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WORLD REPORT ON CHILD LABOUR

Economic vulnerability, social protection
and the fight against child labour



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First published 2013

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World report on child labour: Economic vulnerability, social protection and the fight against child labour / International Labour Office. Geneva: ILO, 2013

ISBN 978-92-2-126234-3 (print)

ISBN 978-92-2-126235-0 (web pdf)

International Labour Office

child labour / poverty / poverty alleviation / social protection / social security / role of ILO / international labour standards / developed countries / developing countries

13.01.2

Also available in French (ISBN 978-92-2-226234-2) and Spanish (ISBN 978-92-2-326234-1) editions. This English edition is also available in EPUB (ISBN 978-92-2-127562-6) and Kindle (ISBN 978-92-2-127563-3) formats.

ILO Cataloguing in Publication Data

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Visit our website: www.ilo.org/publns.

This publication was produced by the Document and Publications Production,
Printing and Distribution Branch (PRODOC) of the ILO.

*Typographic design, layout and composition,
printing, electronic publishing and distribution.*

PRODOC endeavours to use paper sourced from forests managed
in an environmentally sustainable and socially responsible manner.

Code: SCR-MUS-IMPR

Preface

This report is the first in the series of World Reports on Child Labour called for in the outcome document, the Roadmap, emerging from The Hague Global Child Labour Conference of 2010. The World Report series is seen as an additional vehicle for promoting effective action against child labour, complementing the periodic Global Estimates exercise and other global ILO publications. The series is aimed in particular at monitoring and helping to inform global efforts in the lead-up to the 2016 target date for the elimination of the worst forms of child labour. The World Reports are an integral part of the Global Action Plan on the elimination of child labour, endorsed by the ILO's Governing Body in November 2010, and by the November 2012 Action Plan to promote fundamental principles and rights at work.

The World Reports will be technical and evidence-based in orientation and thematic in nature. Each will be designed to present the current "state of the art" in terms of knowledge in a selected policy area related to child labour. The series will be used to build an evidence-based case for policies necessary for achieving the ambitious 2016 target. The reports will not present new primary research; rather, they will assemble and analyse existing research in the child labour field, much of it supported by the ILO's International Programme on the Elimination of Child Labour (IPEC) and the Understanding Children's Work (UCW) programme, a joint research initiative of the ILO, the United Nations Children's Fund (UNICEF) and the World Bank.

This first World Report assesses the role of social protection in the fight against child labour. The report was developed by a multi-disciplinary research team led by IPEC. Substantive contributions to the report were made by experts from the ILO Social Security Department, the ILO Social Finance Programme and UCW. Other important inputs were provided by experts from the Employment and Social Dialogue sectors of the ILO.

The research and production of this publication was supported by the Netherlands Ministry of Foreign Affairs through the ILO project, Combating Child Labour through Education.

Contents

Preface	v
List of abbreviations	xi
Executive summary	xiii
Social protection: From consensus to action	xiv
What drives children to work? The role of poverty, risk and shocks	xv
What can keep children out of work? Social protection as a policy response. . . .	xvi
Transfer programmes directed at families with children.	xvii
Other social protection instruments addressed in the report	xviii
Towards child-sensitive social security systems	xx
1. Introduction: Objectives, scope and structure of the report	1
2. Child labour and social protection: International standards, concepts and policy frameworks	3
Child labour standards	3
Action against child labour	4
Social protection: A growing focus in development	6
The ILO Social Security Strategy	7
Child-sensitive social protection	9
3. Child labour and economic vulnerability: Poverty and shocks as determinants of child labour	11
Introduction	11
The many causes of child labour	11
Child labour and economic vulnerability: The theory	15
Child labour and economic vulnerability: The evidence	17
Impact of poverty	17
Impact of exposure to shocks	22
Conclusion	25
4. Social protection as a policy response to child labour: A review of evidence from impact evaluations	27
Introduction	27
Transfer programmes directed at families with children	28
Unconditional cash transfers	29
Conditional cash transfers	31
Conditional cash transfers “plus”	36
Conditional in-kind transfers	37

Public employment programmes	39
Social health protection	42
Social protection for people with disabilities	46
Income security in old age	47
Unemployment protection	50
Conclusion	51
5. Looking forward: Mainstreaming child labour concerns into child-sensitive social security systems	55
1. Building an adequate evidence base to guide and inform policy	56
2. Taking an integrated, systems approach to addressing household vulnerabilities and child labour	58
3. Building social protection floors	59
4. Ensuring that social security systems are “child-sensitive”	61
5. Mainstreaming child-sensitive design elements into social security systems	61
6. Reaching out to especially vulnerable groups of children	62
7. Strengthening national legal frameworks and institutional capacities	62
References	65
Annex Definitions of child labour used in the impact evaluation studies cited in this report	77
Tables	
3.1. Summary of studies estimating the effect of household income/ consumption on child labour	19
3.2. Characteristics of country studies on the impact of shocks on child labour	23
4.1. Social protection instruments for tackling child labour: Summary of the evidence to date	52
Figures	
2.1. The ILO Social Security Strategy: A two-dimensional approach	8
3.1. Child labour is more common in poorer countries	12
3.2. Key determinants of child labour and schooling and policy pillars to address them	13
3.3. Changes in children’s employment and GDP growth	14
3.4. Child labour militates against decent work prospects over the life cycle	16
3.5. Child labour is much more common in poor households	18
3.6. Child labour in Venezuela rose dramatically during the economic crisis of 2002–03	24
3.7. Both individual and collective shocks are common in Guatemala	25
4.1. Ecuador’s Bono de Desarrollo Humano programme reduced child labour	29

4.2. Malawi's Social Cash Transfer Scheme prompted a shift towards family-based forms of child labour	30
4.3. The impact of Mexico's Oportunidades programme varied considerably by children's age, sex and place of residence.	32
4.4. Conditional cash transfer programmes lower child labour, although the impact varies greatly from one programme and location to the next	33
4.5. The limited evidence on the impact of conditional in-kind transfers is less conclusive.	38
4.6. The Public Safety Net public works programme in Ethiopia did not consistently lower child labour	41
4.7. Out-of-pocket costs account for over half of total health expenditures in low-income countries	43
4.8. An antiretroviral treatment programme in Kenya reduced child labour among boys	44
4.9. Multidimensional poverty is much higher among families with disabled members in the developing world.	46
4.10. Public pension coverage remains very limited in low-income countries	48
4.11. Many children in the developing world live in multigenerational households	48
4.12. The South Africa old-age pension programme lowered time spent in child labour	49
5.1. Elements of an integrated social protection system for addressing child labour.	59

Boxes

2.1. Principles of child-sensitive social protection.	9
3.1. The global economic crisis and child labour.	14
3.2. Social protection for migrant children.	21
4.1. Conditional versus unconditional cash transfers	36
4.2. ILO measures for addressing the worst forms of child labour: The Converging Against Child Labour project in India	45
5.1. Key principles in establishing national social protection floors according to ILO Recommendation No. 202.	60

List of abbreviations

ARV	antiretroviral treatment
BRIGHT	Burkina Faso Burkinabé Response to Improve Girls' Chances to Succeed programme
CCT	conditional cash transfer
CESSP	Cambodia Education Sector Support Project
CRC	United Nations Convention on the Rights of the Child
CSG	Child Support Grant (South Africa)
DFID	Department for International Development (United Kingdom)
DSD	Department of Social Development (South Africa)
GDP	gross domestic product
ILO	International Labour Organization
IPEC	ILO International Programme on the Elimination of Child Labour
MSAE	Ministry of Social Affairs and Employment (Netherlands)
NCLP	National Child Labour Project (India)
NREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme (India)
NRSP	National Rural Support Programme (Pakistan)
OECD	Organisation for Economic Co-operation and Development
PACES	Programa de Ampliación de Cobertura de la Educación Secundaria (Colombia)
PANES	Plan de Atención Nacional a la Emergencia Social (Uruguay)
PATH	Programme of Advancement Through Health and Education (Jamaica)
PETI	Programa de Erradicação do Trabalho Infantil (Brazil)
PRAF	Programa de Asignación Familiar (Honduras)
SASSA	South Africa Social Security Agency
UCT	unconditional cash transfer
UCW	Understanding Children's Work programme
UNICEF	United Nations Children's Fund
WHO	World Health Organization

Executive summary

Between 2000 and 2008 the number of child labourers worldwide fell by some 30 million. Notwithstanding this progress, at the end of that period there were still over 215 million child labourers, and over half of them were doing hazardous work. Moreover, the overall downward trend masked rising numbers of children in economic activity in sub-Saharan Africa from 2004 to 2008 (ILO, 2010d). While these numbers underscore the magnitude of the remaining challenge facing the global community, they also convey a clear message of hope – progress against child labour is possible with sound policy choices and substantial national and international commitment.

Yet 2008, the reference year for the last ILO global child labour estimates, already seems a long time ago.¹ Since then the world has seen an economic crisis widely viewed as the most severe since the Second World War, ushering in a period of prolonged economic uncertainty and slow growth. Although the crisis originated in the financial markets of industrialized countries, globalization has seen its effects spread to the developing world. Social consequences have varied widely from country to country, but everywhere poor and vulnerable populations have borne the brunt of the crisis and its aftermath.

What can be done under these more difficult circumstances to ensure more – and faster – progress in tackling child labour? And how can policies to reduce child labour fit within a broader framework aimed at improving the quality of life and ensuring decent work for those at greatest risk from economic hardship? These are among the policy challenges that this *World Report on Child Labour* addresses. In doing so, we bring together two developmental goals that, while logically linked, have often stood apart: eliminating child labour, and achieving universal coverage of at least an adequate minimum level of social security.

The report argues that child labour is driven in part by household vulnerabilities associated with poverty, risk and shocks, and that social security is critical to mitigating these vulnerabilities. Following on from this, the overall aims of the report are, first, to highlight the relevance of social security as part of a broader strategy for eliminating child labour; and, second, to help advance understanding of the specific ways in which social security systems can support efforts against child labour.

An evidence-based approach is followed throughout the report in pursuing these overall aims. The report relies specifically on evidence from rigorous impact evalua-

¹ A new global estimate of child labour will be published in late 2013.

tions of specific social protection instruments and interventions. The exclusive reliance on such evidence has the disadvantage of restricting the scope of the analysis, as some instruments of potential relevance to child labour, such as maternity protection, are not included as they have not yet been subject to rigorous evaluation from a child labour perspective. At the same time, however, setting this high standard for evidence has the important advantage of providing as solid a basis as possible for policy conclusions.

The report begins with a background discussion of standards, concepts and policy frameworks. It then proceeds conceptually from a discussion of the impact of poverty and shocks in rendering households vulnerable to child labour, to an analysis of the role of social protection in mitigating the impact of poverty and shocks and in reducing child labour, and finally to a forward-looking discussion of how child labour concerns can be more effectively “mainstreamed” within integrated, child-sensitive social security systems.

Social protection: From consensus to action

There is a growing international consensus on the importance of social protection in development, as reflected in recent policy statements issued by the United Nations, the G20, the Organisation for Economic Co-operation and Development (OECD), the European Commission, UNICEF and the World Bank. The key role of social protection in development has also been recognized by the joint Social Protection Floor Initiative, involving several UN and other multilateral agencies, development partners and international NGOs. Yet despite its fundamental role and functions, social protection is still far from being a reality for the vast majority of the world’s population. The ILO has estimated (ILO, 2010a) that only about 20 per cent of the world’s working-age population (and their families) has effective access to comprehensive social security provision.

The ILO set out its strategy for addressing the challenge of extending social security coverage and developing and maintaining comprehensive social security systems in the resolution and conclusions adopted by the International Labour Conference at its 100th Session in June 2011. The Conference noted that closing gaps in coverage was a top priority for equitable economic growth, social cohesion and decent work for all women and men, and called for action to extend social security coverage through a two-dimensional approach. This approach was strengthened further by the adoption at the 101st Session of the Conference in June 2012 of a new international social security standard, the Social Protection Floors Recommendation, 2012 (No. 202). The two dimensions of the approach are as follows:

- establishing and maintaining social protection floors as a fundamental element of national social security systems (the horizontal dimension); and
- pursuing strategies for the extension of social security that progressively ensure higher levels of social security to as many people as possible, guided by ILO social security standards (the vertical dimension).

The horizontal dimension of the ILO strategy is of particular relevance to the current report. This dimension consists of the “rapid implementation of national *social protection floors*, containing basic social security guarantees that ensure that over the life cycle all in need can afford and have access to essential health care and have income security at least at a nationally defined minimum level” (ILO, 2011b, para. 9; see also ILO, 2012b).

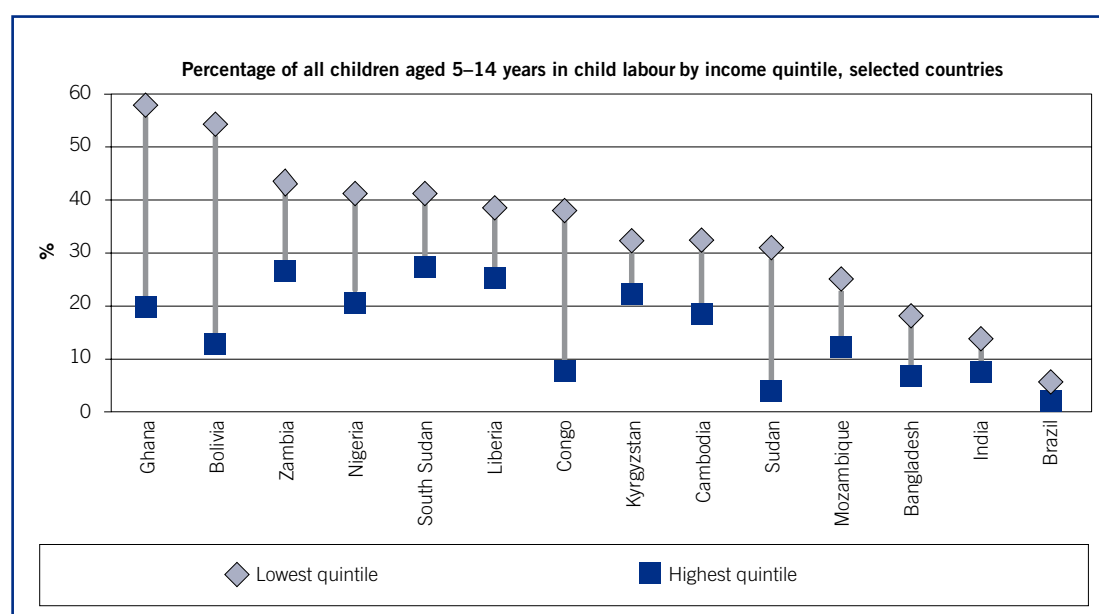
What drives children to work? The role of poverty, risk and shocks

There is a strong case, both theoretical and empirical, that economic vulnerability associated with poverty, risk and shocks plays a key role in driving children to work.

The theoretical relevance of poverty and shocks to child labour is straightforward. Poor households, without access to credit, are less likely to be able to postpone children’s involvement in work and invest in their education, and more likely to have to resort to child labour in order to meet basic needs and deal with uncertainty. Exposure to shocks can have a similar impact on household decisions. Households typically respond to what they regard as a temporary reduction in their income by either borrowing or drawing down savings, but when these options are not available, or not available on the scale required, parents may have to resort to child labour.

There is substantial evidence that poverty and shocks are relevant to child labour. Simple correlations show that child labour is much more common in poorer house-

Child labour is much more common in poor households



Note: Child labour is understood as children performing economic activity.

Source: UCW calculations based on national household surveys, various years.

holds (see figure above). More robust evidence, controlling for household attributes that accompany income poverty, also points to a strong connection between poverty and child labour. Country studies on child labour, for instance, consistently show that, other things being equal, poor children are more likely to work than their better-off peers (see e.g. UCW, 2009c; UCW, 2009d). A growing number of studies drawing on longitudinal or episodic data also consistently support the view that poverty induces households to rely more on child labour (see e.g. Edmonds, 2012).

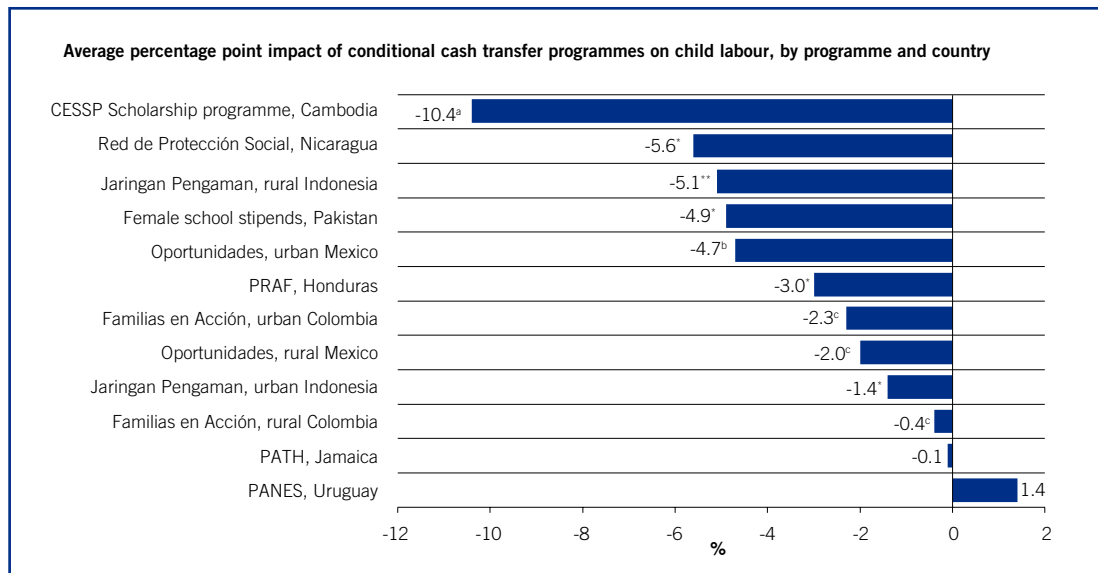
There is also ample evidence that families often resort to child labour as a buffer against negative shocks. Studies in Cambodia (Guarcello et al., 2008) and Tanzania (Beegle et al., 2003), for instance, found that substantially higher proportions of children worked in villages experiencing agriculture-related shocks such as drought, flood and crop failure. A study looking specifically at unemployment in urban Brazil found that adult job loss had a sizeable effect on the likelihood of children dropping out of education and working (Duryea et al., 2007). Another study, focusing on the impact of the harsh economic downturn in Venezuela during 2002–03, found that the proportion of children engaged in market work nearly doubled while GDP was falling, and then dropped as the economy recovered (Blanco and Valdivia, 2006).

It is abundantly clear from this evidence that continued progress against child labour will require national policies that help to make households less vulnerable to the effects of poverty and economic shocks. Establishing national social protection floors as a fundamental element of national social security systems is particularly important in this context. A well-designed social protection floor can offer basic income security throughout the life cycle, both providing a buffer against shocks and income fluctuations as and when they occur and ensuring access to essential health care and other social services. Social finance schemes such as microcredit and microinsurance can play an important complementary role in making sure that vulnerable families do not find that the financial services and facilities they need are closed to them. Taken together, national social protection floors and complementary social finance mechanisms can reduce the need for families, in effect, to sacrifice the long-term benefits from education for the immediate benefits from child labour.

What can keep children out of work? Social protection as a policy response

The report now turns to look at how specific social protection instruments can be used to mitigate the economic vulnerabilities associated with child labour. Particular attention is given to instruments that theory suggests are relevant from a child labour perspective – cash and in-kind transfer programmes, public employment programmes, social health protection, social protection for people with disabilities, income security in old age and unemployment protection. We do not look explicitly here at the other main types of social security benefits identified in the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102), namely sickness pay, employment injury compensation, maternity protection and survivors' benefits. These benefits, while also potentially important, have not yet been evaluated from a child labour perspective.

Conditional cash transfer programmes lower child labour, although the impact varies greatly from one programme and location to the next



Notes: * $p < 0.05$, ** $p < 0.01$. The definition of child labour is not consistent across studies. The specific definition of child labour used in each study is provided in the Annex. ^aImputed estimate based on non-significant disaggregated estimates. ^bImputed estimate based on partly significant disaggregated estimates. ^cImputed estimate based on significant disaggregated estimates.

Source: de Hoop and Rosati, 2012a, based on: Amarante et al., 2011 (Uruguay); Barrera-Orsorio et al., 2008 (Colombia); Levy and Ohls, 2007 (Jamaica); Sparrow, 2004 (Indonesia); Galiani and McEwan, 2011 (Honduras); Ferreira et al., 2009 (Cambodia); Maluccio and Flores, 2005 (Nicaragua).

Transfer programmes directed at families with children

Cash and non-cash transfer programmes are forming an increasingly important part of social protection floors in a number of countries. These programmes can be either conditional or unconditional: that is, they can require households to fulfil certain behavioural conditions in order to qualify for benefits, or they can make these benefits available without regard to what household members do. There is strong evidence that transfer programmes are successful in achieving their broad policy objectives, having a clear and positive impact on enhancing human development, enhancing and stabilizing consumption, and facilitating social cohesion and inclusion (see e.g. ILO, 2010f). Our focus here is on assessing their effectiveness in the specific field of child labour.

The extensive evidence on conditional cash transfer (CCT) schemes indicates that they do reduce child labour, but to widely varying degrees in different programmes and locations (see figure above). The estimated impact of CCT programmes ranges from no statistically significant change in child labour for PANES in Uruguay and PATH in Jamaica to a reduction of 10 percentage points for the CESSP in Cambodia. Nowhere, however, are CCTs successful in eliminating child labour altogether, underscoring that cash transfers alone are not an adequate policy response to child labour.

In what circumstances do cash transfer schemes appear most effective? Most impact evaluation studies show that the reductions in child labour are greatest among children from poorer backgrounds, underscoring the importance of appropriate targeting in CCT schemes. The evidence also suggests that the impact is greater when cash transfer schemes are coupled with supply-side interventions such as provision of health

and education facilities and/or after-school education. Impact evaluation studies suggest that transfers may be less effective, on the other hand, in instances where transfers are invested in productive activities such as land, livestock or microenterprises, as these investments create opportunities for children's involvement in family work. The size of the transfer relative to household income is not directly related to the size of the impact. What presumably is relevant, however, is the size of the transfer relative to the amount necessary to offset the income from children's labour.

A question that often arises in discussion of the impact of cash transfers concerns the relevance of conditionality. In other words, does the addition to cash transfer schemes of conditions related to human development, such as a requirement that children attend school, change their impact on child labour? This question is, of course, critical for the purposes of policy design, but there is unfortunately little solid evidence addressing it. More research is needed concerning the impact of conditionality on families' child labour decisions, building on recent research addressing links between conditionality and school attendance (see e.g. Akresh et al., 2013; Benhassine et al., 2012; Bursztyn and Coffman, 2012).

Other social protection instruments addressed in the report

The other social protection instruments examined in the report fall into five categories. Much less is known about the impact of these on child labour, meaning that more empirical research is called for. Initial evidence, however, indicates that they have positive potential.

Public employment programmes

Public employment programmes serve the primary goal of providing a source of employment to adults and the secondary goal of helping to rehabilitate public infrastructure and expand basic services. Both outcomes have the potential to reduce households' reliance on child labour, and initial evidence suggests that public employment programmes can indeed have this effect, at least for some groups of children. However, very few public employment programmes have been evaluated from a child labour perspective, notwithstanding their increasing popularity with governments and donors. This is an area where additional information to guide programme design is especially needed in order to guard against adverse effects on children. Specifically, public employment programmes must be designed to ensure that children do not simply take the places of participating parents in their previous jobs or in performing household chores.

Social health protection

Extending social health protection to address the social distress and economic loss associated with ill health appears directly relevant to efforts against child labour. Studies in Togo and Zambia show that households can respond to health shocks by sending children to work, suggesting that child labour acts as a buffer or insurance against the impact of health-related shocks to the household. At the same time, evidence from

Guatemala and Pakistan indicates that providing families with health insurance can reduce reliance on child labour. Evidence from Kenya suggests that providing access to essential health services (in this case, antiretroviral treatment for HIV-positive household members) can have a similar effect. The ultimate objective should be to achieve universal social health protection, defined as effective and affordable access to at least essential health care of adequate quality, and financial protection in case of sickness. Achieving this objective would effectively remove one important cause of child labour.

Social protection for people with disabilities

The social and economic vulnerabilities associated with disability can increase household reliance on child labour. Detailed studies in Bangladesh, Nepal and Gansu Province, China, have found that children in households where adults are sick or disabled, or have been absent from work, are more likely to be working, whether outside the home or doing household chores. A wide array of social protection measures are available to address the vulnerabilities accompanying both short-term and long-term disabilities. These include contributory and non-contributory disability benefits, and wage replacement for disabling injuries and illnesses. We do not yet have, however, a body of research telling us the specific impact of such measures in reducing child labour.

Income security in old age

In multigenerational households, which are commonplace in the developing world, income security in old age can play a key role in the economic security of the household as a whole, including its youngest members. The positive impact on children, and especially on the likelihood of their having to work, of older generations being eligible for a guaranteed, reliable pension is clear. Studies in Brazil and South Africa have shown that pensions help reduce child labour, and other studies from a range of countries have established links between pension provision and better schooling outcomes. Thus pension schemes or similar measures not only help provide a social protection floor for the elderly, but offer benefits that extend well beyond the direct recipients.

