contracts and drop that supplier.

Home-based production

Children Working at Home may not be Banned by Law

In some countries, national legislation prohibits work by children outside the home or the family business. The law, however, is usually silent about children working inside the home or the family business. The underlying assumption is that, in such cases, the parents will exercise the necessary supervision and that a ban would be unenforceable. Regardless of what the law states, international buyers will still want to be sure that their products are not made by children at least below the age of 15, regardless of whether that work is done at home or not.

Step 7: Using a code of conduct

Various Names for these Codes

Over the past 15 years, more and more enterprises have adopted formal statements containing ethical principles that govern their conduct.⁴

These are commonly called codes of conduct, but other terms are also used, including: business principles, ethics statements or guidelines, vendor standards and sourcing guidelines.

Not all Firms will opt for a Code

A code of conduct can have multiple purposes. Along with promoting labour standards and improved productivity, such codes can enhance a company's reputation, attract investors, and make it easier to recruit qualified and motivated staff. Enterprises that are small and not oriented to international markets may decide not to have a written code of conduct, but nonetheless have an unwritten policy against the hiring of children and have informal procedures for handling the situation if an employee is found to be under-age.

Enterprise codes

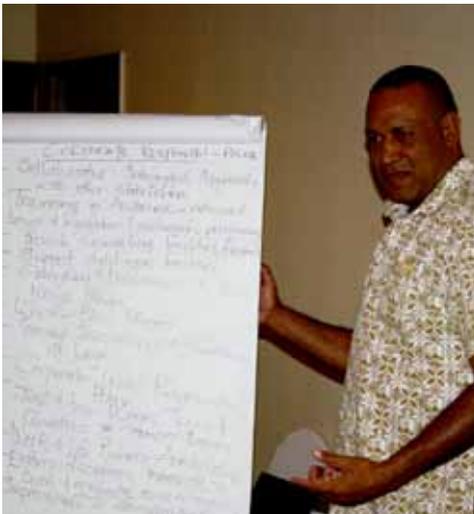
Labour component based on international standards

An enterprise may wish to state its approach to child labour in a corporate code of conduct. Such a code, which is a voluntary initiative on the part of the enterprise, can be either solely dedicated to child labour or include child labour as part of a larger code that includes other labour, social and environmental issues. The labour component can be based on international labour standards.

Group of enterprises

Industry Initiative

An enterprise can participate in a collective policy statement by an employers' organization or a group of enterprises. In most cases this will be a grouping of enterprises in the same industry or sector. There are many sectoral codes, notably in: textiles, clothing and footwear; tropical agricultural products; mining, petroleum and forestry; and hotel and tourism. The sectors where child labour has been more of an issue generally devote more attention to the subject.



Multi-stakeholder initiatives

Enterprises, with NGOs and others



A multi-stakeholder initiative (or coalition) brings together enterprises with non-governmental organizations, trade unions or other organizations around an issue or set of issues. In some cases, it may focus on labour and environmental issues and adopt a code of conduct for its members bringing together enterprises, NGOs (labour rights, human rights, women and consumer rights organizations) and universities. It promotes and monitors international labour standards, including those related to child labour, through a detailed labour rights code of conduct that is adhered to by members. For enterprises, such initiatives enhance credibility because the standards set by the code are often more demanding than those of enterprise codes.⁷ A typical multi-stakeholder initiative is global in coverage and encompasses monitoring arrangements in addition to the code itself.

Living up to the code

Words and Action

A code is a standard to follow. The code is not only worthless if not followed, but worse: it can make a company look hypocritical. Non-governmental organizations, and especially the media, can create considerable bad publicity by demonstrating the difference between the code and actual practice. Box 11 provides some useful tips on setting - and adhering to - a code.

⁷ See the IOE position paper on Codes of Conduct, adopted by the IOE General Council, Geneva, 1999.

Tips for setting a code of conduct

In considering establishing a code of conduct, an enterprise might consider the following:

Behaviour counts more than words. While a code can encourage good behaviour, it is the behaviour rather than the code itself that is important. Thus, enterprises that have a code of conduct are not necessarily better than those that do not.

Fix the problem before setting the code. Failure to deliver on the commitments made in a code will usually have more of a negative effect than a failure to formulate a code.

Communicate internally first. It is usually a mistake to issue a policy statement unless provision is made to communicate it effectively to managers and workers and to train them on its implications.

Internal codes often end up in the public domain. Even if the code is not intended as a public document, it can easily enter the public domain, notably through the media and non-governmental organizations. Thus, write the code and follow it as if the public will know about it.



Step 8: Auditing, monitoring and certification

Certification and proof to buyers and Consumers

To ensure that a business or a supplier does not

employ child labour, some type of assessment can be made. A single assessment is generally referred to as a social audit. A series of repeated assessments is generally called monitoring. Auditing and monitoring are conducted internally or by outsiders, and several approaches are described in more detail below. Monitoring can take place every two weeks, every month or for whatever period the enterprise decides. The terms 'monitoring' and 'auditing' are often used interchangeably; for simplicity, 'monitoring' is used in this section.

Must be Credible

Monitoring has two purposes. Firstly, it acts as a detection and verification system. It lets the enterprise know that it is free of child labour or, if it is not, it provides information on the nature and extent of the problem. This knowledge can be used to take remedial action.

Secondly, monitoring is an assurance mechanism that provides proof to buyers and consumers that an enterprise is free of child labour.

Following an assessment, an enterprise may be certified as free of child labour either by the auditor itself, or by an organization that approves of the audit.

Assuring others

A monitoring system must be reliable but in the case of child labour the system must be especially credible to satisfy this second purpose of assuring others. Once that credibility is broken, however (e.g. the media or an NGO finds that children are employed where it was claimed they were not), then the credibility of the monitoring system and the enterprise involved is damaged.