Unemployment protection

Involuntary unemployment is also associated with child labour. Evidence from Argentina, Brazil, Tanzania and Togo suggests that, where unemployment protection is absent, households where an adult loses his or her job can be forced to rely on children's labour to bring in some income. The clear implication is that unemployment protection has a role to play in efforts against child labour, by providing at least partial income replacement, enabling the beneficiary to maintain a certain standard of living until new employment is available and thereby removing the need to rely on the income of working children. To date, however, no studies have been undertaken investigating direct links between unemployment protection schemes or other statutory income support programmes for the unemployed and child labour.

Towards child-sensitive social security systems

The evidence summarized above, and presented in more detail in the chapters that follow, highlights the relevance of social protection in the global fight against child labour. We have seen how children are forced into work by economic vulnerabilities associated with poverty, economic shocks, illness and old age, and how they can be protected from having to work by social security mechanisms that reduce these vulnerabilities. Economic vulnerability is not the only cause of child labour, and social protection is not by itself a complete solution. But, as this report makes clear, social protection is a critical pillar of a broader policy response to child labour. Efforts to eliminate child labour are unlikely to succeed in the absence of a social protection floor to safeguard vulnerable households and to enable them to seize opportunities and to break the transmission of poverty down through the generations.

Global efforts towards building effective national social protection floors within progressively more comprehensive social security systems therefore intersect with those aimed at eliminating child labour. A critical question looking forward to the 2016 target date is how child labour concerns can be most effectively incorporated into social protection policies. To put the point another way, this report has established – on both theoretical and empirical foundations – the important potential of social protection as a tool against child labour; now we need to ensure that this potential is realized to the maximum extent possible.

Drawing on the evidence reviewed in this report, we have identified a set of seven key policy priorities for ensuring that national social protection floors and social security systems effectively address child labour concerns. These priorities are closely related and mutually reinforcing, and fit within the framework of the ILO's two-dimensional social security strategy and Recommendation No. 202.

1. Building an adequate evidence base to guide and inform policy

A solid evidence base is a necessary starting point for building social security systems that are able to respond effectively to child labour. While there is extensive evidence concerning the child labour impact of CCTs, much less is known about the impact of other social protection instruments. We therefore need more information on which social protection instruments work in which circumstances, and why, to guide policy and programme design. One cost-effective way of gathering this information is by adding modules on child labour to the growing number of planned evaluations of social protection schemes. Pilot projects and other forms of policy experimentation, aimed at testing new approaches and evaluating their impact in a specific setting, are also important in this context.

Four other key knowledge gaps relating to child labour and social protection identified in the report should be noted here:²

- Impact on girl child labourers. Most surveys employed in evaluations ask only about paid, or even unpaid, market work, thereby missing much of the child labour burden

² For a fuller discussion of knowledge gaps relating to child labour and social protection, see de Hoop and Rosati, 2012a.

borne by girls, who are disproportionately assigned to household chores in their own homes. As a result, we know much less about how CCTs and other social protection instruments affect female child labourers. Future evaluations need to be conducted in a more “gender-aware” fashion – more fully capturing the forms of work performed by girls – in order to fill this knowledge gap.

- **Impact on worst forms of child labour.** Most impact evaluations focus only on broad categories of productive activities without distinguishing activities constituting worst forms of child labour. This means that while policies to address worst forms are urgently needed, there is very little solid information to guide policy-makers in this regard.
- **Long-term impact.** Impact evaluations focus almost exclusively on short-term outcomes. But one of the primary reasons policy-makers worry about child labour is the knowledge that its consequences can extend well beyond childhood. Rigorous evidence on the extent to which the negative long-term effects of child labour are mitigated by the different social protection interventions would permit a more complete understanding of the value of the interventions from a child labour perspective.
- **Impact of complementary advocacy activities.** The ILO and other organizations frequently accompany social protection interventions addressing child labour with advocacy and information campaigns against child labour. Unfortunately, there is very little quantitative evidence concerning the direct impact of these complementary advocacy activities or of how they interact with social protection in influencing child labour outcomes.

2. Taking an integrated, systems approach to addressing household vulnerabilities and child labour

Child labour is driven by economic and social vulnerabilities associated with an array of interrelated contingencies – e.g. unemployment, ill health, disability and old age – encountered over the life cycle. There is thus no single “optimal” social protection instrument for addressing child labour; rather, the range of contingencies associated with child labour need to be addressed by a combination of instruments within an integrated systems approach. Transfer programmes, public employment programmes, social health protection, social protection for people with disabilities, income security in old age and unemployment protection, among other measures, are all relevant in this context. At the same time, there is no “one size fits all” solution in terms of the specific make-up of social security systems. The specific mix of instruments and interventions will necessarily vary across and within countries in accordance with local conditions, the specific contingencies being addressed and a variety of other factors. Such an approach is fully in line with ILO Recommendation No. 202, which emphasizes national ownership and the importance of national strategies for the extension of social security.

3. Building social protection floors

Building national social protection floors within broader social security systems is particularly relevant to addressing vulnerabilities associated with child labour. ILO

Recommendation No. 202 sets out the key principles in establishing such a floor, all of which are relevant from the perspective of child labour. A social protection floor guarantees all citizens a basic level of income security throughout the life cycle and access to essential health care. These basic guarantees are a critical foundation for addressing the multifaceted economic and social vulnerabilities which lead to child labour. Where children and their families enjoy basic income security and access to essential health care, and where the necessary educational and other services are in place, child labour can be effectively prevented. Indeed, evidence presented in this report suggests that an approach that links cash and in-kind benefits with access to education and health services can be particularly effective in addressing child labour. Social partners, including representatives of employers and workers, have important roles to play in the process of building social protection floors.

4. Ensuring that social security systems are “child-sensitive”

A child-sensitive approach focuses on how social security systems can most effectively address the specific social disadvantages, risks and vulnerabilities into which children may be born, or which they may acquire later in childhood owing to external circumstances. The intersection between child-sensitive social protection and child labour is clear. In contexts where the various elements of a social security system fail to account adequately for the special vulnerabilities of children, they can have unintended consequences for child labour. In a child-sensitive approach, the impact of any policy or measure on child labour, and on child welfare generally, will be carefully considered from the design stage forward, and its effects on children closely monitored. Social protection programmes should be informed by detailed information on the causes and characteristics of child labour, and should include safeguards to prevent adverse effects on children.

5. Mainstreaming child-sensitive design elements into social security systems

Social security programmes designed in a child-sensitive way, and in particular in a way that is sensitive to the possibility of child labour, can help to tip the balance of household decisions about how children’s time should be spent away from labour and towards schooling. For cash and in-kind transfer schemes, links with supply-side interventions relating to schooling and health appear to be helpful. In one instance, a mandatory after-hours education component improved the effectiveness of a CCT scheme in reducing child labour. In another example, CCTs were combined with investments in children’s education and health facilities, again resulting in greater reductions in child labour. For public employment schemes, as noted above, the limited evidence points to the need for measures to ensure that children do not simply take the place of adults, doing their former work either outside or within the household. In social health protection, evidence suggests that ill health among adult household members can increase the risk of child labour, highlighting the need to ensure that health policies striving for universal health coverage give priority to the effective coverage of households with children.

6. Reaching out to especially vulnerable groups of children

A child-sensitive approach to social protection also means reaching out to the specific groups of children most at risk of child labour generally and of the worst forms of child labour in particular. While poverty increases children's vulnerability to child labour, all poor children are not at equal risk of having to work. Especially vulnerable groups include children orphaned or affected by HIV/AIDS, other children without parental care, children from marginalized ethnic minorities and indigenous groups, children affected by migration, and children in socially or economically excluded groups. Girl children are often particularly vulnerable, as they are more likely to be involved in domestic child labour and other less visible forms of work. The special circumstances that put all these groups at greater risk of child labour need to be given particular attention in the design, implementation and monitoring of social protection schemes, in keeping with the principles of gender equality and responsiveness to special needs contained in international labour standards.

7. Strengthening national legal frameworks and institutional capacities

Much of the evidence discussed in this report has been gathered from the evaluation of time-limited projects and programmes that have not been fully incorporated into national legal, fiscal and institutional frameworks. Such projects and programmes have offered opportunities for testing new approaches and evaluating their impact in particular contexts. The evidence provided by these studies has, however, also demonstrated the importance of following a systemic and integrated approach, as outlined above, rooted in national legal frameworks, based on sound fiscal and financial foundations, and supported by effective institutional capacities. The challenge is to transform ad hoc and short-term approaches into integrated elements of national social protection strategies and policies that are rooted in national legal, fiscal and institutional frameworks and are able to respond to the complex challenges of child labour in a more systematic and integrated way.

Objectives, scope and structure of the report

Between 2000 and 2008 the number of child labourers worldwide fell by some 30 million. Notwithstanding this progress, at the end of that period there were still over 215 million child labourers, and over half of them were doing hazardous work. Moreover, the overall downward trend masked rising numbers of children in economic activity in sub-Saharan Africa from 2004 to 2008 (ILO, 2010d). While these numbers underscore the magnitude of the remaining challenge facing the global community, they also convey a clear message of hope – progress against child labour is possible with sound policy choices and substantial national and international commitment.

Yet 2008, the reference year for the last ILO global child labour estimates, already seems a long time ago. Since then the world has seen an economic crisis widely viewed as the most severe since the Second World War, ushering in a period of prolonged economic uncertainty and slow growth. Although the crisis originated in the financial markets of industrialized countries, globalization has seen its effects spread to the developing world. Social consequences have varied widely from country to country, but everywhere poor and vulnerable populations have borne the brunt of the crisis and its aftermath.

What can be done under these more difficult circumstances to ensure more – and faster – progress in tackling child labour? And how can policies to reduce child labour fit within a broader framework aimed at improving the quality of life and ensuring decent work for those at greatest risk from economic hardship? These are among the policy challenges that this *World Report on Child Labour* addresses. In doing so, we bring together two developmental goals that, while logically linked, have often stood apart: eliminating child labour, and achieving universal coverage of at least an adequate minimum level of social security.¹

The report argues that child labour is driven in part by household vulnerabilities associated with poverty, risk and shocks, and that social security is critical to mitigating these vulnerabilities. Following on from this, the overall aims of the report

¹ Although in many contexts the terms “social security” and “social protection” may be interchangeable, the term “social protection” is used with a wider variety of meanings than “social security”. It is often interpreted as having a broader character than social security (including, in particular, protection provided between members of a family or members of a local community); conversely, it is also used in some contexts with a narrower meaning (understood as comprising only measures addressed to the poorest, most vulnerable or most excluded members of society). The ILO (following the European tradition) certainly uses both terms in discourse with its constituents and in the provision of relevant advice to them. In this report, accordingly, “social protection” is used to mean either “social security” as a whole or “protection” provided by social security systems in response to social risks and needs (see ILO, 2010a, pp. 13–15).

are, first, to highlight the relevance of social security as part of a broader strategy for eliminating child labour; and, second, to help advance understanding of the specific ways in which social security systems can support efforts against child labour. This is the first of a series of World Reports on Child Labour called for in article 12.3 of the Roadmap agreed at The Hague Global Child Labour Conference of 2010 (MSAE and ILO, 2010, p. 38).

There is good reason for the selection of child labour and social protection as the theme for this first report. There has been increasing international recognition over the last decade that social protection has an important part to play in efforts against poverty, and that “child-sensitive” social protection is needed to address the unique vulnerabilities and challenges faced by children, including those in child labour (see e.g. DFID et al., 2009). Furthermore, it is now clear that the region that has made the greatest progress in reducing child labour over the past ten years – Latin America – is also a region that has taken decisive measures to develop its social protection infrastructure. Particularly in times of economic crisis, social protection can be an important safeguard against child labour.

For the worldwide movement against child labour the growing attention to social protection is welcome, as is the focus on protecting children within social security systems. The linkage between child labour and social protection, while complex in its details, is clear at a general level. Poverty predisposes households and entire communities to rely more on child labour, and households frequently resort to child labour to buffer themselves from the effects of social and economic shocks.

Nevertheless, there are questions that can be answered only by a closer study of these two areas of social policy. To what extent do poverty, risk and shocks explain the prevalence of child labour? What is the potential for social protection instruments to mitigate these factors? And how can social security systems be better tailored to address child labour? These are the three core questions that guide this report.

Throughout, the report takes an evidence-based approach towards answering these questions. The report relies specifically on evidence from rigorous impact evaluations of specific social protection instruments and interventions. The exclusive reliance on such evidence has the disadvantage of restricting the scope of the analysis, as some instruments of potential relevance to child labour, such as maternity protection, have not been subject to rigorous evaluation from a child labour perspective and therefore are not included. At the same time, however, setting this high standard for evidence has the important advantage of providing as solid a basis as possible for policy conclusions.

The structure of the remainder of the report is as follows. Chapter 2 presents standards, concepts and policy frameworks relating to child labour and social protection as background to the remaining chapters. The report then proceeds conceptually from a discussion of the impact of poverty and shocks in rendering households vulnerable to child labour, in Chapter 3, to an analysis of the role of social protection in mitigating the impact of poverty and shocks and reducing child labour, in Chapter 4, and finally to a forward-looking discussion of how child labour concerns can be more effectively “mainstreamed” within integrated, child-sensitive social security systems, in Chapter 5.

PART II

Child labour and social protection

International standards, concepts and policy frameworks

This chapter focuses on the international standards, concepts and policy frameworks underlying global action in the areas of child labour and social security. It is designed to inform the discussion in the subsequent analytical chapters. The chapter concludes with a review of the growing consensus around “child-sensitive” social protection, a key point of intersection between the child labour and social protection fields.

Child labour standards

Child labour has long been recognized as a significant violation of children’s rights, fundamental labour rights and human rights, as well as a substantial barrier to national development. In recent decades, the international community has established important standards on how it should be defined and its elimination prioritized. Three principal international conventions – the ILO Minimum Age Convention, 1973 (No. 138), the ILO Worst Forms of Child Labour Convention, 1999 (No. 182), and the United Nations Convention on the Rights of the Child (CRC) – together set the legal boundaries for child labour, and provide the legal basis for national and international action against it.

ILO Convention No. 138 has been ratified by 164 countries as of December 2012. It represents the most comprehensive and authoritative international norm concerning minimum age for admission to work or employment. This Convention calls on member States to pursue a national policy to ensure the effective abolition of child labour. Within this framework, it calls on member States to set a general minimum age for admission to work or employment of at least 15 years of age (Article 2.3), and a higher minimum age of not less than 18 years for employment or work which by its nature or the circumstances in which it is carried out is likely to jeopardize the health, safety or morals of young persons (Article 3.1) – that is, for hazardous work.¹

¹ The Convention states that national laws or regulations may permit the employment or work of persons 13 to 15 years of age on light work which is (a) not likely to be harmful to their health or development; and (b) 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 (Art. 7). C138 contains a number of flexibility clauses left to the discretion of the competent national authority in consultation (where such exist) with worker and employer organizations. Principal among these is the clause relating to minimum age. The Convention states that Members whose economy and educational facilities are insufficiently developed may specify a lower general minimum age of 14 years (Art. 2.4) and lower age range for light work of 12 to 14 years (Art. 7.4).

ILO Convention No. 182, adopted in 1999, supplements Convention No. 138 by emphasizing the subset of worst forms of child labour requiring priority action. It calls on member States to take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency. For the purposes of the Convention, worst forms of child labour comprise all forms of slavery or practices similar to slavery, child involvement in commercial sexual exploitation, child involvement in illicit activities and other 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 (Article 3).² The ratification of Convention No. 182, by 176 countries as of December 2012, has been the fastest in the history of the ILO.

The UN Convention on the Rights of the Child (CRC) is the third key international legal standard concerning child labour. Adopted in 1990 and with 193 parties as of December 2012, the Convention recognizes the child's right to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development (Article 32.1). In order to achieve this goal, the CRC calls on States parties to set minimum ages for admission to employment, having regard to other international instruments (Article 32.2).³

Action against child labour

The ILO's International Programme on the Elimination of Child Labour (IPEC) was established in 1992 and has played a key role in promoting international and national awareness of child labour as a major rights issue and development concern.

Through IPEC, the ILO has made a major contribution to global knowledge on child labour. A statistical programme has supported more than 250 child labour surveys, 60 of which were national in scope. Since 2000 the programme has provided regular global and regional estimates of the numbers of child labourers. Knowledge about concrete steps towards eliminating child labour has been gathered and documented through evaluations and collections of good practice examples of different interventions and types of child labour. The Understanding Children's Work (UCW) programme, a research initiative of the ILO, UNICEF and the World Bank, has been an important partner of IPEC in extending the knowledge base on child labour.

At the national level, IPEC has been active in more than 100 countries. Through policy-focused work it has encouraged the development of appropriate legal and policy frameworks in line with international standards on child labour. At the same time, many of its projects have also worked at the community level, helping to remove

² The full Convention text on the types of worst forms is as follows: "(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, procurement 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" (Art. 3).

³ Two optional protocols to the CRC deal with the sale of children, child commercial sexual exploitation and child pornography, and the involvement of children in armed conflict.

children from child labour by equipping them with education and skills. These community-level efforts provide models of good practice for replication on a broader scale. IPEC has also played an important role in increasing public and political awareness of child labour as a problem that needs to be tackled.

In 2006, six years after ILO Convention No. 182 came into force, the ILO constituency set the goal of eliminating all the worst forms of child labour by 2016. A global action plan was subsequently developed to provide a strategic framework and action plan for the ILO, and in particular IPEC, in the period up to 2016. By endorsing the plan and the 2016 target, the ILO Governing Body reaffirmed its commitment to the elimination of child labour as one of the Organization's highest priorities. This commitment was reinforced in 2012 when the ILO Governing Body approved a new plan of action on the fundamental principles and rights at work.⁴ The plan of action emphasizes the universal nature of these rights, their interrelated and mutually reinforcing qualities, and their significance as enabling rights for the achievement of all the ILO strategic objectives related to fundamental principles and rights at work, employment, social protection and social dialogue.

A Roadmap for achieving the elimination of the worst forms of child labour by 2016 was adopted at The Hague Global Child Labour Conference of 2010 and subsequently endorsed by the ILO's Governing Body in recognition of the need for a "new momentum" if the world is to attain the ambitious 2016 target. In the Roadmap, Conference participants – representatives from governments, employers' and workers' organizations, non-governmental and other civil society organizations, regional and international organizations – highlighted the urgent need to scale up and accelerate country-level actions against child labour in the years up to 2016. The 2012 action plan adopted by the ILO Governing Body specifically calls for support to member States in implementing the Roadmap.

Policy priorities identified in the Roadmap include: national legislation and enforcement; education and training; attention to labour markets; and, of particular relevance for the current report, social protection. In the area of social protection, the Roadmap identifies the following imperatives:

- Implement strategies, policies and programmes that offer access to and delivery of social and health services to vulnerable and socially excluded households, hard-to-reach children and children with special needs, including where possible a basic social protection floor.
- Fight discrimination that contributes to child labour.
- Support families' capacity to protect their children by working towards a system of social protection through, for instance, cash transfer schemes, public works, access to credit, insurance and savings schemes, and strengthening and implementing national protection frameworks to protect children from exploitation.
- Assist victims of the worst forms of child labour to prevent their return to child labour.

⁴ The ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (adopted in 1998) address child labour, freedom of association and collective bargaining, forced labour and discrimination.

The Roadmap therefore explicitly recognizes the importance of social protection as part of a broader policy response to child labour. As discussed further below, the overriding social protection priorities identified in the Roadmap align closely with those identified in the new ILO Social Security Strategy. In 2013, Brazil will host a follow-up Global Child Labour Conference to measure progress in implementing the Roadmap and its objectives for 2016.

Social protection: A growing focus in development

According to the Joint Statement on Advancing Child-sensitive Social Protection (DFID et al., 2009), social protection can be understood as a set of public actions that address poverty, vulnerability and exclusion and provide the means to cope with the major risks that may be encountered throughout the life cycle. It is often, especially when implemented through a rules-based scheme or schemes, also referred to as “social security”. The Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the Convention on the Rights of the Child, and the International Labour Organization’s Constitution and international social security standards establish or recognize social security and social protection as a universal (human) right and as a means for States to protect their most vulnerable citizens.

Social protection is now widely recognized as an economic and social necessity which contributes to promoting sustainable development, inclusive growth and social cohesion. The international consensus on the importance of social protection in development is reflected, for instance, in recent high-level policy statements (see United Nations ECOSOC, 2012; G20, 2012; OECD, 2009; European Commission, 2012; UNICEF, 2012; World Bank, 2012b; DFID et al., 2009). These policy statements align closely with the new ILO Social Security Strategy, reflecting the commitment of governments, employers and workers in the ILO’s 185 member States to build social protection floors and comprehensive social security systems (ILO, 2012b).

The key role of social protection in development has also been recognized by the joint Social Protection Floor Initiative, in which several UN and other multilateral agencies, development partners and international NGOs are jointly promoting integrated strategies for ensuring access to essential social transfers and services.⁵ These include services such as health, education, housing, water, sanitation and others defined nationally as well as social transfers, made in cash or in kind, to ensure income security, food security and adequate nutrition, and to further facilitate access to essential services.

In recent years, many low- and middle-income countries have taken bold steps to introduce and extend social protection through a variety of programmes, including cash transfers to families with children, non-contributory pensions and social health protection (ILO, 2010b; ILO, 2011a). These efforts have proved vital in the context of the recent global economic crisis and its aftermath, both cushioning the impact of the

⁵ The Social Protection Floor Initiative was launched by the UN Chief Executives Board in April 2009. It is currently supported by a coalition of 19 UN bodies and international financial institutions and 14 development partners, under the joint leadership of the ILO and the WHO. A report of the High-level Advisory Group, chaired by Michelle Bachelet, was published in 2011 (see Social Protection Floor Advisory Group, 2011).

crisis on vulnerable families and acting as an economic stabilizer and agent for recovery. Yet despite this progress, and despite its fundamental role and functions, social protection is still far from being a reality for the vast majority of the world's population. The ILO has estimated that only about 20 per cent of the world's working-age population (and their families) have effective access to comprehensive social security (ILO, 2010a).

Within the broad framework of social protection, this report touches on the challenges that financial exclusion poses for the most vulnerable populations. Inclusive financial systems complement interventions aimed at extending social protection and reducing child labour because access to a range of financial services provides people with opportunities to mitigate risk and vulnerability. Access to financial services such as savings accounts, insurance, credit facilities and money transfer mechanisms allows people to save in safe places, to build assets and to invest in their livelihood, and so helps them to avoid sliding back into the poverty trap. As such, financial inclusion can act as a springboard out of poverty and a bridge into productive livelihoods.⁶

The ILO Social Security Strategy

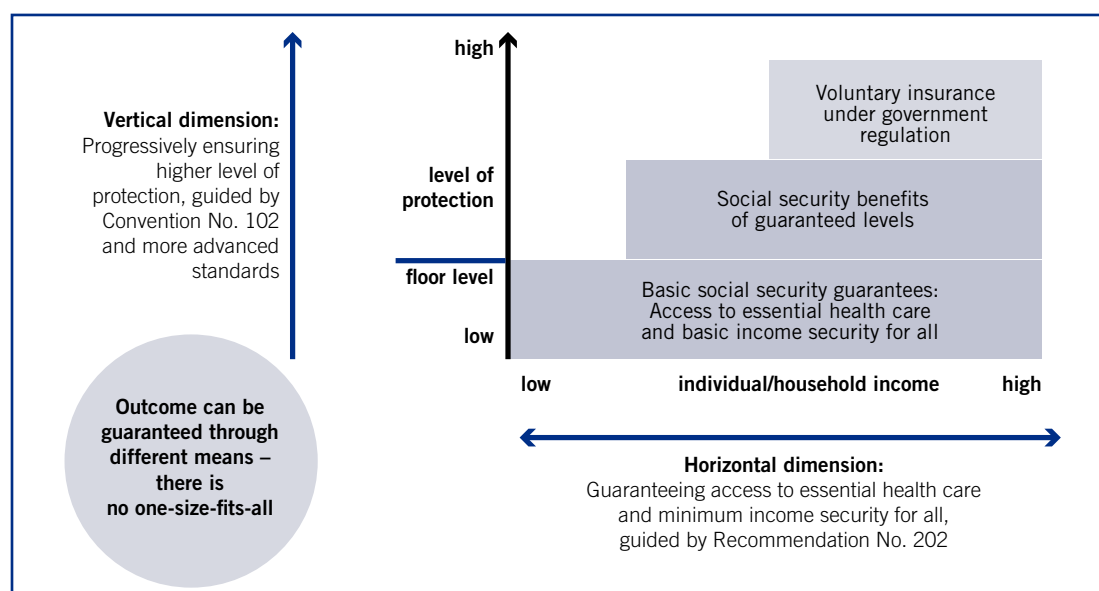
The ILO set out its strategy for addressing the challenge of extending social security coverage and further developing and maintaining comprehensive social security systems in the resolution and conclusions adopted by the International Labour Conference at its 100th Session in June 2011 (ILO, 2011b; ILO, 2012b). Acknowledging the premise that social security is a human right and a social and economic necessity, the Conference noted that closing coverage gaps was of the highest priority for equitable economic growth, social cohesion and decent work for all women and men, and called for the extension of social security coverage through a two-dimensional approach, with a view to building national social protection floors and comprehensive social security systems.

At its 101st Session in June 2012 the Conference adopted a new international social security standard, the Social Protection Floors Recommendation, 2012 (No. 202). This Recommendation complements the existing ILO social security standards and provides “flexible but meaningful guidance to member States in building Social Protection Floors within comprehensive social security systems tailored to national circumstances and levels of development” (ILO, 2011b, Conclusions, para. 31; see also ILO, 2012b).

The two-dimensional approach, as defined in the resolution and conclusions of 2011 and further strengthened by Recommendation No. 202, comprises the following elements:

- establishing and maintaining social protection floors as a fundamental element of national social security systems (horizontal dimension); and

⁶ Note that this report discusses social finance only in the context of its complementary role in supporting social protection programmes. The discussion of the impact of microcredit or microfinance schemes on child labour is beyond the scope of the report: for further discussion of this issue, see de Hoop and Rosati, 2012a.

Figure 2.1. The ILO Social Security Strategy: A two-dimensional approach

Source: ILO, 2012b.

- pursuing strategies for the extension of social security that progressively ensure higher levels of social security to as many people as possible, guided by ILO social security standards (vertical dimension).

This two-dimensional approach for the extension of social security aims at building comprehensive social security systems in line with national priorities, resources and circumstances. This is illustrated in figure 2.1.

The horizontal dimension of the ILO strategy is of particular relevance to the current report. This dimension consists of the “rapid implementation of national Social Protection Floors, containing basic social security guarantees that ensure that over the life cycle all in need can afford and have access to essential health care and have income security at least at a nationally defined minimum level” (ILO, 2011b, Conclusions, para. 9; see also ILO, 2012b).

In this context, Recommendation No. 202 asserts that member States should establish and maintain national social protection floors. These are nationally defined sets of basic social security guarantees which secure protection aimed at preventing or alleviating poverty, vulnerability and social exclusion. Recommendation No. 202 states that national social protection floors should comprise at least the following four social security guarantees, as defined at the national level (Paragraphs 4 and 5):

- access to essential health care, including maternity care;
- basic income security for children, providing access to nutrition, education, care and any other necessary goods and services;

- basic income security for persons in active age who are unable to earn sufficient income, in particular in cases of sickness, unemployment, maternity and disability; and
- basic income security for older persons.

As we will see in the following chapters, measures aimed at establishing such social protection floors often have a direct bearing on whether families have to resort to child labour as a coping strategy.

Child-sensitive social protection

This report also fits within the growing consensus around the need for a “child-sensitive” approach to social protection. This consensus is reflected in the Joint Statement on Advancing Child-sensitive Social Protection, signed by the ILO, UNICEF, UNDP, the World Bank and a range of other development agencies in June 2009 (DFID et al., 2009). The Joint Statement sets out a set of overarching principles for ensuring that social protection programmes are child-sensitive (see box 2.1).

Child-sensitive social protection is an evidence-based approach that aims to “mainstream” the concerns of children in social security systems and to leverage resources invested in these systems in such a way as to yield the greatest possible benefits to children. It starts from the premise that children’s experiences of poverty and

Box 2.1. Principles of child-sensitive social protection

The following principles should be considered in the design, implementation and evaluation of child-sensitive social protection programmes:

- Avoid adverse impacts on children, and reduce or mitigate social and economic risks that directly affect children’s lives.
- Intervene as early as possible where children are at risk, in order to prevent irreversible impairment or harm.
- Consider the age- and gender-specific risks and vulnerabilities of children throughout the life cycle.
- Mitigate the effects of shocks, exclusion and poverty on families, recognizing that families raising children need support to ensure equal opportunity.
- Make special provision to reach children who are particularly vulnerable and excluded, including children without parental care, and those who are marginalized within their families or communities due to their gender, disability, ethnicity, HIV and AIDS or other factors.
- Consider the mechanisms and intra-household dynamics that may affect how children are reached, with particular attention paid to the balance of power between men and women within the household and broader community.
- Include the voices and opinions of children, their caregivers and youth in the understanding and design of social protection systems and programmes.

Source: DFID et al., 2009.

vulnerability are multidimensional and differ from those of adults. Following on from this, the approach focuses on how social protection can most effectively address the unique social disadvantages, risks and vulnerabilities into which children may be born or which may affect them later in childhood owing to external circumstances.

The intersection between child-sensitive social protection and child labour is clear. In contexts where the elements of a social security system fail to account adequately for the special vulnerabilities of children, child labour can be one of the negative outcomes. It follows that building social security systems that are child-sensitive is an important component of a broader policy response to child labour. The concluding chapter of the report looks in more detail at the development of child-sensitive social security systems that effectively “mainstream” child labour concerns.

PART III

Child labour and economic vulnerability

Poverty and shocks as determinants of child labour

Introduction

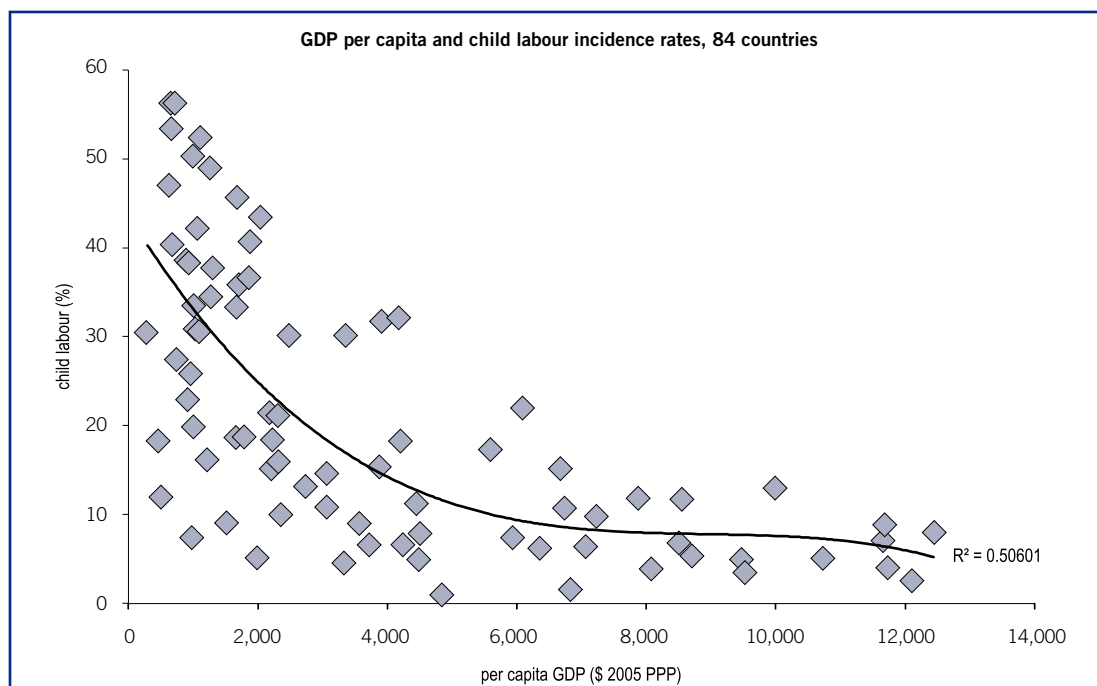
Despite a downward trend in recent years, poverty is still widespread. The World Bank estimated that in 2008, prior to the global economic crisis, some 1.29 billion people, accounting for 22 per cent of the total population in the developing world, lived in extreme poverty on less than US\$1.25 per day (Chen and Ravallion, 2012). In the same year a total of 2.47 billion people, or 43 per cent of the developing world population, were living on less than \$2 per day. Moreover, many of those living on more than \$2 per day were only slightly above this threshold and at risk of falling below it. By any standard, poverty on a massive scale remains one of the great challenges facing the global community.

At the same time, economic volatility and negative shocks are increasing in frequency worldwide, compounding the impact of chronic poverty. The last decade alone has seen a severe global economic crisis and dramatic spikes in fuel and food prices, all placing additional unexpected pressures on vulnerable families. Climate change is an increasingly important driver of volatility, bringing with it rising temperatures, changing precipitation patterns, rising sea levels and an increase in extreme weather events. Climate change particularly affects the millions of poor families in the developing world still making their living from the land. This volatility is exacerbated by our growing global interconnectedness, which means that the reverberations of even ostensibly localized shocks can be felt worldwide.

This chapter assesses the implications of continued pervasive poverty and growing economic volatility on the global fight against child labour. It makes both a theoretical and an empirical case that economic vulnerability associated with poverty and shocks plays a key role in determining whether or not children work. It follows from this argument that continued progress against child labour will require national policies that help mitigate the economic vulnerability of households. Establishing national social protection floors as a fundamental element of national social security systems is particularly important in this context, as will be discussed in later chapters of this report.

The many causes of child labour

Child labour is certainly in important part a symptom of poverty. This is apparent at the national level, where cross-country data show that child labour is most pervasive

Figure 3.1. Child labour is more common in poorer countries

Notes: Child labour is defined as children aged 7–14 years performing economic activity. Child labour rates are matched to GDP per capita according to the years in which the surveys were administered.

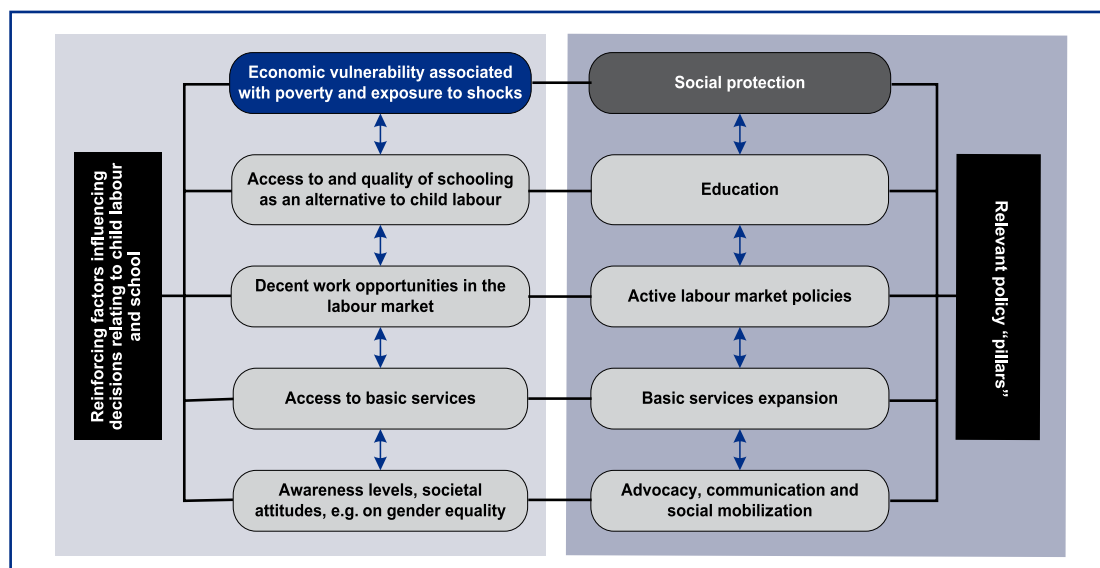
Sources: UCW Country Statistics; World Bank World Development Indicators.

in countries where income levels are lowest. The negative relationship between child labour and income is depicted in figure 3.1, in which the child labour incidence rate is plotted against GDP per capita for 84 developing countries. The gradient of the curve in figure 3.1 is downward-sloping and, up to per capita GDP of around \$4,000, quite steep, meaning that small differences in per capita GDP are associated with large differences in child labour rates. Overall, the trend line accounts for about 51 per cent of the variation across this group of countries in the extent of child labour.

But poverty is by no means the only cause of child labour and a policy response focused only on poverty reduction is therefore unlikely to be successful. In figure 3.1, for instance, much of the variation in child labour is *not* explained by income. For any level of average income, it is possible to see a wide variation in terms of levels of child labour. Other factors – beyond low incomes alone – are therefore clearly also at work. The *volatility* of income, often acting in concert with income *level*, is one such factor, as we discuss in more detail below. The growing literature on child labour¹ also points to a number of other – economic and non-economic – contributory factors.

Some of the most important of these are depicted on the left side of figure 3.2. More accessible and better-quality schools are important because they affect the relative returns from schooling and child labour, making the former more attractive as

¹ For discussion and review, see Cigno and Rosati, 2005; Edmonds, 2008.

Figure 3.2. Key determinants of child labour and schooling and policy pillars to address them

Source: Adapted from UCW, 2010c.

an alternative to the latter. If there are no or few decent work opportunities for young people graduating from school, there is little incentive for households to invest in their children's education. Inadequate basic services can mean that children must assume a greater burden of tasks such as collecting fuelwood and fetching water. If families are insufficiently aware of the benefits of schooling (or of the hazards and the health and developmental costs of child labour), or if prevailing societal attitudes are tolerant of child labour, children are again less likely to be directed towards the classroom rather than the workplace. Not shown on the right-hand side of figure 3.2 but also critical is sound national legislation on child labour in line with international legal instruments. Legislation articulates and formalizes the State's duty to protect its children from child labour and helps create a common understanding of what child labour is.

Summary

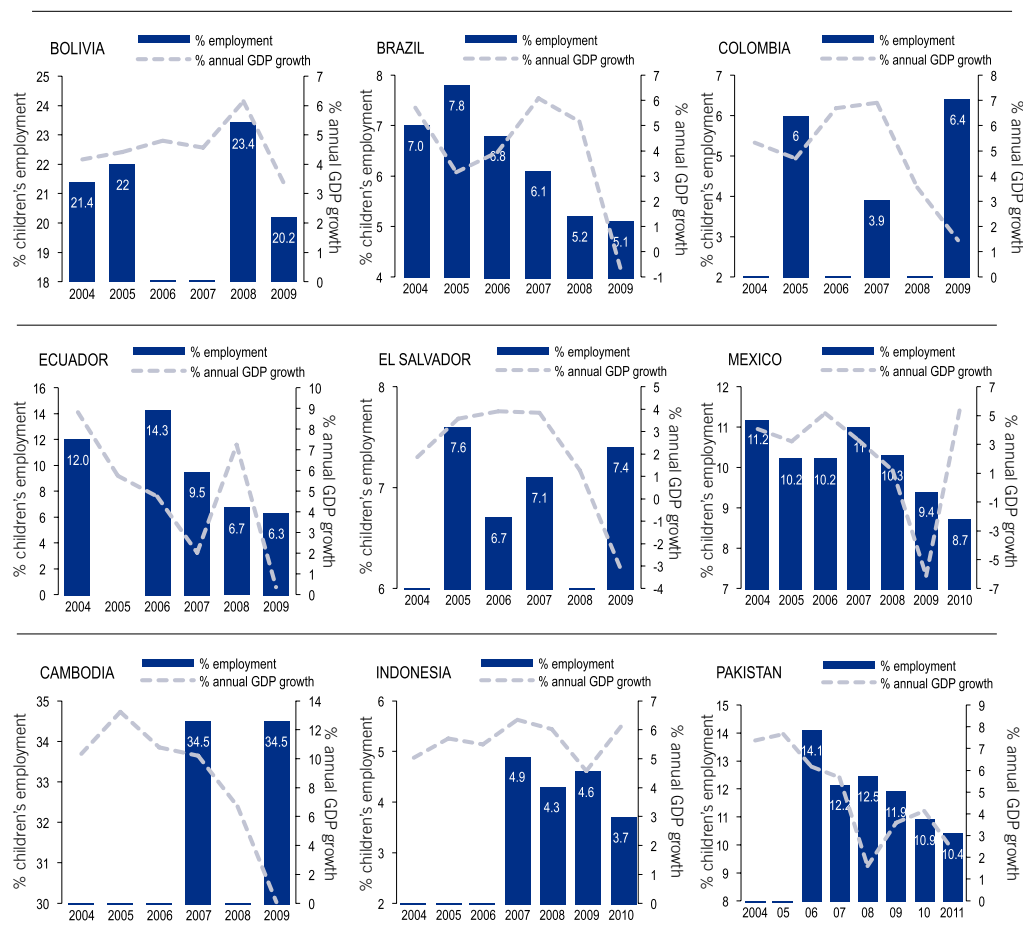
Child labour is not an isolated issue explained by poverty alone. Rather, the child labour phenomenon is the combined product of many factors that bridge traditional policy boundaries. Accordingly, as highlighted in the Roadmap for achieving the elimination of the worst forms of child labour by 2016 adopted at The Hague Global Child Labour Conference of 2010, a national policy response to child labour needs to be cross-sectoral and comprehensive, addressing in an integrated fashion the full range of reasons why children work. While we focus on social protection in the current report, it is important to bear in mind that social protection policies constitute just one pillar of a comprehensive policy response to child labour, alongside policies concerning education, labour markets, basic services, advocacy, communication, social mobilization and other issues (as summarized on the right-hand side of figure 3.2).

Box 3.1. The global economic crisis and child labour

The years preceding the global economic crisis that began in 2008 saw substantial progress in the fight against child labour. ILO global estimates indicate that child labour declined by 10 per cent among 5–14 year-olds worldwide during the 2004–08 period, although progress across regions and countries was uneven. There is concern, however, that the global economic crisis has reversed or slowed this overall positive trend and has diminished prospects for eliminating the worst forms of child labour by the 2016 target date. The crisis, broadly viewed as the most severe since the Second World War, saw a sharp contraction in world output accompanied by a fall in world trade, a collapse in commodity prices and widespread job losses.

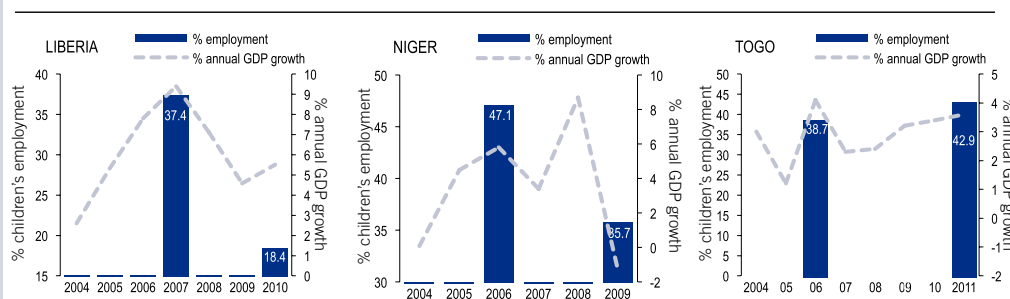
Theory and experience from previous crises indicate that children are at particular risk of being put to work during crises. Reductions in living standards, tightening of credit and reduced remittances from family members abroad together place pressure on vulnerable households and can consequently increase their reliance on child labour to help make ends meet. Constraints on social safety nets as a result of pressures on government budgets can also increase families' dependence on child labour for household survival. The "informalization" of the economy associated with economic crises is another factor favouring the employment of children, as controls in the informal economy are few and there is less need for skilled labour.

Figure 3.3. Changes in children's employment and GDP growth



Box 3.1. The global economic crisis and child labour (*continued*)

Figure 3.3. Changes in children's employment and GDP growth (*continued*)



Notes: Vertical axis scales differ for expositional purposes. Estimates refer to the 12–14 years age group in Mexico and to the 10–14 years age group in Pakistan and India. For consistency with estimates from the other countries included, the estimate for Pakistan does not include marginal economic activities relating to subsistence agriculture.

Source: UCW, 2011c.

While work is not yet complete on new global-level estimates covering the crisis period, enough data have been gathered from individual countries since the crisis began to enable initial assessment of how the crisis has affected levels of child labour. A review of trend data covering the crisis period for 12 developing countries suggests that progress in combating child labour may have been affected by the crisis in a number of them (see figure 3.3). Child labour rose appreciably in one of the countries (Colombia) and marginally in four others (El Salvador, Indonesia, Pakistan and Togo), while two additional countries (Brazil and Ecuador) saw progress slow down markedly.

Caution should be exercised in generalizing these results, but they provide an initial indication that the challenge of eliminating the worst forms of child labour by 2016 has been made even greater in some contexts as a result of the global economic crisis. The full impact of the crisis, however, cannot be reliably assessed until more post-crisis child labour data sets become available.

The remainder of this chapter assesses the importance of economic vulnerability as a determinant of whether children work. We focus specifically on the role of poverty and exposure to shocks in child labour. We start with a review of the theoretical reasons why economic vulnerability is relevant to child labour, and then review actual empirical evidence of the link between economic vulnerability and child labour. This leads into the discussion of the role of social protection in addressing child labour, which we take up in Chapters 4 and 5 of the report.

Child labour and economic vulnerability: The theory

The simplest economic model of household behaviour regarding child labour rests on two basic propositions.² The first is that the allocation of children's time among school-

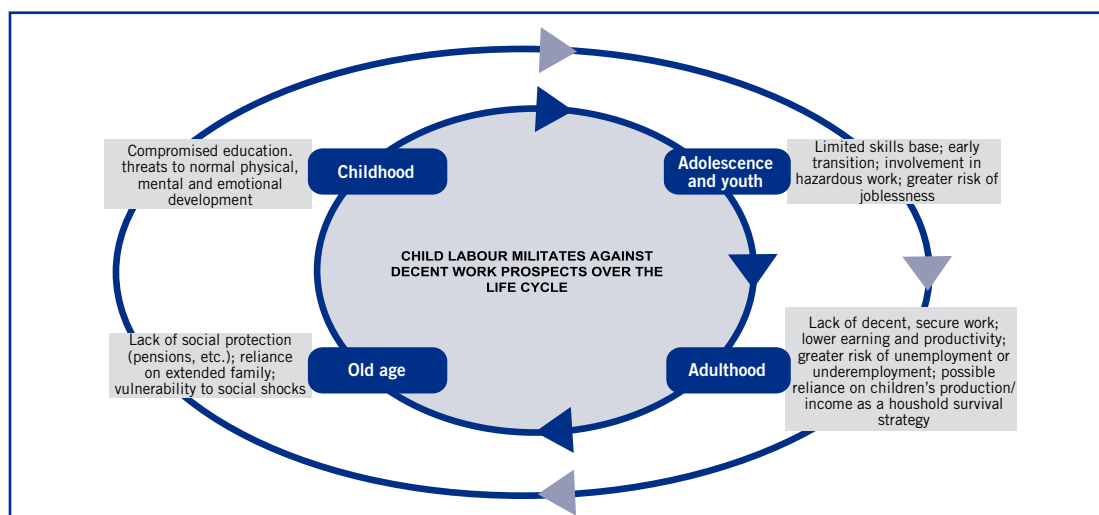
² The theory of household behaviour regarding child labour is a complex topic to which it is impossible to do full justice to here. We attempt in this section only to present the theoretical basis for the relevance of social protection to child labour in non-technical terms. For an in-depth discussion of this topic, see Cigno and Rosati, 2005; Edmonds, 2008.

ing, work and leisure is decided by the household in order to maximize its present and future welfare. Of course, how households value the contribution, in monetary and non-monetary terms, of schooling and work to their welfare depends in large part on the cultural and social values of the society. The second proposition is that, with some limitations, child labour is an activity aimed at increasing current income while education is an investment in generating future income.

Within this theoretical framework, poverty becomes relevant to child labour when households do not have access to perfect credit markets.³ In such circumstances, poverty constrains a household's ability to postpone children's work and invest in their education. In other words, in order to meet their basic current needs, poor households are more likely to have to send their children to work, thereby forgoing the higher future benefits to be gained from investing in their children's education.

Children whose education is denied or impeded by child labour enter adulthood lacking the skills needed for decent work, leaving them much more vulnerable to joblessness or to low-productivity, insecure jobs throughout their working lives (see figure 3.4). Child labour thus has broader consequences for national development. It compromises productive capacity of workers during adulthood and thereby constrains both economic growth and efforts to reduce poverty. Taking these consequences into account, the ILO estimated the economic benefits of eliminating child labour at \$5.1 trillion, primarily through the enhanced productive capacity that future generations of workers would enjoy due to their increased education (ILO, 2003). More difficult to quantify but equally important are the well-known social costs of denied education, both to individuals and to society at large.

Figure 3.4. Child labour militates against decent work prospects over the life cycle



Source: UCW, 2010c.

³ As detailed in Cigno and Rosati (2005), if households had access to perfect credit markets they could, for example, simply borrow against the future income of their children, in which case neither the current level of income nor its variability would influence their decisions concerning child labour and schooling. In such a situation, the allocation of time to education would be determined solely by the relative returns of education with respect to its costs and to the returns from child labour. The hypothesis of access to perfect capital markets is, however, remote from reality, especially for low-income households and countries.

Income volatility and exposure to shocks can have a similar impact on household child labour decisions to that of poverty. Households typically respond to what they regard as a temporary reduction in their income by either borrowing or drawing on savings, but when these options are not available, or not available on the scale required, parents can fall back on the resort to child labour.

From this discussion we can distinguish between two general sources of economic vulnerability: low incomes (i.e. poverty) and large swings in incomes with insufficient means to buffer them (i.e. exposure to shocks). The two are of course closely related. While volatile incomes and shocks are problematic for households at all levels of the income distribution, they are particularly onerous for the poor. Households with lower incomes are likely to be asset-poor as well, with fewer savings to draw on and, owing to insufficient collateral, less scope for borrowing to maintain living standards. Being close to the subsistence floor, they are more likely to find themselves falling below it when faced with a shock.