Main Types

Several methods have been developed to enhance the credibility of monitoring. The main method is to allow the monitoring to be conducted by a third party that is neither the enterprise itself nor a buyer. Some companies use both their own internal system of monitoring and an external process conducted by a credible outside organization. The various types of assessment are provided below.



Internal Monitoring

As its name suggests, internal monitoring is a system in which the enterprise monitors itself. Also known as first-party monitoring, it is the easiest to manage but may lack credibility. If the company is large, with manufacturing plants, mines or plantations spread over several countries it can be an important system to ensure that all units are in compliance with the company's policy on child labour.

Buyer Monitoring

A second approach, known as buyer or second-party monitoring, refers to a process in which a buyer monitors its suppliers. It is used both by international buyers relative to their producers, and by domestic producers who subcontract to other enterprises. It can often be difficult to operate if

there are many sub-producers, and can result in tensions with these suppliers. However, there are many good examples. See the example in Box 12 of a layered system of buyer monitoring used by a carpet firm in India.

External Monitoring

With external monitoring, an enterprise contracts a firm or organization to monitor its worksites or, more commonly, those of its suppliers. This is an example of third-party monitoring but, because the monitored firm is paying, the process may lack a degree of credibility. Such credibility will, however, be higher if the third party is respected for its assessments.

Independent Monitoring

Independent monitoring is like external monitoring, except that the process is not organized or paid for by the enterprise. A trade association or an NGO takes on these responsibilities and either conducts the monitoring itself, or engages a firm or another body. The fact that the enterprise does not pay means that the results are not likely to be biased in any way.

Certifying Auditors

International concerns regarding labour practices have led to the development of multi-player systems of auditing and monitoring. In these arrangements, non-profit organizations that are respected in the area of labour practices certify or accredit others to undertake assessments.



The monitoring process

Box 12

Carpets and inspections, India

Obeetee Ltd., the Indian carpet brand, works with 4,000 loom operators in about 1,000 villages. To ensure that child labour is not used, it has established a detailed monitoring system that includes the following:

2-4 inspectors are employed at each of Obeetee's 21 depots (buyer centres) each loom operator is inspected at least once every 15 days executives at the depots carry out surprise checks and must certify to senior management each month that no children were illegally employed by the loom operators a special unit at headquarters carries out further surprise inspections on each loom at least once every 60 days a database records the names, ages and addresses of the weavers and of the loom owner's children loom owners must register with the government-sponsored Carpet Export Promotion Council (this allows any customer to determine on which loom a carpet was produced).

As a result of these efforts, no cases of a child working illegally in the production of carpets for Obeetee Ltd. have been found for the past several years.

Source: Statement given by V.R. Sharma, Managing Director, Obeetee Private Limited, at the Labour

Roundtable, International Finance Corporation, October 9, 2001 (<http://www.obeetee.com>).

Complaints Procedures for Workers

It is rarely possible to employ a monitor full time in the workplace. However, the people who are present on a continuous basis are managers and workers, and they can report the use of child labour in their workplace. This can be done in part through the trade union or similar workers' organization, where they exist. A complaints procedure could be incorporated into monitoring arrangements.

Social Labelling Labelling Products Note Enterprises

A social label relates to a product or service, not to a specific enterprise. The label is provided on the packaging or takes the form of a tag on the product itself. A label related to child labour indicates to the consumer that child labour was not used in the production of that good. Social labelling has been used to good effect for rugs and footballs - sectors which

have had a reputation for employing children. Social labels are also used for environmental standards, bio products and fair trade practices .

Fiji made products can be labelled

*"This product was made in a
Child Labour Free environment"*

as a commitment by Fiji manufacturers on the child labour issue.

Building credibility

As with other types of monitoring, social labelling needs to be credible. When a claim is made that no child labour has been used to make a product, the discovery of a single infraction can, if well publicized, undermine the label's credibility.

A note on dealing with the media

Media as an Ally

The media will often report instances of non-compliance with the law or with codes of conduct. High-profile enterprises with brand name products have been exposed by the media for using child labour in their supply chains, even though they may not have known that the practice existed.

Because media reports can damage an enterprise's reputation, it is important to engage the media constructively. Attempts to conceal evidence on the employment of children can backfire if later found out.

Plan a Media Strategy

Enterprises are well advised to have a policy toward the media and most large ones do. The nature of the policy will depend on the type of enterprise, its size and its geographical coverage. Smaller enterprises may feel that little media attention is best. Some enterprises have used an open approach to the media to good effect. These firms argue that they have done their best to rid their factories and their suppliers of child labour, but that if the practice is occurring they want to hear about it so that corrective action can be taken.



A reminder: Child Labour in Society

Monitoring Society Not Just The Workplace

Monitoring focuses on the workplace, not on children. Monitoring or single audits may establish that no under-age children are present at a workplace. It does not, however, indicate what children are doing.

The ILO programme on child labour, known as IPEC, has developed monitoring arrangements that shift attention from the withdrawal of children from work to the identification, rehabilitation and tracking of child workers. It is part of an effort to create a society free of child labour, and not solely specific industries that are child labour free.¹⁰

Assessment and verification are conducted both in the workplace, and also in schools, training centres and communities.

Governments are still responsible

Furthermore, voluntary initiatives have developed in large part because the government regulation of child labour, or indeed social dialogue alone is not effective. Voluntary monitoring is useful, but governments are still responsible for enforcing child labour legislation where it exists.



¹⁰Yukiko Arai, CLM—towards establishment of effective and sustainable mechanisms, ILO, November 2001.





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