Summary

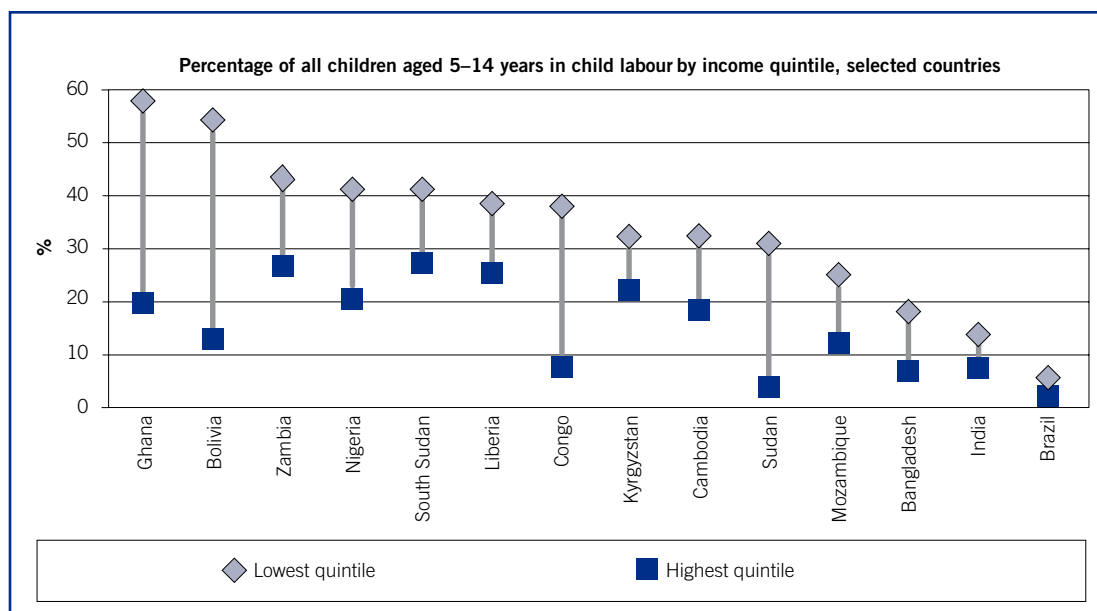
Theory suggests that poverty, risk and shocks, combined with a lack of access to financial and insurance markets, can lead to the use of child labour in an attempt to sustain current living standards. In view of this, the theoretical role of social protection and complementary social finance in addressing child labour is evident. A well-designed social protection floor can offer basic income security throughout the life cycle, buffering shocks and income fluctuations as and when they occur, and ensuring access to essential health care and other social services. Social finance vehicles such as microcredit and microinsurance can play an important complementary role in ensuring vulnerable families are not excluded from the financial services and facilities they need. Taken together, national social protection floors and complementary social finance can reduce the need for families, in effect, to sacrifice long-term returns on education for the immediate returns on child labour.

Child labour and economic vulnerability: The evidence

Impact of poverty

We saw earlier that child labour is more pervasive in poorer countries than in wealthier ones. Here, we show that the same general pattern holds across households within countries – that is, child labour is much more common in poorer households. Figure 3.5, which reports child labour rates⁴ among households in the lowest and highest income quintiles for 14 developing countries, illustrates this point. As shown, differences in child labour rates across households in different income quintiles are often striking.

⁴ Child labour is defined here as children performing economic activity. The definition of children in economic activity, in turn, derives from the System of National Accounts (Rev. 1993), the conceptual framework that sets the international statistical standards for the measurement of the market economy. It covers children in all market production and in certain types of non-market production, including production of goods for own use. It includes forms of work in both the formal and informal economies, as well as forms of work both inside and outside family settings. The definition does not include children performing unpaid household services in their own homes (i.e. household chores).

Figure 3.5. Child labour is much more common in poor households

Note: Child labour is understood as children performing economic activity.

Source: UCW calculations based on national household surveys, various years.

In Sudan, for instance, child labour among children from lowest-income households is more than eight times as high as child labour among children from highest-income households. In Congo, the difference is a factor of five, in Bolivia, a factor of four, and in Ghana and Brazil, a factor of three.

But this strong correlation between income and child labour, while suggestive, cannot be interpreted as evidence that income poverty alone *causes* child labour. Why? Because income poverty is accompanied by other attributes that also distinguish poor from non-poor households, and these other attributes can also influence the need to resort to child labour. Income-poor households, for example, are likely to differ from their non-poor neighbours in terms of their access to basic services, educational background, employment status and land ownership status, all of which potentially affect their decisions concerning child labour. Evidence of a causal relationship between child labour and income therefore requires the effect of income to be disentangled from the range of other household attributes that accompany income poverty.

The series of country reports on child labour supported by the inter-agency UCW programme show that income still plays an important role in determining the supply of child labour even after controlling for a number of other individual and community characteristics.⁵ The country report findings are supported by a growing number of studies exploiting longitudinal or episodic data to identify the role of income in deter-

⁵ See e.g. UCW country reports for Cameroon (UCW, 2012b), El Salvador (UCW, 2003a), Guatemala (UCW, 2003b), Indonesia (UCW, 2012a), Mali (UCW, 2010a), Mongolia (UCW, 2009a), Rwanda (UCW, 2011b), Uganda (UCW, 2008), Vietnam (UCW, 2009d) and Zambia (UCW, 2009c). These reports, while offering a more robust analysis of the role of income as a determinant of child labour, nonetheless have some limitations in terms of identifying causality owing to the nature of the data employed.

mining child labour. Some of the most important of these are summarized in table 3.1. These studies consistently support the view that poverty induces households to rely more on child labour, although, again, they show that the strength of this effect varies.⁶

Taking a closer look at some of the studies listed in table 3.1, Edmonds uses panel data to assess the impact of the increase in household income that occurred during Vietnam's economic boom of the 1990s (Edmonds, 2005). The study finds that income growth explains over 70 per cent of the substantial drop in child labour that occurred during the period 1993–98. However, a subsequent study indicates that the role of poverty reduction in supporting the decrease in child labour was smaller in subsequent years (UCW, 2009d). This offers support to the assertion that while income is an important determinant of child labour it is not the only one.

Table 3.1. Summary of studies estimating the effect of household/income consumption on child labour

Study	Country	Child labour measure	Elasticity of child labour participation with respect to household income ^a
Basu et al., 2010	India	Economic activity, domestic chores	–
Beegle et al., 2006	Tanzania	Economic activity, domestic chores	<0
Cogneau and Jedwab, 2008	Côte d'Ivoire	Economic activity	–2.5
Dammert, 2006	Peru	Economic activity	(–1.2, –0.3)
Dammert, 2008	Peru	Economic activity, domestic chores	–5.6
Dayioğlu, 2005	Turkey	Economic activity	<0
de Carvalho Filho, 2012	Brazil	Paid employment	<0
Dillon, 2008	Mali	Economic activity, domestic chores	–
Duryea et al., 2007	Brazil	Economic activity	–
Edmonds, 2005	Vietnam	Economic activity	<0
Edmonds, 2006	South Africa	Economic activity	–
Edmonds and Pavcnik, 2005	Vietnam	Economic activity, domestic chores	<0
Edmonds et al., 2010	India (rural)	Economic activity, domestic chores	–2.1
Edmonds and Schady, 2012	Ecuador	Paid employment	–5.9
Hou, 2009	Pakistan	Economic activity	<0
Kruger, 2007	Brazil	Economic activity	>0
Wahba, 2006	Egypt	Economic activity	–0.7
Yang, 2008	Philippines	Economic activity	<0

Note: ^aAn elasticity between two variables is defined as the % change in one with respect to the % change in the other. Specifically, the formula for the elasticity of child labour supply with respect to household income is given by (% change in child labour supply / % change in household income), where child labour supply may be measured as the number of children working or the number of hours of work, and household income may be measured either as income earned by household members or as the value of household consumption over a suitable time period.

Source: Adapted from Edmonds, 2012.

⁶ It is worth noting that one of the studies (Kruger, 2007) shows income and child labour moving in the same direction. The study looks at the special case of the coffee price variations in the 1990s in Brazil. The author argues that because the price variations were expected to be transitory, households decided to seize the short-term employment opportunities for their children and make up for lost schooling at a later date. This study suggests that active measures to ensure that restrictions on child labour are enforced are relevant even in apparently positive economic circumstances.

In South Africa, the numbers of child labourers declined and the numbers attending school increased substantially when households began receiving a large cash transfer (Edmonds, 2006). Similarly in Ecuador, child labour fell by 17 percentage points in poor households whose incomes were bolstered by cash transfers (Edmonds and Schady, 2012). Finally, in rural India, the rise in children's school attendance and the decline in child labour were largest in the rural areas where incomes benefited most from tariff and other reforms in the early 1990s (Edmonds et al., 2010). Further evidence on the impact of raising household incomes on child labour is discussed in the next chapter, when impact evaluation results for cash transfers are presented.

A number of studies indicate that the effect of rising income on child labour is most evident for households close to the poverty line. In one of the studies cited above, for instance (Edmonds, 2005), the largest declines in child labour occurred among those Vietnamese households that were originally near the poverty line and for whom a rise in income allowed them to escape poverty. In Peru, Dammert demonstrated that the responsiveness of child labour to changes in income increased up to the second and third income deciles – roughly corresponding to the poverty threshold – after which child labour became less responsive to income changes (Dammert, 2006). A third study in Pakistan, assessing the income gains associated with the rapid growth of the early 2000s, also found evidence of a differential effect on child labour at different income levels (Hou, 2009).

Why does the link between income and child labour appear to be “non-linear” in this manner? The simplest theory of child labour posits that children work only when their labour is needed to help meet their families' subsistence needs.⁷ Following from this, increases in income that leave a family still below subsistence level would have little effect on child labour, as the household would still be poor and therefore still in need of child labour. Similarly, increases in income among families already above subsistence level would not result in significant changes in child labour. Indeed, on this theory only income gains enabling families to *cross* the subsistence threshold would be likely to have a major impact on families' decisions to put their children to work. It is escaping from the harsh constraints of poverty that permits a qualitative change in the way households plan for the future, including the future of their children.

Caution, however, should be exercised in overinterpreting the policy implications of this result. The fact that the poorest households might be less responsive to changes in income than the slightly less poor does not by any means indicate that increasing income is an ineffective instrument to address child labour. Rather, it indicates that in order to induce an actual change in household behaviour, the income increases must be at a scale sufficient to provide effective relief from deep poverty.

While the evidence reviewed here has made clear that poor children are more vulnerable to child labour, it should also be stressed that not all poor children are equally at risk of child labour. There are groups of children affected by circumstances that, together with poverty, increase their susceptibility to child labour. Evidence suggests, for instance, that migrant children and children of migrant parents face a greater

⁷ This is roughly consistent with the results of the more elaborated econometric model of child labour. For a more detailed discussion of this point, see Cigno and Rosati, 2005.

Box 3.2. Social protection for migrant children

In fighting child labour and in particular its worst forms, The Hague Roadmap identifies as a priority the need to “offer access to and delivery of social and health services to vulnerable and socially excluded households, hard-to-reach children, and children with special needs” (para. 8.3.1). Migrant children constitute one important group whose circumstances, acting together with poverty, leave them especially vulnerable to child labour and other negative social outcomes.

Migrant children, in particular those with irregular status, experience difficulties accessing basic socio-economic services in many countries of destination across the world, as those countries appear to face challenges in balancing their migration policies with their obligations under the UN CRC and the ILO child labour Conventions (these include the obligation to protect all children on their territory from child labour, including migrant children).^{*} But without protection by the government and without access to services, such child migrants are particularly vulnerable to child labour (see ILO, 2010e). Evidence suggests further that migrant child labourers often receive less pay, work longer hours, less often attend school and face higher death rates at work than local child labourers (ILO, 2010g).

While the Roadmap recognizes that “Governments should consider ways to address the potential vulnerability of children to, in particular, the worst forms of child labour, in the context of migratory flows” (para. 5), few countries have taken comprehensive action – including through social protection – in this regard.

Notable exceptions include Ecuador, which in 2008 adopted a new Constitution containing the provision that “no one shall be discriminated against on ground of ethnicity, place of birth, age, sex, gender identity, cultural identity, marital status, language, religion, ideology, political affiliation, criminal record, socio-economic status, immigration status, sexual orientation, health status, HIV status, disability, physical difference, nor by any other distinction, personal or collective, temporary or permanent, which has the purpose or effect of impairing or nullifying the recognition, enjoyment or exercise of rights” (article 11.1).

Argentina’s Migration Law (No. 25.871, 2004) asserts that “the State, within its entire jurisdiction, will ensure equal access for immigrants and their families to the same conditions of protection, shelter, and rights enjoyed by nationals, particularly in reference to social services, public goods, health, education, justice, labour, employment and social security” (article 6). It states further that “foreigners shall not be denied nor restricted access to the right to health, social care and medical care, regardless of their migration status” (article 8).

Within the EU, in Greece, Portugal, Romania and Spain irregular migrant children up to a certain age are entitled to the same level of access to health care as nationals. In Greece, all children up to the age of 14 have the right to free medical services no matter whether or not it is urgent and irrespective of the legality of their stay. In Romania, health care is free for all children under the age of 18 years regardless of their citizenship or their parents’ insurance status. In Portugal, in order to ensure health-care coverage of all children, the High Commissioner for Immigration and Intercultural Dialogue (ACIDI) introduced a specific register for foreign minors in 2004. In Spain, all children up to the age of 18 are granted access to health care without having to fulfil any requirements (EU FRA, 2011).

With regard to access to education, most, but not all, EU Member States explicitly or implicitly provide for a right to education of migrant children who are in an irregular situation. In practice, however, there are still major uncertainties among school administrations, teachers, parents and NGOs (EU FRA, 2011).

^{*} Article 2.1 of the CRC states: “Every child without discrimination of any kind, irrespective of the child’s or his/her parents or legal guardian’s race, colour, sex, language, religion, political or other opinion, national, ethnic or social origin, property, disability, birth or other status is born with the same rights”, including the right to be free from child labour. Article 3 states: “In all actions concerning children, whether undertaken by public or private social welfare institutions, courts of law, administrative authorities or legislative bodies, the best interests of the child shall be a primary consideration.”

risk of child labour in some contexts (see box 3.2; also ILO, 2010e; UCW, 2010c; UCW, 2011c). UCW country studies indicate that children of uneducated parents are often much more likely to be child labourers (UCW, 2009a; UCW, 2009c; UCW, 2009d; UCW, 2011b; UCW, 2012a). Children from ethnic minorities or indigenous groups (Larsen, 2003; UCW, 2006) and children without parental care (UCW, 2004b) are other categories of children who may be more at risk of involvement in child labour. The implication for policy development, as acknowledged in The Hague Roadmap and in the Joint Statement on Advancing Child-sensitive Social Protection (see Chapter 2), is that social protection strategies may need to include special provisions to ensure that such groups of especially vulnerable children are covered.

Impact of exposure to shocks

Negative shocks are unforeseen events causing disruptions to the economy of a single household or the broader community or region. They are another important source of economic vulnerability affecting household decisions regarding child labour and schooling. An example of a household-level shock would be a sudden death, serious illness or the unemployment of the adult relied on as the main breadwinner. An example of a broader shock would be a rapidly unfolding macroeconomic crisis which lowers incomes for nearly everyone or a catastrophic, large-scale natural event such as a major earthquake.

A number of studies have been undertaken attempting to identify the impact of such shocks on child labour. Six such studies are discussed below; their key characteristics are summarized in table 3.2. Although the studies address different types of shocks in different contexts, they reach a common conclusion – that shocks can have a significant impact on levels of child labour. The study findings provide support for the theoretical argument advanced earlier in this chapter that child labour is often used as a buffer against negative shocks where no adequate social protection floor exists.

The majority of the world's child labourers are found on family farms (ILO, 2010d), and the impact of agricultural shocks is therefore of particular interest from a child labour perspective. A UCW study (Guarcello et al., 2008) looked at how agricultural shocks including drought, flood and crop failure affected children in Cambodia. Only 20 per cent of villages were not subjected to at least one such shock during the 1999–2003 reference period. The study found that crop failures stood out as particularly relevant to child labour. Children living in a village in which farms had experienced a crop failure in the previous year were nearly 60 per cent more likely to work than children in households from villages not affected by shocks. This result suggests that crop failures had a particularly devastating effect on the household economy, forcing families to resort to child labour as a survival strategy.

Similar results were obtained in a study of child labour and agricultural shocks in the Kagera (north-west) region of Tanzania during the period 1991–94 (Beegle et al., 2003). Shocks were widespread over these four years: 88 per cent of households experienced at least one and over 40 per cent experienced more than one. The study found that each shock was associated with an increase in children's work of about 7.5 weekly hours – an increase in work intensity of almost one-half. The result held for both market work and household chores. The study also found that the impact of shocks was

Table 3.2. Characteristics of country studies on the impact of shocks on child labour

Characteristic	Brazil ^a	Cambodia ^b	Guatemala ^c	Peru ^d	Tanzania ^e	Venezuela ^f
Nature and level of shock						
Individual level						
Village level						
National level						
Agricultural						
Unemployment						
General						
Credit availability						
Context						
Low income						
Lower middle income						
Upper middle income						
Rural only						
Urban only						
Dependent variable						
Child labour includes market employment only						
Likelihood of child labour						
Hours of child labour						

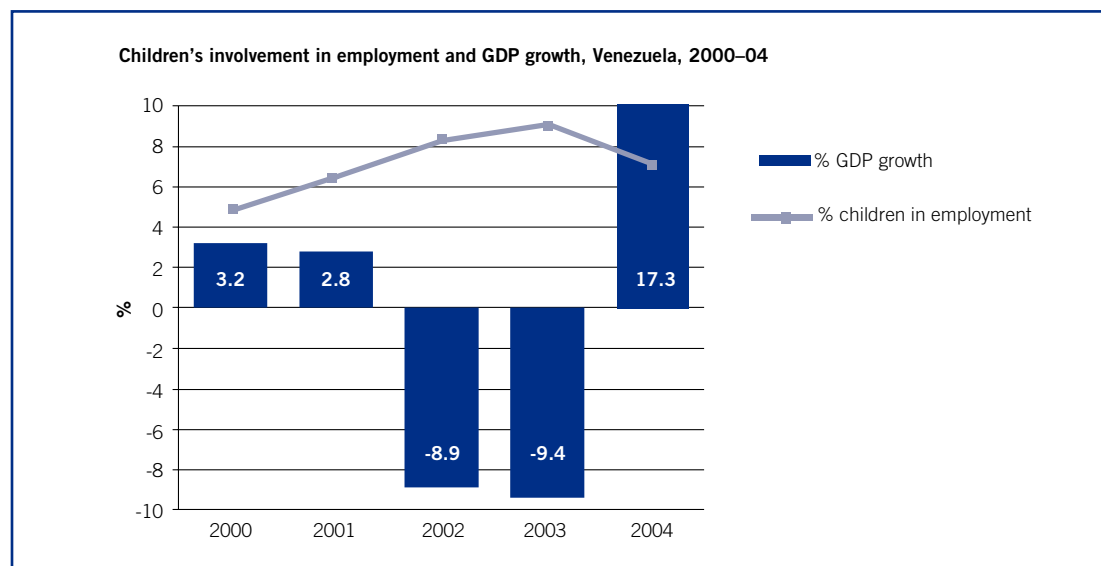
Sources: ^a Duryea et al., 2007; ^b Guarcello et al., 2008; ^c Guarcello, Mealli and Rosati, 2010; ^d Dammert, 2008; ^e Beegle et al., 2003; ^f Blanco and Valdivia, 2006.

less if households had more assets that could be used as collateral – indirect evidence of the importance of access to credit.

A third study assessed the impact of a policy-induced agricultural shock in Peru (Dammert, 2008). The shock stemmed from the government campaign to halt the cultivation of coca, begun in 1995, which contributed to the abandonment of about 60 per cent of the land previously devoted to coca. The clearest indication of what transpired for children when coca production was suppressed is provided by the number of hours worked: by 1997, children's hours of market employment had increased by 42 per cent, and total hours worked by 27 per cent. Apparently, the crisis caused by the inability to grow and market the crop on which the household had previously relied caused a significant intensification of farming efforts in order to substitute other crops, a process in which substantial numbers of both boys and girls were enlisted.

The impact of macroeconomic shocks is of particular interest in the light of the recent global economic crisis. A study looking specifically at unemployment shocks in urban Brazil from 1982 to 1999 found that adult job loss had a sizeable effect on the likelihood of children working and dropping out of education (Duryea et al., 2007). Depending on the specific circumstances of children and households, adult unemployment increased the likelihood of child labour by 33 to 65 per cent in the lower income quintiles. This result suggests that children had to take up work in the informal economy to help compensate for the income lost due to adult unemployment.

A study of the impact of the harsh economic downturn in Venezuela during 2002–03 found that the proportion of children engaged in market work nearly doubled during the period of declining GDP and then fell back as the economy recovered (figure 3.6).

Figure 3.6. Child labour in Venezuela rose dramatically during the economic crisis of 2002–03

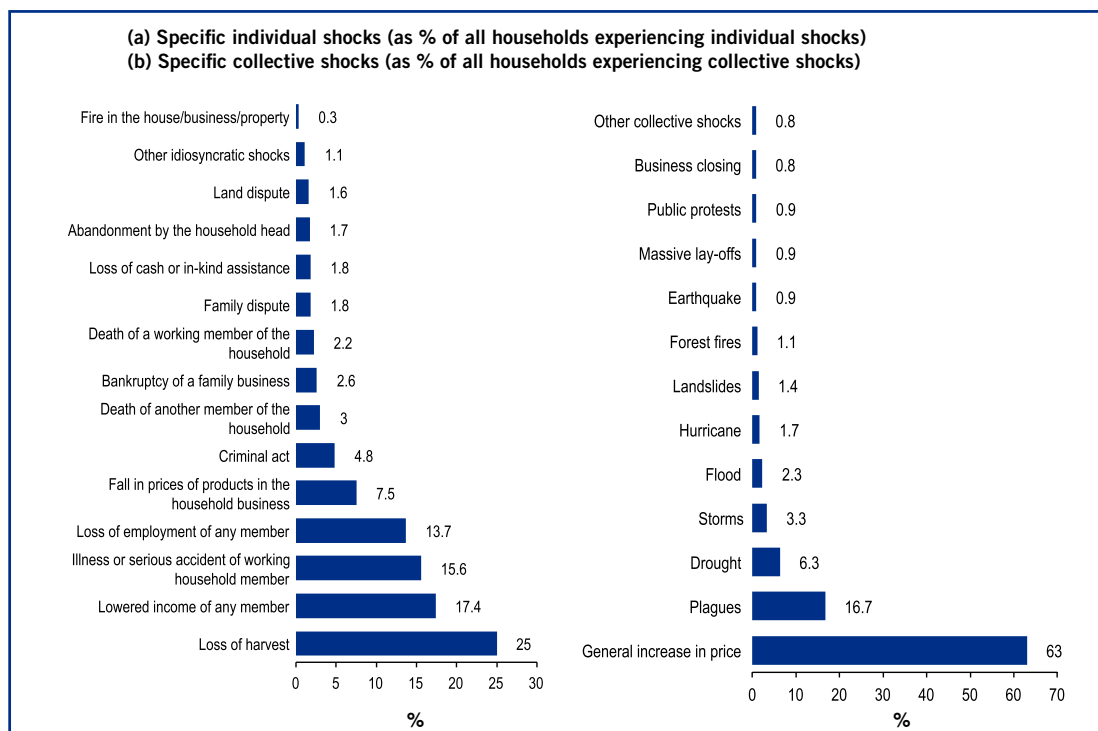
Source: Blanco and Valdivia, 2006.

This study (Blanco and Valdivia, 2006) did not control for other household factors that influence child labour – unlike the other studies we have looked at – but is nonetheless suggestive of the child labour implications of macroeconomic shocks. Trend estimates presented in box 3.1 also suggest that the global economic crisis of 2008–09 slowed or reversed progress against child labour in many countries.

The impact of a variety of shocks at both individual and community level was assessed in a UCW study based on household survey data from Guatemala (Guarcello, Mealli and Rosati, 2010). Households were asked what sort of shock(s) they had experienced during the past year, and their responses were classified as either individual or collective events, depending on their specific causes (figure 3.7). Both individual and collective shocks were found to have an impact on the likelihood of child labour: child labour participation in households hit by individual shocks was six percentage points higher than average, and in households hit by collective shocks was almost seven percentage points higher than average.

Summary

Economic vulnerability is an important – but by no means the only – determinant of whether or not children work. Both of the two main sources of economic vulnerability, poverty and shocks, can force households to resort to child labour as a coping strategy. While such a strategy is a response to immediate economic vulnerabilities, it frequently has long-term consequences, as child labour inevitably occurs at the expense of children's education and, following from this, at the expense also of their social development and their likely success in the labour market as adults.

Figure 3.7. Both individual and collective shocks are common in Guatemala

Source: Guarcello, Mealli and Rosati, 2010.

Conclusion

This chapter has made clear, in both theoretical and empirical terms, the importance of economic vulnerability as a driver of child labour. The lesson for policy is clear: vulnerable households need a social protection floor in order to avoid depleting their most important long-term asset, their children's future. This is truer than ever as the repercussions of a near unprecedented global economic crisis continue to affect vulnerable families everywhere. In this context, the ILO Social Security Strategy, reinforced by ILO Recommendation No. 202, calls for the "rapid implementation of national Social Protection Floors, containing basic social security guarantees that ensure that over the life cycle all in need can afford and have access to essential health care and have income security at least at a nationally defined minimum level" (ILO, 2011b, Conclusions, para. 9).

The next chapter assesses the relevance of social protection as a policy response to child labour in more detail.

PART IV

Social protection as a policy response to child labour

A review of evidence from impact evaluations

Introduction

This chapter assesses the role of social protection and in particular social protection floors in the context of the fight against child labour. We saw in the previous chapter how the combination of persistent poverty and income volatility can render households more vulnerable to child labour. Here we look specifically at how social protection instruments can mitigate the economic vulnerabilities associated with child labour. For this purpose we rely principally on a recent UCW comprehensive review of impact evaluation studies relating to child labour (de Hoop and Rosati, 2012a), the only such review undertaken to date.¹ The studies cited utilize a variety of measures and proxies for child labour, as detailed in the annex to this report.

We focus on social protection instruments that theory suggests are relevant from a child labour perspective – transfer programmes, public employment programmes, social health protection, social protection for people with disabilities, income security in old age and unemployment protection – in the light of their potential and actual impact on child labour. We do not look explicitly here at the other main types of social security benefits identified in the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102), namely sickness pay, employment injury compensation, maternity protection and survivors' benefits.

Sickness pay, however, fits within the broader discussion of social health protection, while employment injury compensation relates closely to the discussion on social protection for people with disabilities. A theoretical case could also be made for the relevance of maternity protection and survivors' benefits to child labour, but there is unfortunately no solid evidence to date dealing with their actual links to child labour.

The knowledge gap is especially important in respect of the impact of maternity protection on child labour, as pregnancy and the months after childbirth can be a vulnerable time for working women and their families, with important potential implications for decisions concerning children's schooling and work. In the absence of adequate maternity protection, families can be faced with significant out-of-pocket

¹ Readers interested in the details of individual programmes are referred to this review, as well as to the on-line UCW inventory of child labour impact evaluations at <http://www.ucw-project.org/impact-evaluation/inventory-impact-evaluations.aspx>. We are aware that basing our analysis only on existing robust impact evaluations might mean that it does not represent the entirety of accumulated knowledge on this issue. However, setting this high standard for evidence enables us to establish as solid a basis as possible for policy conclusions and recommendations.

medical costs associated with pregnancy and delivery as well as with the loss of income during the period when a new mother is off work. In some instances, inadequate maternity protection can mean that mothers lose their jobs or are forced to return to work prematurely. The consequent additional family hardships can make it more difficult for poor families to cope without resorting to child labour.

Transfer programmes directed at families with children

Cash and in-kind transfer programmes are forming an increasingly important part of social protection floors in a number of countries. These programmes can be either conditional or unconditional: that is, they can require households to fulfil certain behavioural conditions in order to qualify for benefits, or they can make these benefits available to all who meet the income or other eligibility criteria without regard to the activities of household members. Transfer programmes for families and children represent one important means of implementing the basic social security guarantee contained in ILO Recommendation No. 202.²

There is strong evidence that transfer programmes have a clear and positive impact on human development, encouraging and stabilizing consumption, and facilitating social cohesion and inclusion (see e.g. ILO, 2010f). While these programmes therefore appear successful in achieving their broad policy objectives, we are interested here in assessing their effectiveness in the specific field of child labour. We therefore focus in particular on transfers targeted at households including children.

As we have seen in the previous chapter, providing vulnerable households with transfers helps them to overcome resource constraints and should therefore, on the basis of this “income effect”, reduce the supply of child labour. However, there are a number of factors that could potentially limit the effectiveness of cash transfer schemes. The amount of a transfer, for example, might not be enough to induce a behavioural change. Supply-side constraints, in particular a lack of schooling facilities, might prevent households from sending their children to school instead of to work.

Effectiveness might be also affected by the cash transfer *process*, and in particular by whether beneficiaries have access to financial institutions to store their money and to auxiliary financial services such as microinsurance and credit. Finally, the impact of cash transfers may be influenced by the extent to which they are used to support household investment (for example, in land, livestock, microenterprises, etc.), thereby creating additional opportunities for the use of children in family production.³

Only empirical evidence can tell us the net impact of cash transfers on child labour in a given context. Below we look separately at evidence concerning the impact of unconditional cash transfers (UCTs), conditional cash transfers (CCTs), CCTs with additional design elements and conditional in-kind transfers.

² ILO Recommendation No. 202 states that national social protection floors should guarantee “basic income security for children, at least at a nationally defined minimum level, providing access to nutrition, education, care and other necessary goods and services” (Para. 5(b)). Aimed at allowing life in dignity for all children, this basic income security guarantee should be established by law, and be regularly reviewed through a transparent procedure (Para. 8(b) and (c)).

³ A number of studies (e.g. Todd et al., 2010; Gertler et al., 2006; Veras Soares and Teixeira, 2010) suggest that families use transfers to finance not only consumption but also investment.

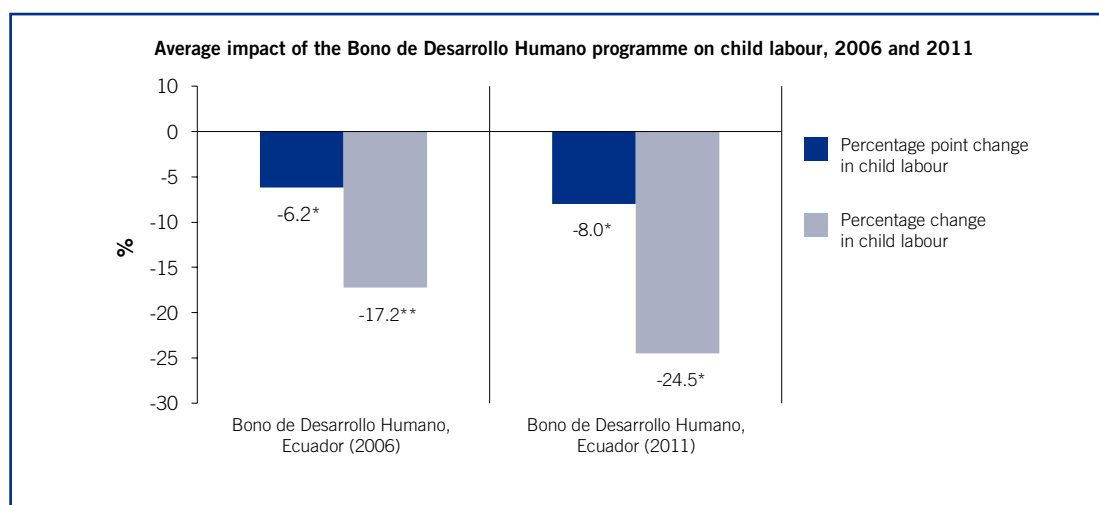
Unconditional cash transfers

Unconditional cash transfer schemes are widely used as a tool for addressing the vulnerability of households, both in isolation or as part of a more comprehensive social protection strategy. These schemes include various forms of child support grants, family allowances, needs-based social assistance and social pensions.

While, as we see below, there is a large body of literature on the impact of *conditional* cash transfer programmes, surprisingly few evaluations have been undertaken of cash transfer schemes without conditionalities. We do, however, have evaluations of three separate programmes – the Ecuador Bono de Desarrollo Humano programme, the Malawi Social Cash Transfer Scheme and the South Africa Child Support Grant – that permit at least some initial insights into the child labour impact of unconditional transfers.

The Bono de Desarrollo Humano programme in Ecuador provides means-tested income transfers equivalent to roughly 7 per cent of monthly household expenditures to households in the poorest two quintiles of the Ecuadorian population. Two studies of the programme indicate that it substantially lowers child labour (figure 4.1). One study (Schady and Araujo, 2006) found that, roughly one year after the start of the programme, children aged between 6 and 17 years in beneficiary households were six percentage points less likely to participate in paid or unpaid economic activities than children in the control group. Similarly, the second study (Edmonds and Schady, 2012) found that children aged 11 to 16 years who lived in a participating household were eight percentage points less likely to participate in these activities. It is worth noting, however, that the Ecuadorian programme was originally publicized as a conditional programme, but the conditions were not enforced. This raises the possibility that the public references to the conditions nonetheless had an impact on the behaviour of recipients.

Figure 4.1. Ecuador's Bono de Desarrollo Humano programme reduced child labour



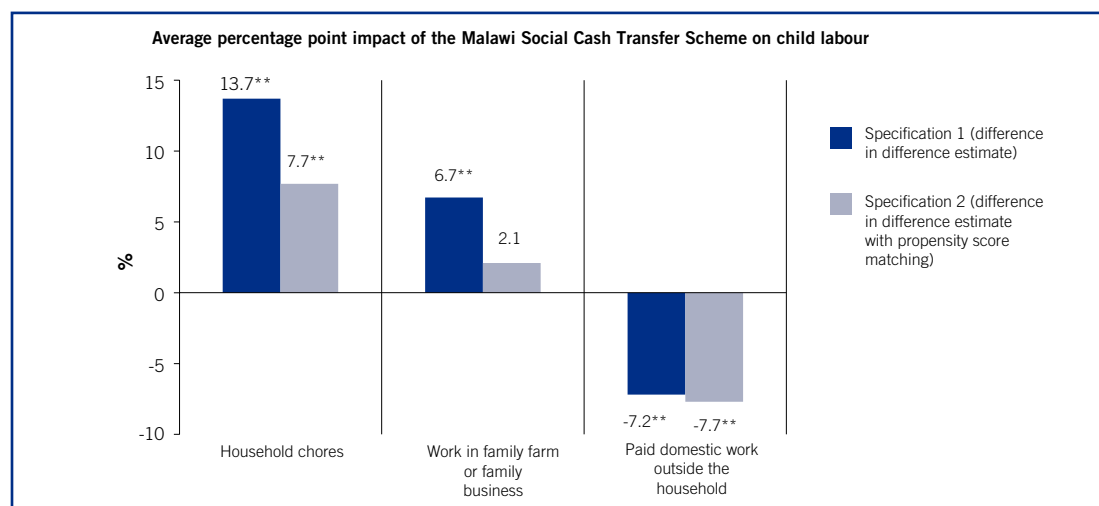
Notes: *p<0.05, **p<0.01. Child labour in the 2006 study is defined as children aged 6–17 years engaged in work for pay or in unpaid labour in the family farm or business. Child labour in the 2012 study is defined as children aged 11–16 years engaged in work for pay or in unpaid labour in the family farm or business.

Source: de Hoop and Rosati, 2012a, based on Schady and Araujo, 2006; Edmonds and Schady, 2012.

The Malawi Social Cash Transfer Scheme provides cash transfers ranging in value from \$4 to \$13 per household per month depending on the number of household members.⁴ In addition, the programme offers a school attendance bonus for children of primary or secondary school age.⁵ A study (Covarrubias et al., 2012) indicated that the transfer scheme brought about an increase in productive investments (in, for example, land, livestock or microenterprises) by beneficiary households. This in turn appears to have led to a reallocation, rather than a clear reduction, in children's work. Specifically, the study indicated that the programme prompted a shift in the nature of child labour from work outside the household to family-based work in family enterprises or in household chores (figure 4.2), presumably because the household investment financed by the cash transfers created new opportunities for the use of children in family production.

The Child Support Grant (CSG) in South Africa provides means-tested transfers to the caregivers of children growing up in South Africa's poorest households. The number of children receiving the grant has increased rapidly, and by 2012 the CSG covered nearly 10 million beneficiaries.⁶ A study by the South African government and UNICEF (DSD et al., 2012) found that the probability of being involved in household chores among 10-year-olds differed little between children benefiting from the programme since birth and others benefiting only from the age of 6 years. The same study indicated that the CSG did, however, affect the probability that an adolescent aged 15–17 worked outside the home. Of those adolescents who started receiving the

Figure 4.2. Malawi's Social Cash Transfer Scheme prompted a shift towards family-based forms of child labour



Notes: * $p < 0.05$, ** $p < 0.01$. Child labour is defined as household chores, work in family farm or family business, and paid domestic work outside the household by individuals aged 0–18 years.

Source: de Hoop and Rosati, 2012a, based on Covarrubias et al., 2012.

⁴ For comparison, average monthly per capita income in the initial target district was \$7.80.

⁵ It is not stated explicitly whether this bonus is conditional on attendance at school.

⁶ Despite the wide coverage of the CSG, a substantial share of eligible children (households) does not participate. The reasons for this shortfall in coverage, such as misperceptions regarding eligibility criteria and difficulty in acquiring the necessary documentation, are described in detail in DSD et al., 2012.

grant at the age of 16 years, 21 per cent worked outside the home compared to only 14 per cent of adolescents who started receiving the grant at birth.⁷

Conditional cash transfers

Conditional cash transfers provide a cash transfer (usually to vulnerable households) on condition that the members of the recipient household adhere to specific behavioural requirements. The behavioural conditions are typically in the area of health (e.g. health checkups and attendance at health-related seminars) and/or education (e.g. regular school attendance of children in the household).⁸ CCT programmes aim both to alleviate current income poverty (through cash benefits) and to reduce the likelihood or extent of future poverty (through behavioural conditions related to investment in human capital). Initially limited primarily to Latin America, CCT programmes are now appearing in developing countries worldwide.

CCTs have been evaluated extensively. In this section we review those that include educational requirements, either as the only condition for disbursement of the cash transfer or as part of a broader set of conditions. We discuss only evidence from the evaluation studies that include child labour as an outcome. Most of the studies examine schemes from Latin America and the Caribbean. Only three focus on CCTs implemented in countries outside this region: Cambodia (Ferreira et al., 2009), Pakistan (Alam et al., 2011) and Indonesia (Sparrow, 2004).

We begin with Mexico's flagship CCT programme, Oportunidades (initially known under the name PROGRESA). This programme is among the most extensively evaluated social protection schemes in the world and was at the forefront of the diffusion of CCT schemes.⁹ Oportunidades provides poor Mexican households with monthly cash transfers equivalent to approximately 20 per cent of average recipient household income, on the condition that children in the household attend school and that all household members obtain preventive medical care and attend health education talks.¹⁰ The programme's coverage is extensive: by 2010 it had reached approximately 5.5 million households (more than 20 per cent of all households in Mexico) living in nearly 100,000 marginalized localities (14 per cent of which were located in urban and semi-urban areas).

Evaluations of the programme suggest that its impact on child labour varies considerably by children's age, sex and place of residence (see figure 4.3).¹¹ The oldest study considered here examined the short-run impact of Oportunidades on children's work in rural areas (Skoufias and Parker, 2001). The authors found that the programme significantly reduced child labour among 12–17 year-old boys and girls but not among younger boys and girls. A study by Schultz three years later (Schultz, 2004) found only

⁷ It is worth noting that not all employment among 15–17 year-olds constitutes child labour, as only hazardous and other worst forms of work are proscribed for this age group. The information provided in the study was insufficient, however, to draw a distinction between child labour and other acceptable forms of work among the group of 15–17 year-olds in employment.

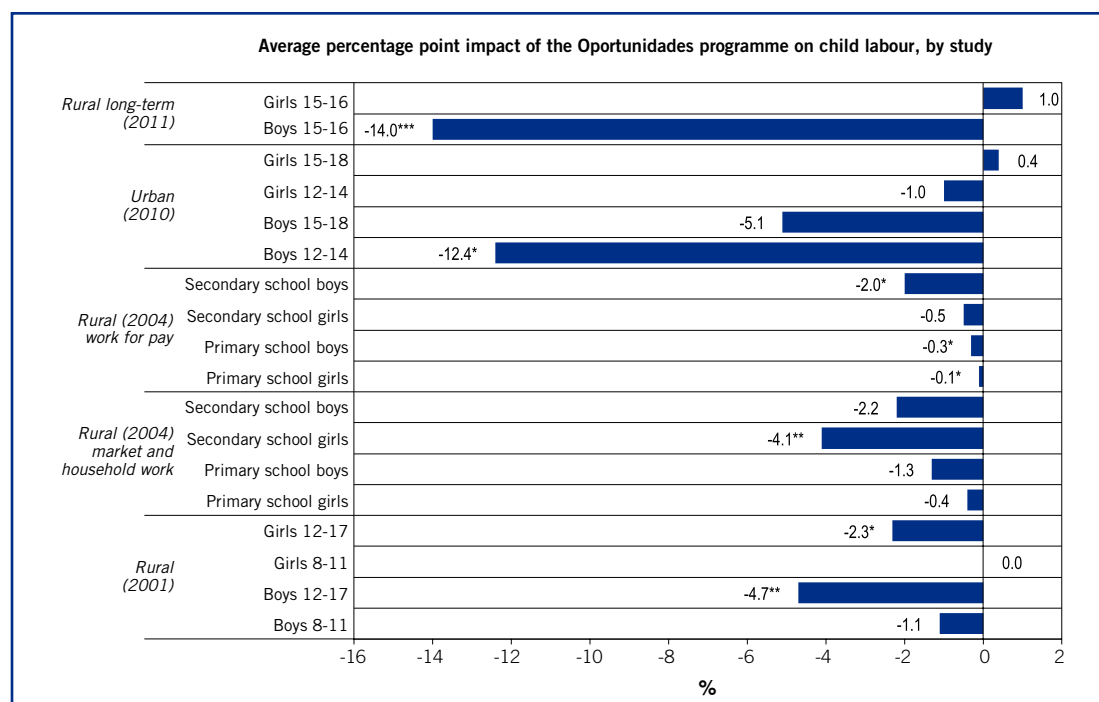
⁸ For a comprehensive review of the recent proliferation of CCT schemes in developing countries, including a detailed discussion of the (political economy) arguments in favour of and against these schemes, see Fiszbein and Schady, 2009.

⁹ The discussion of this programme is based on, and quotes from, de Hoop and Rosati, 2012a.

¹⁰ The programme also provides various supply-side interventions, such as extra resources to primary schools that enrol students from disadvantaged rural communities.

¹¹ For the definitions of child labour used in the various studies, please see the annex to this report.

Figure 4.3. The impact of Mexico's Oportunidades programme varied considerably by children's age, sex and place of residence



Notes: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$. Definitions of child labour differ across studies: Skoufias and Parker (rural, 2001) refer to economic activities for pay or for the household; Schultz (rural, 2004) refers first to market and household work and then to work for pay; Behrman et al. (urban, 2010) refer to economic activities for pay; and Behrman et al. (rural long-term, 2011) refer to economic activities for pay or for the household.

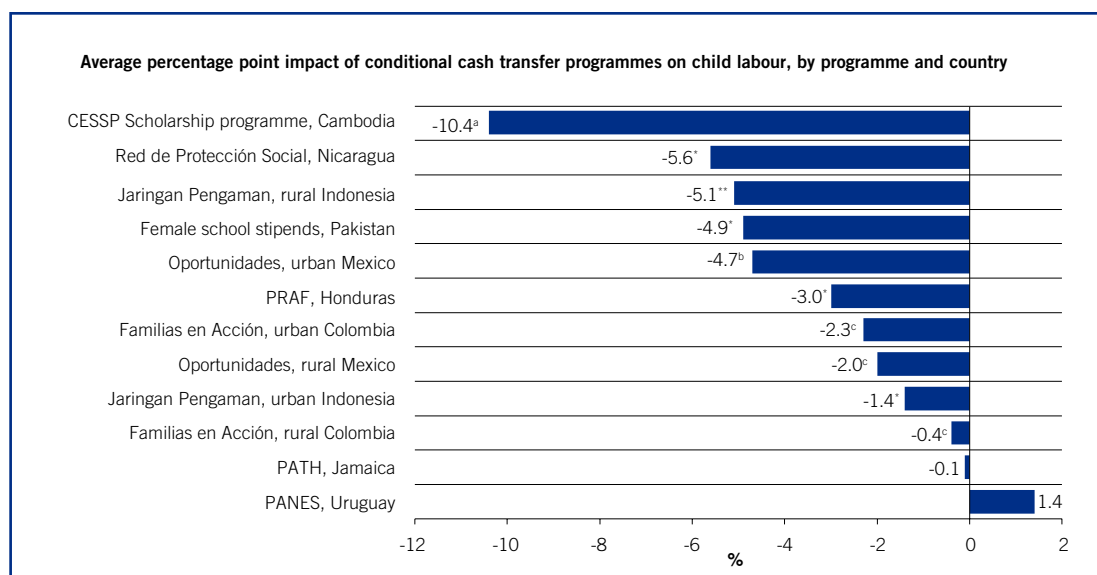
Source: de Hoop and Rosati, 2012a, based on Skoufias and Parker, 2001; Schultz, 2004; Behrman et al., 2011a; Behrman et al., 2011b.

a limited effect of Oportunidades on child labour¹² among rural primary school pupils, but a markedly stronger effect among rural secondary school pupils. This study also showed that Oportunidades substantially increased transition into secondary school in rural areas, potentially explaining why the reduction in child labour was more marked among older children. A later study (Behrman et al., 2011b), examining the *long-term* impact of Oportunidades in rural areas, found that 15–16 year-old boys who were exposed to the programme for 5.5 years were 14 percentage points less likely to work than boys who were never exposed to the programme. Finally, the only study addressing urban areas (Behrman et al., 2011a) found a very different impact pattern: participation in work by urban boys aged 12–14 fell significantly as a result of the programme, but neither older urban boys nor urban girls of any age were affected.

Brazil's Bolsa Família is a similarly large-scale CCT scheme covering a total of 13 million families nationwide (<http://www.mds.gov.br/bolsafamilia>). It provides these families with conditional cash transfers designed to strengthen access to basic social rights in the areas of education, health and social care. A recent evaluation (*Avaliação de impacto do programa Bolsa Família – 2ª rodada (AIBF II), 2012*, Secretaria de Avaliação e Gestão da Informação, Ministério do Desenvolvimento Social e Combate à Fome, Brasília, junho de 2012) indicated that the programme

¹² Schultz examines multiple subcategories of the work variable examined by Skoufias and Parker, 2001.

Figure 4.4. Conditional cash transfer programmes lower child labour, although the impact varies greatly from one programme and location to the next



Notes: * $p < 0.05$, ** $p < 0.01$. The definition of child labour is not consistent across studies. The specific definition of child labour used in each study is provided in the Annex. ^aImputed estimate based on non-significant disaggregated estimates. ^bImputed estimate based on partly significant disaggregated estimates. ^cImputed estimate based on significant disaggregated estimates.

Source: de Hoop and Rosati, 2012a, based on: Amarante et al., 2011 (Uruguay); Barrera-Osorio et al., 2008 (Colombia); Levy and Ohls, 2007 (Jamaica); Sparrow, 2004 (Indonesia); Galiani and McEwan, 2011 (Honduras); Ferreira et al., 2009 (Cambodia); Maluccio and Flores, 2005 (Nicaragua).

reduced employment among 5–17 year-olds by almost two percentage points and reduced the number of weekly hours dedicated to domestic work by 4.5 hours for the same age group. The programme was also responsible for a delay of approximately 10 months in entry into the labour market for children and adolescent males.

Figure 4.4 summarizes the average impact of the other CCT programmes for which rigorous estimates of their impact on the prevalence of child labour are available. Looking at the results, we conclude that CCT programmes generally appear to reduce child labour. However, it is clear that the impact varies considerably from one context and programme to another. Estimated impacts range from no statistically significant change in child labour for the Plan de Atención Nacional a la Emergencia Social (PANES) in Uruguay (Amarante et al., 2011) and the Programme of Advancement Through Health and Education (PATH) in Jamaica (Levy and Ohls, 2007) to a reduction of 10 percentage points for the Cambodia Education Sector Support Project (CESSP) scholarship programme (Ferreira et al., 2009).

The CCTs also appear successful in getting children into school. There is a significant positive impact on school attendance in all but one of the CCT programmes looked at,¹³ but again the magnitude of the impact varies considerably from one programme and context to another. De Hoop and Rosati, however, found little evidence that changes in child labour precisely mirror changes in school participation (de Hoop

¹³ The female school stipends programme in Pakistan is the exception.

and Rosati, 2012a). In other words, CCTs resulting in a large increase in school attendance are not necessarily similarly successful in reducing child labour, or vice versa. There are cases in which CCTs have a significant effect on education but no effect on child labour (e.g. PATH in Jamaica). And, perhaps more unexpectedly, there are cases in which CCTs have a significant negative effect on child labour but no effect on school participation (e.g. female school stipends in Pakistan).

Beyond these general results, the large body of evidence on CCTs assembled by de Hoop and Rosati permits a more nuanced discussion of impact by household income, child labour prevalence, transfer amount, programme location, gender, type of work and age. Their key findings (from de Hoop and Rosati, 2012a) are summarized below.

- **Household income.** Most of the studies that examined differences by income show that reductions in child labour tend to be greater among children from poorer backgrounds (e.g. Galiani and McEwan, 2011; Glewwe and Olinto, 2004; Sparrow, 2004; Dammert, 2009). Similar results were found for the impact of CCTs on education outcomes (for a review, see Fiszbein and Schady, 2009). We thus conclude that there is fairly strong evidence that the potential for CCT schemes to reduce child labour is stronger in poor households. This conclusion points to the importance of appropriate targeting.
- **Prevalence of child labour.** Programme impact on child labour tends to be greater when the prevalence of child labour is higher and the margin for improvement increases, but the relationship is not mechanical. The impact studies indicated that some programmes operating in environments with a high proportion of child workers (e.g. Familias en Acción in Colombia and Oportunidades in rural Mexico) had only a limited impact on child labour and, conversely, that some programmes operating in environments with a lower proportion of child workers had a strong impact on child labour (e.g. Oportunidades in urban Mexico).
- **Transfer amount.** There is little evidence that observed reductions in child labour are linked to the relative amount disbursed by the cash transfer programme. The CESSP scholarship programme in Cambodia, for instance, resulted in the second strongest decrease in child labour of all evaluated CCT programmes, even though it provided only very modest transfers. Uruguay's PANES, on the other hand, provided income transfers equal to approximately 50 per cent of average self-reported pre-programme income and yet did not appear to have lowered child labour.
- **Rural or urban programme location.** There is also little evidence that the impact of CCTs is consistently stronger in either urban or rural areas; rather, the impact pattern seems to vary country to country. Studies in Colombia and Mexico (Attanasio et al., 2010; Behrman et al., 2011a; Skoufias and Parker, 2001) respectively suggested that Familias en Acción in Colombia and Oportunidades in Mexico had a stronger impact on child labour in urban areas. On the other hand, the study in Indonesia (Sparrow, 2004) found that Jaringan Pengaman had a stronger effect on child labour in rural areas.

- **Gender.** The impact of the CCT programmes on child labour appeared greater for male than for female children in almost all studies where the breakdown by sex was available, including Oportunidades in Mexico (Behrman et al., 2011a; Behrman et al., 2011b), Red de Protección Social in Nicaragua (Dammert, 2009), Programa de Asignación Familiar (PRAF) in Honduras (Galiani and McEwan, 2011), CESSP scholarships in Cambodia (Ferreira et al., 2009) and Jaringan Pengaman Sosial in Indonesia (Sparrow, 2004). The only substantially deviating result comes from the PANES cash transfer programme in Uruguay (Borraz and González, 2009). The larger impact on male child labourers, however, is likely to be at least in part a reflection that household chores, frequently performed by girls, were not included in the definition of child labour used in most studies (see the next point).
- **Type of work and gender.** Studies of three programmes – Oportunidades in Mexico, the CESSP scholarship programme in Cambodia and PRAF in Honduras – disaggregated the overall child labour impact of CCTs by sex. All three indicated that the relative impact of CCTs on male and female child labourers depended on the type of work performed: impact on work for pay and work outside the home was stronger for boys than for girls, while impact on domestic work, work without pay and work at home was stronger for girls than for boys.¹⁴ These results suggest that a strict focus on economic activities may not reveal the true impact of CCTs on girls.
- **Age.** There is no clear pattern across the studies in terms of impact by age. The impact of Mexico's Oportunidades programme in rural areas was greater among older (12–17 year-old) children than among their younger (6–11 year-old) counterparts, a difference attributable in part to the programme's effectiveness in increasing rates of transition from primary to secondary school. But the opposite age pattern is found for Oportunidades in urban areas. Studies of other CCT programmes also found a mixed pattern. The impact of PRAF in Honduras and Jaringan Pengaman Sosial in Indonesia increased markedly with the age of the beneficiary. However, for programmes such as Red de Protección Social in Nicaragua, female school stipends in Pakistan and PANES in Uruguay, either the impact was the same for different age groups or there was no significant impact for any age group.

The relevance of conditionality is a question that often arises in discussion of the impact of cash transfers. Does the addition to a cash transfer scheme of a schooling requirement or some other condition relating to human development change its impact on child labour? This question is of course critical for the purposes of policy design, but there is unfortunately little solid evidence to support an answer either way. More research is needed concerning the impact of conditionality on families' child labour decisions, building on recent research addressing links between conditionality and school attendance (see e.g. Akresh et al., 2013; Benhassine et al., 2012; Bursztyrn and Coffman, 2012). The issue of conditionality is discussed further in box 4.1.

¹⁴ However, these gender patterns should be interpreted with some care, because these studies do not explicitly test whether the differential impact of CCTs on the different activities performed by boys and girls is statistically significant.

Box 4.1. Conditional versus unconditional cash transfers

The importance of behavioural conditions to the effectiveness of cash transfer schemes is the subject of ongoing debate in development circles. In the areas of child labour and schooling, whether conditionality increases programme impact is an empirical question that can be addressed in an evaluation comparing beneficiaries receiving a conditional cash transfer (CCT) with beneficiaries receiving an unconditional cash transfer (UCT).

One study (Baird et al., 2011) implemented such an evaluation of the impact of cash transfers on girls in a rural district in Malawi. The authors found that conditionality appears to matter, at least for school enrolment: the teacher-reported enrolment of girls from households benefiting from CCTs increased by significantly more than that of girls from households benefiting from UCTs. Other studies relying on accidental glitches in programme implementation to identify the role of conditionality in school attendance yielded similar results (de Brauw and Hoddinott, 2011; Schady and Araujo, 2006).

Similar evidence on the impact of conditionality on child labour is unfortunately not available. Moreover, because the few studies of UCTs were conducted in countries for which we have no evidence on CCTs, it is not possible even to make indirect comparisons between studies.

That being said, there is some initial evidence suggesting that transfers can have an impact on child labour even in the absence of schooling conditions. At the same time, the extensive evaluations of conditional cash transfers indicate that the presence of conditionality does not automatically translate into substantial reductions in child labour. As shown in the main text, the child labour impact of CCT programmes varies widely, and there are some examples, such as PANES in Uruguay and PATH in Jamaica, that yielded no statistically significant change in child labour.

Possibly, the way in which the schooling condition is defined, communicated to parents, monitored and enforced explains part of this differential effect. However, without studies that explicitly examine the role of schooling conditions in households' child labour decisions, it remains an open question whether or not conditionality plays an important role.

The debate regarding the merits of conditionality of course extends well beyond the impact on child labour, encompassing issues relating to poor people's "agency", individual rights and entitlements, non-discrimination, gender equality and policy coherence. Also at issue is the question of the availability of schooling or health services. Individuals from areas where such services are not available may be de facto excluded from participating in a CCT scheme. Moreover, these supply-side constraints are most likely to occur among populations where need is greatest.

There is, then, no simple answer concerning the advisability of conditionalities in programme design. The question of whether cash transfer programmes should be linked to behavioural conditions related to human development (e.g. health and education) depends on the local context and conditions and should be decided by local authorities, guided by the set of principles contained in ILO Recommendation No. 202.

Source: de Hoop and Rosati, 2012a.

Conditional cash transfers "plus"

Some programmes extend the basic set-up of the CCT programme, thereby potentially changing the structure of incentives facing households relating to child labour. In the Atención a Crisis programme in Nicaragua, for instance, some households were also provided with "grants for productive investments" to start new income-generating non-agricultural activities. One study (del Carpio and Loayza, 2012) found that this

additional element significantly *diminished* the impact of the programme on child labour. What explains this result? One possibility is that the investment grant altered the returns on child labour, for instance because children could be profitably employed in the newly developed household business.

In some cases CCTs are combined with supply-side interventions, again with potential implications for their impact on household decisions concerning child labour. In the Honduras PRAF-II programme, for example, some communities receive CCTs in combination with direct investments in their health and education facilities. This combination has been found to result in a statistically significant decrease in child labour (Galiani and McEwan, 2011), whereas the CCTs alone had no significant effect. One explanation of this result is that providing local schooling facilities eliminates or lowers the costs of travelling to school, further reducing the relative price of education.

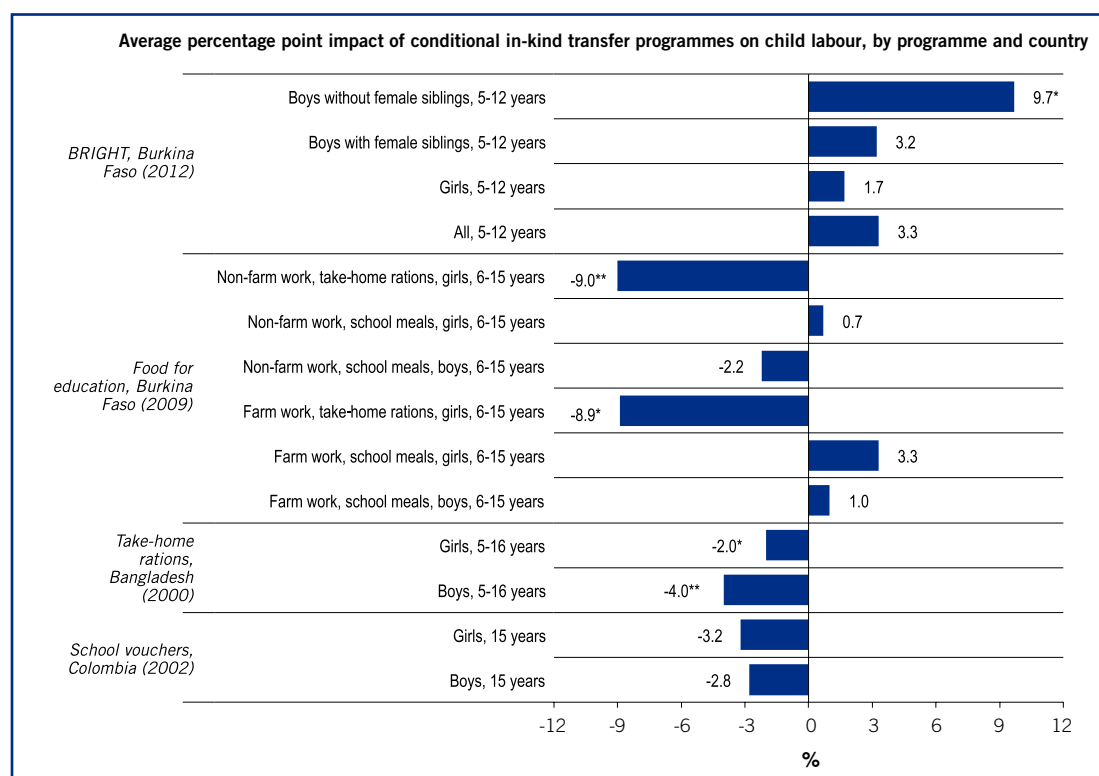
The Programa de Erradicação do Trabalho Infantil (PETI) or Child Labour Elimination Programme in Brazil is another example of a CCT combined with a supply-side intervention. PETI, which merged with Bolsa Família in 2006, included a mandatory after-school programme that essentially doubled the length of the school day for participating children. An evaluation of the programme in 1999 found it to have had a major impact, reducing child labour by five percentage points in the district of Pernambuco and by 25 percentage points in the Bahia district (Yap et al., 2002). The extended school day of the PETI programme is likely to have been instrumental in keeping children out of work.

Conditional in-kind transfers

Conditional in-kind transfers are a closely related social protection instrument, providing households with in-kind rather than cash transfers conditional on specific behavioural requirements. Here we examine the impact on child labour of two types of conditional in-kind transfers: school vouchers and food for education programmes (see figure 4.5).

School vouchers cover (part of) the cost of education at a public or private school selected by pupils and their parents. Given that school vouchers are of value only if the pupil enrolls, they are essentially conditional on school attendance. Colombia's Programa de Ampliación de Cobertura de la Educación Secundaria (PACES) is one of the few voucher programmes that has been subjected to an impact evaluation. The programme provides children from families in the lowest two of six income strata with vouchers covering slightly more than half the cost of private secondary school. This programme was found to have a substantial impact on education outcomes, improving both levels of education attained by the time of leaving school and performance on achievement tests (Angrist et al., 2002). The impact of the programme on child labour, however, was less pronounced. The programme did not bring about a significant change in the proportion of girls or boys in work, but did bring about a statistically significant reduction in the number of hours worked by girls.

Food for education programmes include both school feeding and take-home rations schemes. School feeding programmes provide students with a meal during school hours (typically breakfast or lunch) and thus automatically enforce a schooling condition. Take-home rations typically consist of larger quantities of food than school feed-

Figure 4.5. The limited evidence on the impact of conditional in-kind transfers is less conclusive

Notes: * $p < 0.05$, ** $p < 0.01$. Definitions of child labour differ across studies: BRIGHT, Burkina Faso (2012) refers to economic activities for pay or for the household, and household chores; Food for education, Burkina Faso (2009) refers to farm and non-farm work; and Take-home rations, Bangladesh (2000) refers to economic activities for pay or for the household, and household chores. The child labour variable used for School vouchers, Colombia (2002) was not defined.

Source: de Hoop and Rosati, 2012a, based on Angrist et al., 2002; Ravallion and Wodon, 2000; Kazianga et al., 2009; de Hoop and Rosati, 2012b.

ing programmes, distributed to the pupil's household conditional on sufficient school attendance. There is a large body of evidence on the important benefits of food for education programmes, both in terms of improving children's nutritional and health status¹⁵ and in terms of promoting their school enrolment and regular attendance.¹⁶

Evidence on the child labour impact of food for education programmes is more limited, making it difficult to draw generalized conclusions. The take-home rations distributed in Bangladesh were found to reduce child participation in economic activities and in household chores (Ravallion and Wodon, 2000), but that these reductions were of markedly lower magnitude than the increases in education resulting from the take-home rations programme. A study in Burkina Faso (Kazianga et al., 2009) found that take-home rations were associated with a significant decrease in both farm and non-farm economic activities among girls in participating schools, but that school meals did not significantly affect the numbers of either boys or girls doing either kind of work.

¹⁵ See e.g. Kristjansson et al., 2009, Van Stuijvenberg, 2005, Latham et al., 2003, Solon et al., 2003, and Grillenberger et al., 2003, as cited in World Food Programme, 2009.

¹⁶ See e.g. Edström et al., 2008, Ahmed, 2002, Lazamaniah et al., 1999, Simeon et al., 1989, and Jacoby et al., 1996, as cited in World Food Programme, 2009.

Another study (de Hoop and Rosati, 2012b) assessed the impact of BRIGHT (Burkinabé Response to Improve Girls' Chances to Succeed), a food for education programme in Burkina Faso. BRIGHT provides school meals for all pupils and take-home rations for female pupils in 132 rural villages in the country. The authors found that while the programme greatly improved attendance at school, it had very limited impact in reducing children's overall involvement in economic activities or household chores.

The content of BRIGHT differed for boys and girls (girls receive take-home rations conditional on sufficient school attendance, while boys do not), and de Hoop and Rosati also assessed whether this distinction translated into differences in programme impact. They found that boys who do not have female siblings (and therefore do not benefit by association from the take-home rations) experienced an increase in both school participation and work, while boys with female siblings and girls experienced an increase in school participation but no substantial change in work.

Summary

The extensive evidence on cash transfer schemes indicates that they lower child labour but that the magnitude of their impact varies substantially from one programme and location to the next. In no instances, however, are they successful in eliminating child labour altogether, underscoring that cash transfers alone are not a complete policy response to child labour.

In what circumstances do cash transfer schemes appear most effective? Most of the studies show that reductions in child labour tend to be greatest for children from poorer backgrounds. The evidence also suggests that the impact is larger when cash transfer schemes are coupled with supply-side interventions such as provision of health and education facilities and/or after-school education. On the other hand, there is some evidence indicating that transfers may be less effective when they are used to finance household productive investments, as these investments create opportunities for children's involvement in family work. There is no obvious link between the size of the transfer (relative to household income) and the magnitude of the change in child labour. It remains an open question whether or not conditionality influences the child labour impact of cash transfer programmes.

The evidence relating to conditional in-kind transfers suggests that this form of transfer programme can also reduce child labour in some contexts. However, the evidence to date is too limited to support generalized conclusions concerning the specific types of in-kind transfer schemes that are likely to be most effective against child labour, or concerning the relative effectiveness of in-kind transfers and cash transfers in reducing child labour.

Public employment programmes

Public employment programmes often serve the primary goal of providing a source of employment to adult members of the household and the secondary goal of helping rehabilitate public infrastructure and expand basic services. Both are potentially positive in terms of reducing households' reliance on child labour.¹⁷ Public employment

¹⁷ For further discussion of this point, see e.g. Guarcello, Lyon and Rosati, 2004.

programmes can be developed as part of social protection and/or employment schemes, and may include on-the-job training to reintegrate low-skilled workers into the labour force or provide other inputs to reduce the vulnerabilities of poor families (ILO, 2011a). They can provide temporary support to households whose breadwinner has lost his or her job and can also help in smoothing earnings for workers in seasonal jobs. Public employment programmes are becoming increasingly important components of social security systems in many countries, including Ethiopia, Ghana, India, Kenya and South Africa.

Two important caveats are relevant to the design of public employment programmes from a child labour perspective: first, obviously, the public employment should not involve children as participants; and second, children should not simply replace participant parents in their former jobs or in performing intensive household chores. Two of the limited number of public employment programmes that have been evaluated from a child labour perspective, the Public Safety Net Programme in Ethiopia and the Mahatma Gandhi National Rural Employment Guarantee Scheme (NREGS) in India, appeared successful in reducing child labour at least among some groups of children, but further research in this area is required. The evaluations of the two programmes are discussed in more detail below.

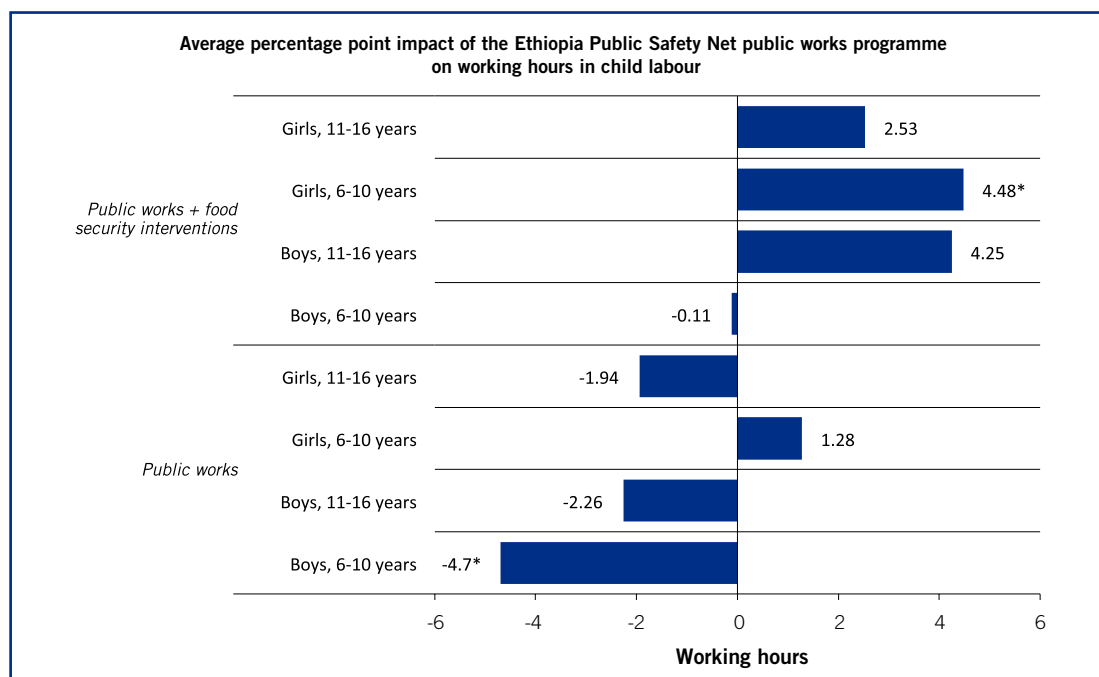
The Public Safety Net Programme in Ethiopia provides food or cash for work on labour-intensive projects designed to build community assets (such as soil and water conservation projects, and road and school construction) to poor households in 262 food-insecure Ethiopian districts. A subgroup of these households also benefits from a package of food security interventions including access to credit, irrigation and water schemes as well as advice on agricultural technology. The public works programme was intended to protect households from asset depletion as a result of shocks such as droughts, while the food security interventions aimed to facilitate asset accumulation and income growth.

The impact evaluation study (Hoddinott et al., 2009) found some evidence of a significant reduction in hours worked by boys aged 6–10 years (see figure 4.6). Separate estimates for hours in agricultural activities and hours in domestic chores indicated that half of this decrease in working hours by boys related to domestic chores and the other half to agricultural activities. Interestingly, the study suggests that the public works programme combined with food security interventions actually *increased* working hours, and in the case of 6–10 year-old girls the increase was statistically significant, underscoring the potential drawbacks of such programmes from a child labour perspective.¹⁸

The other major programme for which we have some initial evidence is NREGS in India. Inaugurated in 2005 and rolled out to rural districts over three years, NREGS has become the largest public employment programme in history. As its name indicates, it offers a legal guarantee of employment to households that request it, and if local government fail to provide work within 15 days of the time of request, households are entitled to an allowance commensurate with what they would have earned

¹⁸These are the estimates for intervention households that receive transfers worth at least 90 Ethiopian birr (ETB). Estimates including households receiving lower transfers are similar in terms of magnitude, but not always significant. It is not clear if the difference between the impact estimates for the public works programme only and the public works programme combined with food security interventions is statistically significant.

Figure 4.6. The Public Safety Net public works programme in Ethiopia did not consistently lower child labour



Notes: * $p < 0.1$. Child labour is defined as work in agriculture or household chores performed by children aged 10–16 years.

Source: de Hoop and Rosati, 2012a, based on Hoddinott et al., 2009.

from the work. The programme is limited to rural areas and to a maximum of 100 days per year per household, but beyond these provisions it is self-targeted and not capped.

A Young Lives Survey administered in Andhra Pradesh during the early phase of NREGS implementation provided preliminary information on impact on paid child labour (Uppal, 2009). The survey found that paid child labour declined for girls from households that had taken up the work guarantee compared to those who lived in districts where the scheme had not yet been introduced. The corresponding figure for boys was not statistically significant. But it should be stressed that this is a preliminary finding, and that there is not yet any evidence on impact from a rigorous impact evaluation.¹⁹

The question whether NREGS has avoided the pitfall of inducing households to substitute children for adults in domestic tasks therefore remains as yet unanswered. The design of the programme is intended to minimize this risk. By limiting the utilization of the work guarantee to a fixed number of days per household, it reduces the incentive for households to multiply the number of adults who perform this work. Moreover, the legislative framework for NREGS specifies that worksites are to provide child care for households who need it, in order to help equalize work opportunities for men and women, and also to free older children from the task of minding their younger siblings. While evidence regarding the effects of public employment programmes on child labour is only just beginning to emerge, we can nevertheless identify two impor-

¹⁹ Such an evaluation of NREGS was under way at the time of the writing of this report.

tant programme design priorities for maximizing the intended employment benefits for adults and minimizing the risk of adverse effects on child labour.

The first priority concerns child labour restrictions. Public employment programmes should require an appropriate minimum age for participants and this age restriction should be strictly enforced. While there is anecdotal evidence that children were accepted for employment in the early years of implementation in some countries, child labour restrictions are now in place in virtually all public employment programmes. We can find no indication that children are working in public employment anywhere, at least not in sufficient numbers to show up in formal programme assessments. For instance, careful scrutiny of Argentina's Plan Jefes y Jefas demonstrated that, even though monitoring of programme eligibility was uneven, there was no increase in paid employment by children in beneficiary households (Galasso and Ravallion, 2003).

The second priority concerns accounting for incentives leading to child labour. Public employment programmes are often viewed as self-targeting, in that only individuals with no adequate labour market opportunities would accept the jobs they offer. There are two problems with this self-targeting assumption from a child labour perspective. First, households may choose to reallocate household labour to take advantage of a public employment programme in part because they are able to draw upon the labour of their children for chores within the household. Second, many potential participants may already be economically active but in low-quality jobs, in which case there is the risk that children will replace adults in these jobs when the adults take up the more attractive public employment opportunity. Programme design, therefore, should seek to minimize incentives to substitute child for adult work either inside or outside the home.

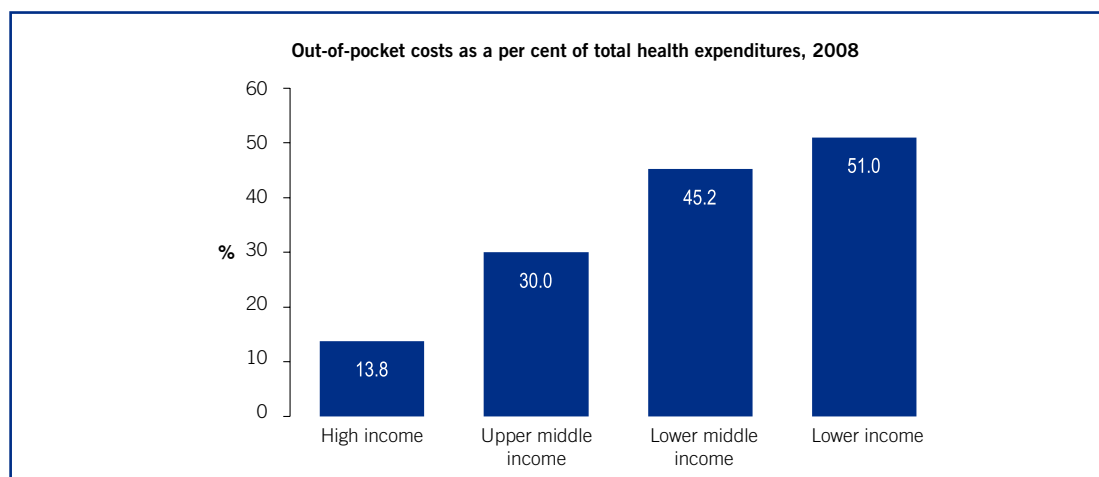
Summary

Initial evidence from Ethiopia and India indicates that public employment programmes can reduce child labour, at least among some groups of children. However, very few such public employment programmes have been evaluated from a child labour perspective, notwithstanding their increasing popularity with governments and donors. This is an area where additional information to guide programme design is especially needed in order to guard against adverse effects on children. Specifically, public employment programmes must be designed to ensure that children do not simply substitute for participating parents in their prior jobs or in performing household chores.

Social health protection

Serious health events – disabling injuries, major diseases and premature death – constitute disruptive shocks and are one of the most important sources of economic vulnerability for low-income households in the developing world. Ill health places economic pressure on households in two ways: by reducing the earning capacity of individuals disabled by health impairments (see also next section on people with disabilities) and by imposing added, unforeseen, health-care costs on the household budget.

Figure 4.7. Out-of-pocket costs account for over half of total health expenditures in low-income countries



Source: WHO, 2011.

Over half of total health costs in low-income countries must be paid for out of pocket (see figure 4.7), which in turn can mean that the threat of ill health is also a threat of poverty. Indeed, the WHO estimates that each year 100 million people fall into poverty as a result of the financial burden of health-related risks, or the need to pay for health-care services (WHO, 2010). The link between ill health and poverty can also of course operate in the opposite direction, as poorer families tend to live and work in less healthy environments and to have a less nutritious diet. Mutual linkages between ill health and poverty may cause poverty to become chronic.

The link between health shocks and child labour is clear to see. When a household's main breadwinner is incapacitated by illness or injury, or a household must pay for the care of a sick member, it can be forced to rely on children's labour in order to make ends meet. In other words, child labour acts as a buffer or insurance against the impact of health-related shocks to the household. This link is evidenced by household survey data from a range of countries. In Togo, for instance, where almost one-fifth of children belonged to households hit by a health-related shock in 2010, these shocks resulted in a significant rise in child labour (UCW, 2012d). Similarly in Zambia, the likelihood of full-time child labour in low-income households increased by almost nine percentage points when a household member fell ill or died (UCW, 2009c). In both cases, the health shocks were also associated with a decline in school attendance, thereby compromising children's future prospects.

It therefore stands to reason that social health protection²⁰ policies designed to address the social distress and economic loss associated with ill health would be directly relevant to efforts against child labour. A study by UCW assessing the effect of health

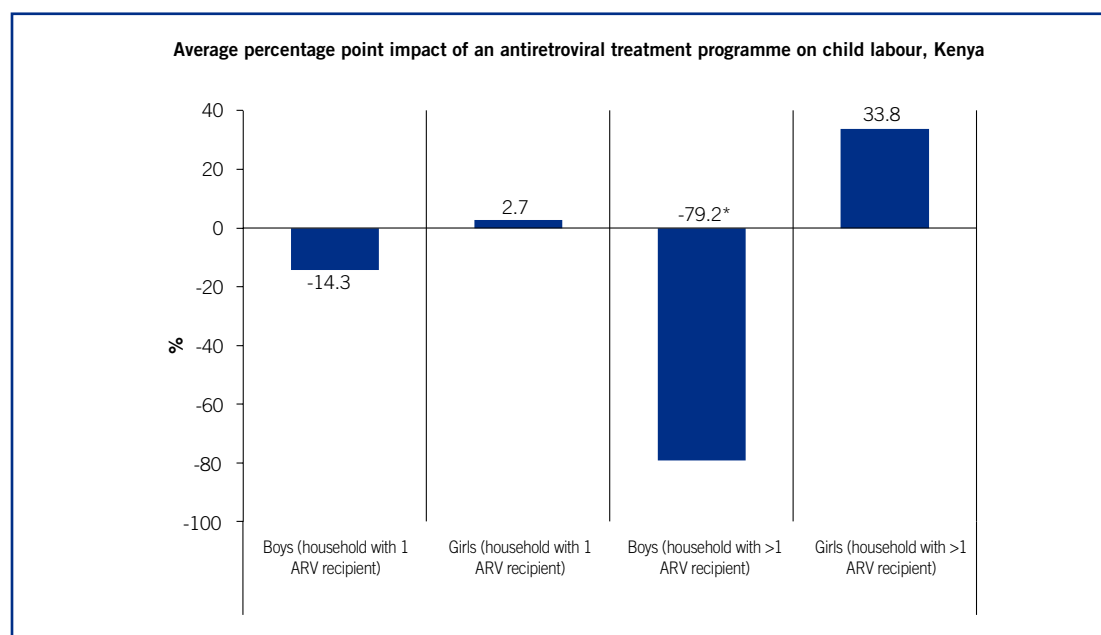
²⁰ Social health protection is defined by the ILO as a series of public measures, or publicly organized and mandated private measures, against social distress and economic loss caused by the reduction of productivity, stoppage or reduction of earnings, or the cost of necessary treatment that can result from ill health.

insurance on child labour in Guatemala offers support for this conclusion (Guarcello, Mealli and Rosati, 2010). The study indicated that children belonging to households where at least one member (usually the household head) was covered by health insurance were about 4.5 percentage points less likely to work, even when household income and parents' education were controlled for. The authors remarked that this result was not surprising, given the importance of health shocks as a contributor to household vulnerability: they noted that about 15 per cent of the idiosyncratic shocks experienced by Guatemalan households were directly linked to health conditions and that other kinds of shocks were also influenced to some extent by health factors.

A study in western Kenya (Thirumurthy et al., 2008), one of the few to connect child labour with a specific health service, also demonstrates the relevance of social health protection to child labour. The study examined how the supply of children's labour changed when HIV-positive adult household members gained access to antiretroviral (ARV) treatment (see figure 4.8). The authors found that the likelihood of HIV-positive people working increased substantially in the six months after starting HIV treatment, and that this appeared to have an impact on child labour. Boys and girls living in a household where one member gained access to ARV treatment did not experience significant changes in work participation, but boys who lived in a household where two or more members became eligible for ARV treatment were nearly 80 percentage points less likely to work. These results suggest that ARV treatment, by enabling sick household members to return to work, reduces household dependence on child labour as a survival strategy.

An ILO study of the National Rural Support Programme (NRSP) in Pakistan suggests that micro-health insurance can also help reduce families' reliance on child

Figure 4.8. An antiretroviral treatment programme in Kenya reduced child labour among boys



Notes: *p<0.01. Child labour is defined as economic activity for pay.

Source: de Hoop and Rosati, 2012a, based on Thirumurthy et al., 2008.

labour (Frölich et al., 2012). The study examined the impact of extending micro-health and accidental death insurance to household members outside the nuclear family when an NRSP client within the nuclear family takes out a loan. It found that insurance payouts and reimbursements in the target group were associated with lower levels of child labour. The micro-health insurance provided families with a means of meeting health-related expenses without having to resort to child labour.

Box 4.2. ILO measures for addressing the worst forms of child labour: The Converging Against Child Labour project in India

The Roadmap for Achieving the Elimination of Worst Forms of Child Labour by 2016 adopted at The Hague Global Child Labour Conference of 2010 specifically cites the need to “[assist] victims of the worst forms of child labour to prevent their return to child labour” (para. 8.3.4) as part of broader priorities in the area of social protection. IPEC supports national counterparts in the development and implementation of a variety of programmes addressing child labour and its worst forms.

The joint Government of India and ILO project entitled Converging Against Child Labour is an important case in point. Anchored in the Government of India’s Convergence strategy concept, as articulated in the 1987 Policy on Child Labour and re-emphasized in 2007 as a key to resolving the child labour situation in India, the project helps promote concerted action and coordination among governmental and non-governmental agencies, employers’ organizations and workers’ organizations against child labour, especially its worst forms. The project seeks to ensure that policies, goals, action and operations are not only coherent but are pulled together in an identifiable model, which has a positive impact on children involved in or at risk of hazardous child labour and their families.

Towards this goal, the Convergence Against Child Labour project collaborates with actors involved in key development schemes, such as the National Child Labour Project (NCLP), a programme for the rehabilitation and transitional education of children found in hazardous work; the various education programmes focusing on universalization of elementary education, particularly the Sarva Shiksha Abhiyan (SSA); and the Skills Development Initiatives (SDIs), including the National Rural Employment Guarantee Scheme (NREGS), among others.

More specifically, the project is designed to elaborate an operational model bringing together all key actors and programmes working for the prevention and elimination of child labour in two districts in five states: Bihar, Jharkhand, Gujarat, Madhya Pradesh and Orissa. A priority is enhancing state-level capacities for coordination of action against child labour to achieve convergence of impact. The project also provides support at the national level so that the model developed can be scaled up. The project has reached out to workers’ and employers’ organizations to strengthen their capacities for participation in action and promotion of the convergence model.

The project’s strategic approach includes concentrating action in areas where child labour is prevalent owing to poverty, low education levels or where migration/trafficking are on the rise. It focuses on the family unit instead of just the child, and links family members to various poverty alleviation schemes. Children are being withdrawn from hazardous work. The project aims to reach 19,000 children and place them in educational programmes, and to give another 2,000 adolescents (15–17 years) training, awareness raising and links to employment by the end of its scheduled term in 2013. A direct beneficiary monitoring and reporting system has been put in place and links are being made to other existing systems. Knowledge enhancement and networking initiatives have also been undertaken.

The project benefits from lessons learned and good practices identified through many years of collaboration between the ILO and the Government of India on child labour in India, particularly the previous child labour project INDUS, as well as from ILO/IPEC experience gained in other countries. It is an integral part of the ILO Decent Work Country Programme and is linked to the United Nations Development Assistance Framework.

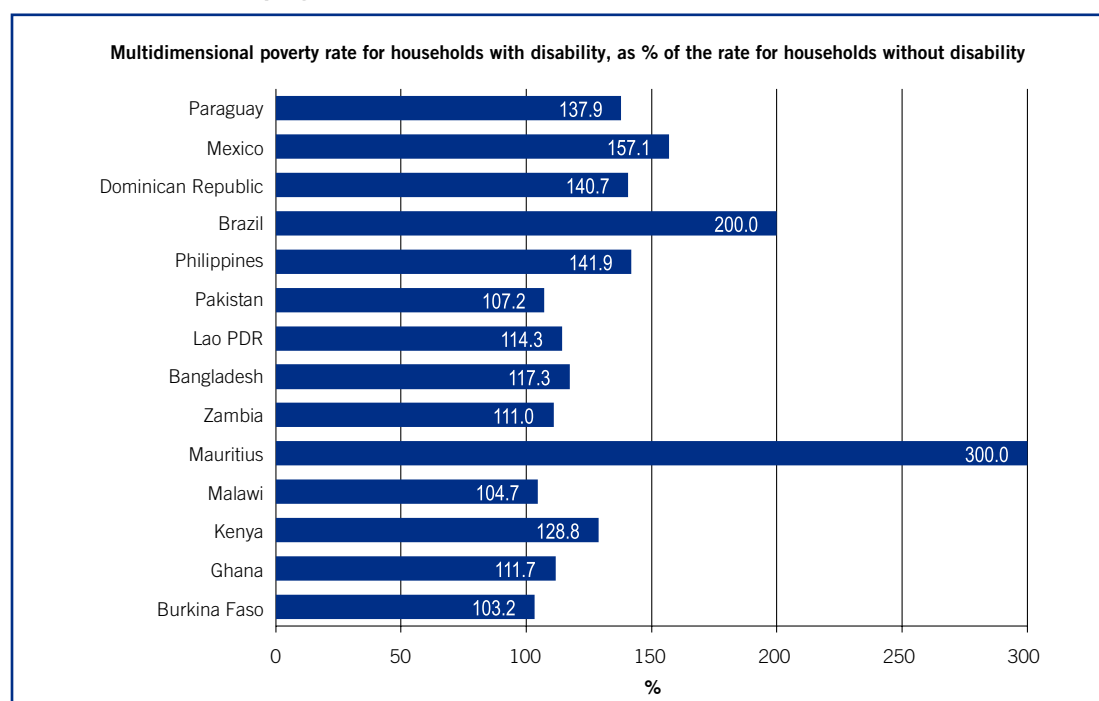
Summary

The available evidence suggests that extending social health protection is directly relevant to efforts against child labour. Studies in Togo and Zambia show that households can respond to health shocks by significantly increasing the use of child labour, suggesting that child labour acts as a buffer or insurance against the impact of health-related shocks to the household. At the same time, evidence from Guatemala and Pakistan indicates that providing families with health insurance can reduce reliance on child labour. Evidence from Kenya suggests that providing access to essential health services can have a similar effect. The ultimate objective should be to achieve universal social health protection, defined as effective access to at least essential, affordable and available health care of adequate quality and financial protection in case of sickness. Achieving this objective would effectively remove one important cause of child labour.

Social protection for people with disabilities

Households containing people with disabilities are among the most economically and socially vulnerable, and many of them are among the poorest of the poor. The link between disability and poverty is straightforward. Disability can compromise the ability to work and earn; and at the same time people with disabilities face added costs for medical expenses and equipment. Other household members may also have to forgo

Figure 4.9. Multidimensional poverty is much higher among families with disabled members in the developing world



Note: Poverty rate calculated on the basis of 10 items pertaining to income, education, employment, household expenses and living standards.
Source: Mitra et al., 2011.

paid work in order to care for the disabled person. In addition to economic vulnerability, people with disabilities suffer other “hidden” burdens, among them discrimination and various forms of social exclusion. For disabled children, social exclusion can take the form of denied education and seclusion within the home. Not surprisingly, as shown in figure 4.9, the multidimensional poverty rate of households with a disabled member is much higher than for other households in the developing world.

Just as evidence has accumulated concerning the linkage between disability and poverty, there is also a growing literature pointing to a similar association between disability and child labour. Detailed studies in Nepal (Nepal and Nepal, 2012), Bangladesh (Bazen and Salmon, 2008) and Gansu Province, China (Hannum et al., 2009), have found that children in households where adults are sick or disabled or have missed work are more likely to be in child labour within or outside the household. Another study (Edmonds, 2010) found evidence suggesting that parental disability was strongly associated with the likelihood of children ending up working as porters and ragpickers in Nepal, both worst forms of child labour entailing significant physical and psycho-social risks.

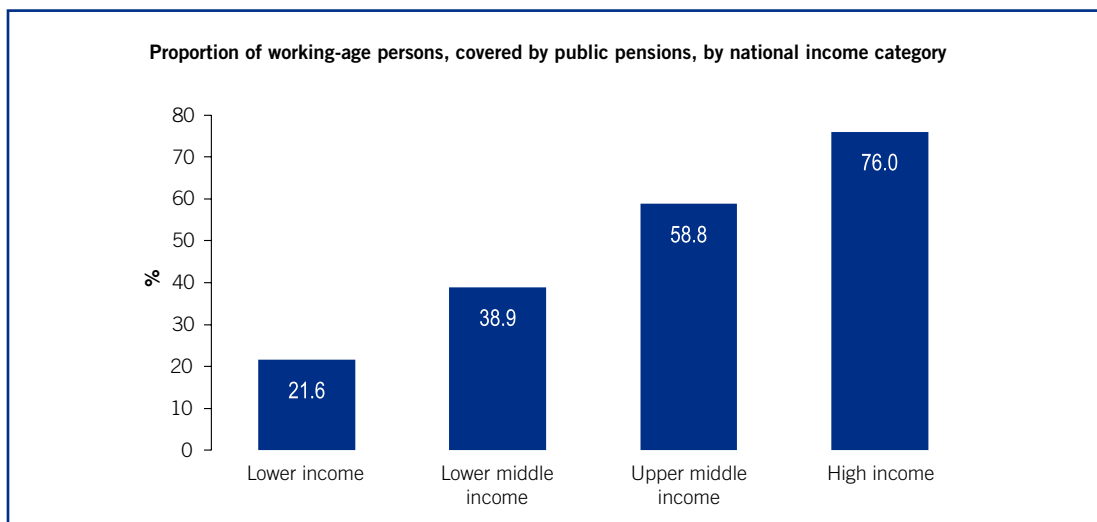
Summary

The social and economic vulnerabilities associated with disabilities can increase household reliance on child labour. Evidence from a range of countries indicates that children from households with disabled members can be at greater risk of involvement in child labour outside or within the household. There is a wide array of social protection measures that can be taken to address the vulnerabilities accompanying both short-term and long-term disabilities. These include contributory and non-contributory disability benefits, and wage replacement for disabling injuries and illnesses. More research is, however, needed to identify the specific impact of such measures against child labour.

Income security in old age

ILO Recommendation No. 202 states that national social protection floors should guarantee basic income security for older persons at least at a nationally defined minimum level. The rationale for explicitly referring to older people in national social protection floors is clear, for they face greater risk of poverty or income insecurity owing to the loss of income-earning ability, declining physical health and other factors associated with ageing (ILO, 2010a). At the same time, the coverage of public pension programmes in low-income countries remains very poor (figure 4.10). Of the 24 low-income countries for which we have data, all but seven have a coverage rate of less than 25 per cent.

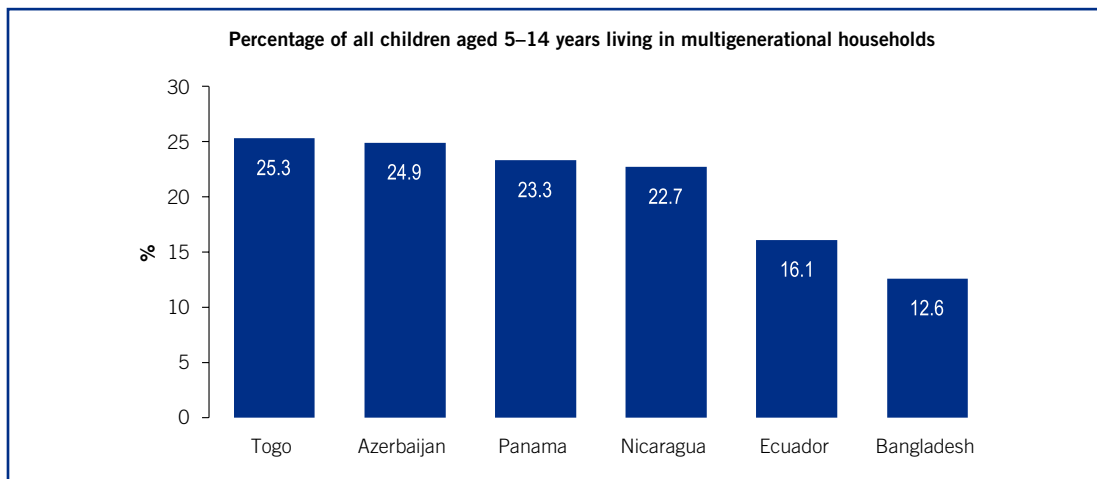
Perhaps less immediately clear is the link between income security in old age and child labour, as it might be assumed that there is little overlap between the needs of the young and the elderly. Figure 4.11 demonstrates why this assumption is wrong. It reports data from a range of developing countries, pointing to the multigenerational make-up of many households, with elderly members commonly living under the same

Figure 4.10. Public pension coverage remains very limited in low-income countries

Source: ILO, 2010a.

roof as children. Multigenerational households *headed* by older members are also not uncommon. In Botswana, Malawi, Namibia, South Africa, Tanzania and Zimbabwe, for instance, 50–60 per cent of orphans live with their grandparents (ILO, 2011a). In such multigenerational households, the degree of income security in old age can play a key role in the economic security of the household as a whole.

It follows from this discussion that income security in old age may have a direct connection with child labour. But are children in multigenerational households reached by old-age pensions or similar measures in fact *less* susceptible to child labour than their counterparts in similar households not benefiting from such programmes? A

Figure 4.11. Many children in the developing world live in multigenerational households

Note: Multigenerational households refer to those containing a male aged 65 or older and children aged 5–14 years.

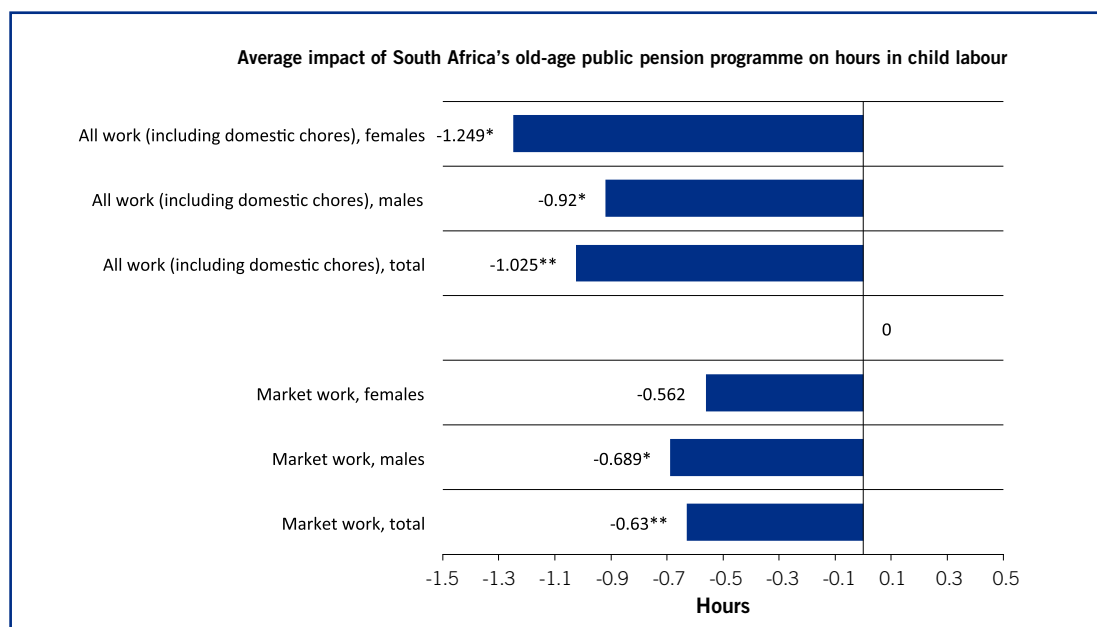
Source: UCW calculations based on national household surveys, various years.

closer look at countries that have introduced public pension programmes helps address this question. Two countries in particular have been studied carefully in this context – South Africa and Brazil – and both cases demonstrate that the provision of increased income security to the elderly can also reduce child labour.

South Africa's old-age pension is a non-contributory benefit for which men become eligible at age 65 years and women at age 60 years. The pensions are means tested and cover around two-thirds of the elderly population of South Africa. The benefits provided by the pension scheme are substantial: in 1999 they represented roughly 125 per cent of median per capita income of South Africa's black population. To identify the impact of these pension benefits on child labour, a study (Edmonds, 2006) compared children in rural households including an elderly person approaching eligibility for pension benefits (i.e. someone who is poor and nearly old enough to start receiving the transfers) to children in rural households including a person who had just become eligible to benefit from the programme.²¹

The study found that pension benefits were associated with a significant reduction in hours worked but did not significantly affect participation in child labour (figure 4.12). The results suggested that the impact differs between boys and girls in accordance with their areas of relative specialization: boys appeared to experience stronger reductions in time spent in market work, whereas girls appeared to experience stronger reductions in domestic chores (and in overall time spent in work). The study also found

Figure 4.12. The South Africa old-age pension programme lowered time spent in child labour



Notes: * $p < 0.1$, ** $p < 0.05$. Child labour is defined as children aged 13–17 years engaged in market work or domestic chores.

Source: de Hoop and Rosati, 2012a, based on Edmonds, 2006.

²¹ A regression discontinuity framework is used in undertaking the analysis.

that school attendance of 13–17 year-old children in the household increased substantially when an eligible elderly person, particularly a male elderly person, reached the pension age.²²

Similar results on the impact of pensions are observed in Brazil. A study here (de Carvalho Filho, 2012) examined the effect of the expansion of Brazil's public pension programme during the early 1990s. For households with children and eligible old people, pension coverage increased income by more than \$1,000 per year. The study results indicated that at least some children benefited from these changes. In general, for girls neither the likelihood of their doing market work nor their average hours changed in statistically significant ways, but boys were 4.4 per cent less likely to work, and worked on average 1.2 fewer hours per week. Neither impact was as substantial as those recorded in South Africa, but nonetheless they represent a contribution to better outcomes for children.

Old-age pensions are also associated with benefits to children's education. In both the South African and Brazilian cases, pension coverage also resulted in significant increases in children's school enrolment. Similarly, a study in Bolivia (Martinez, 2005) found that the Bono Solidario programme had positive effects on both household consumption and children's education. Other evidence from research on social pension programmes also generally shows a positive impact on children's schooling, with pensions strengthening the ability of families to invest in their children's education and to meet their school fees (Case, 2001; Case and Deaton, 1998; Devereux et al., 2005; Duflo, 2003).

Summary

Guaranteed, reliable pensions for the elderly can have a noticeable impact on the lives of children and on their vulnerability to child labour in particular. This is evidenced by studies in South Africa and Brazil indicating that pensions help reduce child labour, and by studies from a range of countries linking pensions with improved schooling outcomes. Pension schemes or similar measures help provide a social protection floor for the elderly, helping them offset social vulnerabilities associated with ageing. The benefits of such schemes, however, extend well beyond the direct recipients: in multi-generational households, which are commonplace in the developing world, the degree of income security in old age can play a key role in the economic security of the household as a whole, including its youngest members.

Unemployment protection

Involuntary unemployment is another major source of economic vulnerability for families in the developing world. Where access to health care and health insurance is linked with employment, workers who become unemployed (and their families) not

²² In the case of this particular study, the results also point to the role of credit constraints. In the absence of such constraints, households with a poor elderly person nearing eligibility age would be able to borrow against this anticipated income stream in order to smooth household consumption, and their decisions concerning child labour would therefore differ little from those already receiving pensions.

only lose their jobs and thus their sources of income, but simultaneously they lose affordable health services when they need them (ILO, 2010a). Unemployment manifests itself differently in the poorest countries, where most persons must perform some form of work in order to survive, and where employment difficulties are reflected more in underemployment, low remuneration and poor working conditions than in absolute lack of employment. But even in low-income countries, unemployment is an increasing challenge, especially in rapidly growing urban areas (ILO, 2011a).

Again, the link with child labour is clear to see. When an adult member of the household loses his or her job, in the absence of unemployment protection the household can be forced to rely on children's labour as a coping strategy.

Evidence on the impact of unemployment shocks illustrates this point. A study in Tanzania (Beegle et al., 2003) found that households responded to transitory income shocks by increasing child labour. Similar effects of aggregate shocks on the labour supply of children were observed for Argentina during the period 1998–2002 (Rucci, 2003). A study in six metropolitan areas of Brazil showed that the loss of the head of household's earnings increased the probability of a child entering the labour market by 33 to 65 per cent in lower-income households, but did not change children's time allocation in higher-income households (Neri et al., 2005). Another Brazil study indicated that an unemployment shock to the male head of household occurring during the school year increased the probability that children would drop out of school and enter work (Duryea et al., 2007). In Togo, a study found that job loss by an adult breadwinner was associated with a 10 percentage point rise in child labour among 6–14 year-olds (UCW, 2012d).

Summary

Evidence from a range of countries suggests that when an adult member of the household loses his or her job the household can be forced to rely on children's labour as a coping strategy. This evidence points to the potential of unemployment protection in efforts against child labour. The objective of unemployment protection is to provide at least partial income replacement, enabling the beneficiary to maintain a certain standard of living during the transition period until new employment is available (ILO, 2010a). By securing the income needs of households buffeted by loss of work, unemployment protection can play a role in reducing household dependence on child labour. To date, however, no studies have been undertaken directly linking unemployment protection schemes or other statutory income support programmes for the unemployed with child labour.

Conclusion

The evidence presented above confirms the relevance of social protection in the fight against child labour. We have seen that social protection instruments that protect people from the financial consequences of the various risks and contingencies of the human life cycle, including ill health, disability, unemployment and old age, can contribute to preventing child labour. Each of the social protection instruments or branches

examined here has been shown to have a potential or actual role to play in mitigating vulnerabilities associated with child labour, as summarized in table 4.1.

Cash transfers are the social protection instrument about which we know most from a child labour perspective. The extensive evidence on cash transfers indicates that these schemes do reduce child labour, although the magnitude of the impact varies greatly from one programme and location to another. Transfer schemes appear particularly useful when effectively reaching children from poor households and communities, and when coupled with supply-side schooling interventions. Evidence suggests that transfers may be less effective, on the other hand, in instances where they are invested in productive activities such as land, livestock or microenterprises, as these investments create opportunities for children's involvement in family economic production.

We know much less about the impact on child labour of the other elements of a social protection floor covered in this chapter, so caution should be exercised in drawing general conclusions. We saw that social health protection and old-age pensions help reduce child labour in some contexts. We have also seen that unemployment shocks and disability are linked to child labour, pointing to the relevance of unemployment protection programmes and social protection for people with disabilities in efforts against child labour. Finally, some initial evidence was presented indicating that public employment programmes can reduce child labour, although it was stressed that this is an area where it is especially important to consider incentives relating to child labour in programme design.

Table 4.1. Social protection instruments for tackling child labour: Summary of the evidence to date

Social protection instrument or branch	Rationale	Issues	Evidence base	Evidence on impact
Unconditional cash transfers (UCTs)	<ul style="list-style-type: none"> • Help to ease budget constraints and supplement incomes of poor households vulnerable to child labour. 	<ul style="list-style-type: none"> • When transfers are used to support household investment (e.g. in livestock, land, microenterprises, etc.) they can create opportunities for the profitable use of children's time in family work. 	Limited	<ul style="list-style-type: none"> • The limited evidence to date is inconclusive. Two studies of Ecuador's Bono de Desarrollo Humano programme pointed to a significant reduction in child labour, while another study of the Malawi Social Cash Transfer Scheme pointed mainly to a reallocation from non-family work to family work. A study of the Child Support Grant in South Africa suggested some impact in reducing child labour, but only among older children aged 15–17 years.
Conditional cash transfers (CCTs)	<ul style="list-style-type: none"> • Help to alleviate current income poverty (through cash benefits) as well as to reduce the time children are available for work (through conditionality based on school attendance). 	<ul style="list-style-type: none"> • Again, when transfers are used to support household investment they can raise demand for child labour within family. • School attendance conditionality depends on effective access to schooling. • Conditionality based on child labour is difficult to impose. 	Extensive	<ul style="list-style-type: none"> • Extensive evidence indicates that CCTs help to reduce child labour, although the magnitude of the impact varies greatly from programme to programme and from location to location. The overall impact appears greatest where child labour is prevalent and among children from poorest households. The impact of CCTs in lowering child labour is generally larger among boys than girls, although this is likely to be largely attributable to the fact that studies look primarily at impact on involvement in economic activity rather than in household chores.
CCTs with supply-side schooling interventions	<ul style="list-style-type: none"> • Complementary investments in schooling can improve effective access to schooling facilities and lead to further reduction in schooling costs. • After-school programmes can provide an alternative to child labour outside formal schooling hours. 	<ul style="list-style-type: none"> • As above. 	Limited	<ul style="list-style-type: none"> • Limited evidence suggests that complementary supply-side schooling interventions can increase the impact of CCTs on child labour. A study of the Honduras PRAF-II programme indicated that CCTs combined with investment in community health and education facilities significantly reduced child labour while CCTs alone did not. A study of the PETI in Brazil found that CCTs combined with a mandatory after-school programme had a greater impact on reducing child labour than transfers alone.

Table 4.1. Social protection instruments for tackling child labour: Summary of the evidence to date
(Continued)

Social protection instrument or branch	Rationale	Issues	Evidence base	Evidence on impact
Conditional in-kind transfers with food-related interventions (school feeding and take-home food rations programmes)	<ul style="list-style-type: none"> • School meals during school hours and take-home rations provide additional incentives for school attendance. • School meals can improve student concentration and performance, meaning greater benefit from classroom time. • Take-home rations allow the entire family to benefit from a food ration, rather than just the child attending school. As such, they go further in helping families to give up the income or productivity derived from children's work. 	<ul style="list-style-type: none"> • School meals programmes do not compensate parents for the opportunity cost of children's schooling, i.e. the lost income or output from children's work. • They provide poor families with less flexibility than cash transfers. • They can be costly to administer, and it is difficult to ensure food quality. 	Limited	<ul style="list-style-type: none"> • The limited evidence to date is inconclusive. A study of take-home rations distributed in Bangladesh found that they reduce child participation in both economic activities and household chores. A study of Burkina Faso take-home rations indicated that the rations were associated with a significant decrease in both farm and non-farm economic activities among girls in participating schools. A separate study of the BRIGHT programme in Burkina Faso, however, found that school meals and take-home rations had very limited impact in reducing children's overall involvement in economic activities or household chores, despite the fact that the programme strongly improved school participation.
Public employment programmes	<ul style="list-style-type: none"> • Help to ease budget constraints and supplement incomes of poor households vulnerable to child labour by offering short-term employment. • Can be a vehicle for improving infrastructure and basic services (e.g. schools, health centres, water networks, etc.), in turn influencing household decisions concerning child labour. 	<ul style="list-style-type: none"> • By removing adults from the household, may result in children being called upon to take their place in performing household chores. • If projects are situated far from the household's location, children may either be taken along to perform some sort of work or left behind to fend for themselves. 	Limited	<ul style="list-style-type: none"> • The limited evidence to date is inconclusive. A study of the large-scale public works programme in Ethiopia (the Public Safety Net Programme) finds some evidence of a reduction in hours worked by boys. A preliminary study of the early phase of the National Rural Employment Guarantee Scheme (NREGS) in India suggests an impact in reducing non-family work among girls but not among boys; the study did not, however, assess impact on involvement in household chores.
Social health protection	<ul style="list-style-type: none"> • Helps cushion households from the economic loss associated with illness and injury, in turn reducing the likelihood of households having to resort to child labour as a buffer against a health-related shock. 	<ul style="list-style-type: none"> • Social health protection requires an integrated approach towards demand and supply of health care. • Situation on supply side largely determines access to quality health-care services. 	Limited	<ul style="list-style-type: none"> • The limited evidence suggests that social health protection can have an important impact on child labour. A study of a programme allowing HIV-positive household members access to antiretroviral (ARV) treatment indicates that the programme significantly reduced child labour among boys. Another study based on non-experimental data from Guatemala indicates that health insurance access is associated with a significantly lower likelihood of child labour.
Disability protection	<ul style="list-style-type: none"> • Helps cushion households from the economic costs associated with disability, in turn reducing reliance on child labour as a coping strategy. 	<ul style="list-style-type: none"> • Relevance for child labour limited primarily to children from households with disabled members. 	Very limited	<ul style="list-style-type: none"> • The limited evidence suggests that the disability of a household member increases vulnerability to child labour. Studies in Nepal, Bangladesh and China have found that children in households where adults are sick or disabled or have missed work are more likely to be in child labour or undertaking intensive household chores. A study in Nepal finds evidence suggesting that parental disability was strongly associated with the likelihood of children ending up working as porters and ragpickers, both worst forms of child labour entailing significant physical and psycho-social risks. No studies, however, have assessed the impact of disability protection schemes on child labour.
Income security in old age	<ul style="list-style-type: none"> • Helps to ease budget constraints and supplement incomes of multigenerational households vulnerable to child labour. 	<ul style="list-style-type: none"> • Households are vulnerable to sudden termination of benefit if recipient dies, regardless of household poverty level. • Relevance for child labour limited primarily to children from multigenerational households, although there is some evidence of positive spillovers. 	Limited	<ul style="list-style-type: none"> • The limited evidence suggests that pensions can have an important impact on child labour. Studies on the impact of pensions in South Africa and Brazil both demonstrate that by providing increased income security to the elderly, child labour can also be reduced.
Unemployment protection	<ul style="list-style-type: none"> • Cushions households from the economic loss associated with the job loss of a household breadwinner, in turn reducing the likelihood of the household having to resort to child labour as a buffer against an employment-related shock. 	<ul style="list-style-type: none"> • Relevance for child labour limited primarily to children from households experiencing unemployment shocks. 	Very limited	<ul style="list-style-type: none"> • Evidence from Argentina, Brazil, Tanzania and Togo indicates that employment shocks to adult household members can result in an increase in child labour. However, there are no impact evaluations to date assessing the impact of unemployment protection programmes on child labour.

Returning to the three questions posed at the beginning of this report, we have addressed the extent to which poverty and exposure to risk explain child labour, in Chapter 3, and in the current chapter we have addressed the potential of social protection instruments to reduce child labour by mitigating these factors. In the next chapter, we turn to the third question – how child labour can be most effectively addressed within social security systems. The concluding chapter looks in particular at policies for developing child-sensitive social security systems that can effectively “mainstream” child labour concerns.

PART V

Looking forward

Mainstreaming child labour concerns into child-sensitive social security systems

The global fight against child labour has not yet been won. There were some 215 million children still trapped in child labour in 2008, the last year for which ILO global estimates were published, over half of them in hazardous work. These estimates pre-date the global economic crisis of 2008–09 and the continuing global economic turbulence, which, if experience with past economic crises is any guide, are likely to have slowed or even reversed progress against child labour in many countries. Clearly, there needs to be a significant acceleration of policy efforts if the world community is to meet the ambitious target of eliminating the worst forms of child labour by 2016.

Evidence presented in the previous chapters of this report has highlighted the relevance of social protection in this context. We have seen how economic vulnerabilities associated with poverty and shocks are important drivers of child labour; and we have also seen how social protection instruments can play an important role in reducing child labour by mitigating these vulnerabilities and enhancing poor families' resilience. Economic vulnerability is not the only cause of child labour, and social protection is not by itself a complete answer to it. But this report makes clear that social protection is a critical pillar of a broader policy response to child labour. Efforts against child labour are unlikely to be successful in the absence of a social protection floor to safeguard vulnerable households and to enable them to seize opportunities and to break the intergenerational transmission of poverty.

Global efforts towards building effective national social protection floors within progressively more comprehensive social security systems therefore intersect with those aimed at eliminating child labour. A critical question, looking forward to the 2016 target date, is how child labour concerns can be most effectively incorporated into social protection policies. To put the point another way, this report has established – on both theoretical and empirical foundations – the important potential of social protection as a tool against child labour; now we need to ensure that this potential is realized to the maximum extent possible.

Drawing on the evidence reviewed in this report, seven key policy priorities can be identified for ensuring that national social protection floors and social security systems effectively address child labour concerns. These priorities are closely related and mutually reinforcing, and fit within the framework of the ILO's two-dimensional social security strategy and Recommendation No. 202. While our focus here is on the specific issue of child labour, the seven priorities are also relevant to ensuring the effectiveness of social security systems more generally.

1. Building an adequate evidence base to guide and inform policy

A solid evidence base is a necessary starting point for building social security systems that are able to respond effectively to child labour. Evidence is needed both on the economic and social contingencies rendering households vulnerable to child labour, and on the effectiveness of social protection instruments in addressing these contingencies. This report has made clear that desirable outcomes in terms of child labour are by no means automatic in the case of many social protection instruments: this means that solid evidence of which approaches work in which circumstances, and why, is especially important in the context of child labour. The report has also demonstrated that even programmes that have not been designed with an explicit focus on child labour can contribute to reducing the vulnerability of poor households and strengthening their resilience, and thus to reducing their reliance on child labour.

While there is extensive evidence concerning the child labour impact of CCTs, much less is known about the impact of other social protection instruments. We have only one rigorous impact evaluation of a public employment programme, for instance, despite the growing importance of such schemes, and no impact evaluations on unemployment protection and disability benefits. There is virtually no solid evidence regarding the impact on child labour of maternity protection or of other types of benefits not considered in this report (employment injury compensation, sickness pay and survivors' benefits). It is especially important to fill the knowledge gap in respect of maternity protection instruments, as the vulnerabilities associated with maternity are likely to have important implications for family decisions concerning children's schooling and work.

While it is certainly desirable to evaluate social protection schemes systematically from a child labour perspective, there are important questions about the cost and feasibility of such evaluations, especially in the context of schemes for which the reduction of child labour is not the primary objective (e.g. unemployment protection or benefits for people with disabilities). One cost-effective way of gathering information on child labour impacts is by adding modules on child labour to planned evaluations or impact assessments of social protection schemes. A growing number of impact evaluations of various social protection schemes are being undertaken, but few of these explicitly collect or analyse information on child labour. The impact evaluation work of UCW has shown that adding child labour modules adds little to the cost of such evaluations and at the same time can yield very robust evidence concerning child labour impacts.

More broadly, significant additional information on links between social protection and child labour can be gathered by including information on child labour and the receipt of specific social protection benefits in regular national household survey programmes (e.g. labour force surveys, household income and expenditure surveys, and demographic and health surveys). Again, the addition of such questions adds little to the cost of the surveys but can offer important insights into how access to social protection can affect vulnerability to child labour. Such large-scale surveys constitute a particularly effective tool, as they usually include a broad set of variables for a representative sample of the population, thus providing the necessary basis for a systematic assessment of the complex linkages between economic vulnerability, child labour and social protection policies.

Pilot projects and other forms of policy experimentation are also relevant to building the knowledge base in areas of social protection where evidence concerning child labour impact remains limited. This policy experimentation would be aimed at testing new approaches, evaluating their impact in a specific setting, and assessing their potential for replication on a broader scale within broader social security systems.

Four other key knowledge gaps relating to child labour and social protection identified in the report should be noted here:¹

- Impact on girl child labourers. Female child labourers in most countries are disproportionately assigned household tasks, while working disproportionately less than their male peers in paid work outside the household. Yet most surveys employed in evaluations ask only about paid, or even unpaid, market work, thereby overlooking much of the child labour burden borne by girls. As a result, we know much less about how CCTs and other social protection instruments affect girl labourers. Future evaluations need to be conducted in a more gender-aware fashion, capable of more fully capturing the forms of work performed by girls, in order to fill this knowledge gap.
- Impact on the worst forms of child labour. Most impact evaluations focus on one or two broad categories of productive activities, e.g. “market work” or “domestic chores”, without differentiating between subcategories of these broad definitions or between activities that fall inside and outside the legal definition of child labour in a given context. This means we have little evidence on the extent to which interventions prevent and reduce the worst forms of child labour (forced labour, commercial sexual exploitation, participation in illicit activities, and work that harms the health, safety or morals of children). Policies to address these types of child labour are needed most urgently, yet we have very little solid information to guide policy-makers in this regard.
- Long-term impact. Another concern is that the impact evaluations carried out so far focus almost exclusively on short-term outcomes. Evidence on the long-term impact of removing children from child labour is very limited. At the same time, one of the primary reasons why policy-makers worry about child labour is the knowledge that its consequences can extend well beyond childhood. We know that those who have worked as children may have poorer labour market outcomes later in their lives. Moreover, mental and physical harm experienced as a result of child labour may persist well into adulthood. Rigorous evidence on the extent to which these negative long-term effects of child labour are mitigated by the different social protection interventions would help us to better understand the value of these interventions from a child labour perspective.
- Impact of complementary advocacy activities. Finally, the ILO and other organizations frequently accompany social protection interventions addressing child

¹ For a more complete discussion of knowledge gaps relating to child labour and social protection, see de Hoop and Rosati, 2012a.

labour with advocacy and information campaigns against child labour. Unfortunately, there is very little quantitative evidence concerning the direct impact of these complementary advocacy activities or how they interact with social protection in influencing child labour outcomes. Quantitative evidence on the impact of these campaigns would be valuable in its own right, because this type of intervention is likely to be among the cheapest to administer. The evidence would also help us gain a better view of what types of communication, delivered through what channels, are most effective in influencing the behaviour of households.

2. Taking an integrated, systems approach to addressing household vulnerabilities and child labour

We have shown in the preceding chapters that child labour is driven by economic and social vulnerabilities associated with an array of interrelated contingencies – notably unemployment, ill health, disability and old age – encountered over the life cycle. It follows from this that there is no single, optimal social protection instrument for addressing child labour; rather, the range of contingencies associated with child labour need to be addressed by a combination of instruments within an integrated systems approach. It is necessary to move beyond a narrow focus on individual programmes and instead to consider the full potential of the entire social security system.

A systems approach from a child labour perspective should focus on how specific social protection instruments can complement one another in addressing contingencies rendering households vulnerable to child labour. Figure 5.1, based on the evidence presented in the previous chapters of this report, illustrates the interaction of contingencies and instruments within a social protection system from a child labour perspective. Reading vertically down each column, we see how different types of instruments could be combined to manage a given contingency, while reading horizontally along each row, we see the multiple contingencies that are particularly susceptible to a given benefit. By using both perspectives, an integrated approach can be constructed to improve the efficiency and effectiveness of social protection responses to child labour.

We have also seen from the evidence presented in the previous chapters that the relative importance of poverty and shocks, and of the array of social contingencies underlying them, to child labour can vary widely from country to country. This means there is no “one size fits all” solution in terms of social security systems. Instead, the specific mix of interventions will necessarily vary across and within countries in accordance with local conditions, the specific contingencies being addressed and a variety of other factors. Such an approach is fully in line with ILO Recommendation No. 202, which emphasizes national ownership and the importance of national strategies for the extension of social security.

Figure 5.1. Elements of an integrated social protection system for addressing child labour

		Contingencies rendering households vulnerable to reliance on child labour							
		General poverty and vulnerability	Individual shocks	Collective shocks	Injury and illness	Lack of school access, high costs of schooling	Job loss	Long-term disability	Income insecurity associated with old age
Social protection instruments	Benefits to children and families								
	Unconditional cash transfers								
	Conditional cash transfers								
	Conditional cash transfers with supply-side schooling interventions								
	Conditional in-kind transfers (school feeding and take-home food rations programmes)								
	Other benefit categories								
	Public employment programmes								
	Social health protection								
	Disability protection								
	Old-age pensions								
	Unemployment protection								
	Sick pay ^a								
	Employment injury compensation ^a								
	Maternity benefits ^a								
	Survivors' benefits ^a								

Note: ^aBenefit categories not addressed explicitly in this report.

3. Building social protection floors

Within any broader social security system, building a national social protection floor is particularly relevant to addressing vulnerabilities associated with child labour. ILO Recommendation No. 202 sets out key principles in establishing national social protection floors, all of which are relevant from the perspective of child labour (see box 5.1). Social protection floors provide a set of basic social security guarantees, including a basic level of income security throughout the life cycle and access to essential health care. These basic guarantees, in turn, are essential in addressing the multifaceted economic and social vulnerabilities which promote and sustain child labour. Where children and their families enjoy basic income security and access to essential health

care, and where the necessary education and other services are in place, child labour can be effectively prevented. Indeed, evidence presented in this report suggests that an approach linking cash and in-kind benefits with access to education and health services can be particularly effective in addressing child labour (see esp. Yap et al., 2002; Galiani and McEwan, 2011). Social partners, including representatives of employers and workers, have important roles to play in the process of building social protection floors.

Box 5.1. Key principles in establishing national social protection floors according to ILO Recommendation No. 202

(Numbering as in original document)

2. For the purpose of this Recommendation, social protection floors are nationally defined sets of basic social security guarantees which secure protection aimed at preventing or alleviating poverty, vulnerability and social exclusion.
3. Recognizing the overall and primary responsibility of the State in giving effect to this Recommendation, Members should apply the following principles:
 - (a) universality of protection, based on social solidarity;
 - (b) entitlement to benefits prescribed by national law;
 - (c) adequacy and predictability of benefits;
 - (d) non-discrimination, gender equality and responsiveness to special needs;
 - (e) social inclusion, including of persons in the informal economy;
 - (f) respect for the rights and dignity of people covered by the social security guarantees;
 - (g) progressive realization, including by setting targets and time frames;
 - (h) solidarity in financing while seeking to achieve an optimal balance between the responsibilities and interests among those who finance and benefit from social security schemes;
 - (i) consideration of diversity of methods and approaches, including of financing mechanisms and delivery systems;
 - (j) transparent, accountable and sound financial management and administration;
 - (k) financial, fiscal and economic sustainability with due regard to social justice and equity;
 - (l) coherence with social, economic and employment policies;
 - (m) coherence across institutions responsible for delivery of social protection;
 - (n) high-quality public services that enhance the delivery of social security systems;
 - (o) efficiency and accessibility of complaint and appeal procedures;
 - (p) regular monitoring of implementation, and periodic evaluation;
 - (q) full respect for collective bargaining and freedom of association for all workers; and
 - (r) tripartite participation with representative organizations of employers and workers, as well as consultation with other relevant and representative organizations of persons concerned.

4. Ensuring that social security systems are “child-sensitive”

As outlined in Chapter 2 of this report, a child-sensitive approach focuses on how social security systems can most effectively address the unique social disadvantages, risks and vulnerabilities into which children may be born, or to which they may be subject later in childhood owing to external circumstances (see box 2.1). There is a growing consensus around the importance of a child-sensitive approach to social protection, as reflected in the Joint Statement on Advancing Child-sensitive Social Protection, signed by the ILO, UNICEF, UNDP, the World Bank and a range of other development agencies in June 2009 (DFID et al., 2009).

The relevance of child-sensitive social protection to child labour is clear. Where the various elements of a social security system fail adequately to take into account the special vulnerabilities of children they can have unintended consequences for child labour. Examples of this cited in the report include a programme involving public works and food security interventions that actually increased working hours among girls. In another example, a cash transfer scheme induced an increase in productive investments on the part of beneficiary households, in turn creating new opportunities for children’s work within the family. In a third example, some families participating in a CCT scheme were also given investment grants, again creating new opportunities for children to work and significantly diminishing the impact of the CCT scheme on child labour.

Desirable outcomes in terms of child labour are therefore not guaranteed even when social protection instruments succeed in achieving their broader social goals. A child-sensitive approach means that the impact on child labour, on gender equality and on child welfare generally must be carefully considered from the programme design stage forward. Social protection programmes should be informed by detailed information on the causes and characteristics of child labour, and should include safeguards to prevent adverse effects on children.

A child-sensitive approach also means that effects on children, and particularly children’s work, must be monitored closely. It is particularly important in this context that child labour concerns are included in the national monitoring of progress in implementing social protection floors and other objectives of national social security extension strategies, as set out in Recommendation No. 202. The national monitoring of social security systems can help to ensure that social protection policies adequately address child labour concerns and contribute to reducing child labour.

5. Mainstreaming child-sensitive design elements into social security systems

Social security programmes designed in a child-sensitive way, and in particular in a way that is sensitive to the possibility of child labour, can help to tip the balance of household decisions concerning the allocation of children’s time away from child labour and towards schooling. For both cash and in-kind transfer schemes, linkages with supply-side interventions relating to schooling and health appear to increase the impact on child labour. In one instance, for example, a mandatory after-hours education com-

ponent helped improve the effectiveness of a CCT scheme in reducing child labour. In another example, CCTs were combined with investments in children's education and health facilities, again increasing the effectiveness of the programme in reducing child labour. For public employment schemes, as noted above, the limited evidence points to the need for measures to ensure that children do not simply take the place of participating parents in their prior jobs or in performing household chores. In social health protection, evidence suggests that ill health among adult household members can increase the risk of child labour, highlighting the need to ensure that health policies striving for universal health coverage give priority to the effective coverage of households with children.

6. Reaching out to especially vulnerable groups of children

A child-sensitive approach to social protection also means reaching out to the specific groups of children most at risk of child labour generally and of the worst forms of child labour in particular. As noted earlier in this report, while poverty increases children's vulnerability to child labour, all poor children are not at equal risk of child labour. Especially vulnerable groups include children orphaned or affected by HIV/AIDS, other children without parental care, children from marginalized ethnic minorities and indigenous groups, children affected by migration, and children from other socially or economically excluded groups. Girl children often fall within this category as they are more prone to involvement in domestic child labour (ILO, 2013) and other less visible forms of work. The special circumstances that make these groups more vulnerable to child labour need to be given particular attention in the design, implementation and monitoring of social protection schemes, in keeping with the principles of gender equality and responsiveness to special needs contained in international labour standards.

7. Strengthening national legal frameworks and institutional capacities

Much of the evidence discussed in this report has originated in the evaluation of projects and programmes which are time-bound and have not been fully incorporated into national legal, fiscal and institutional frameworks. Such time-bound projects and programmes have provided opportunities for testing new approaches and evaluating their impact in a defined context. The evidence provided by these studies has, however, also demonstrated the importance of following a systemic and integrated approach, as outlined above, rooted in national legal frameworks, based on sound fiscal and financial foundations, and supported by effective institutional capacities.

Recommendation No. 202 highlights the importance of national social security extension strategies which prioritize the implementation of national social protection floors and aim at progressively building comprehensive and adequate social security systems. Integrating child labour concerns in the formulation and implementation of such strategies, including through social dialogue and social participation, can ensure

that national policies address child labour more effectively. The challenge is to transform ad hoc and short-term approaches into integrated elements of national social protection strategies and policies that are rooted in national legal, fiscal and institutional frameworks and are able to respond to the complex challenges of child labour in a more systematic and integrated way.

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Annex

Definitions of child labour used in the impact evaluation studies cited in this report

Programme and country	Reference	Definition
Antiretroviral treatment, Kenya	Thirumurthy et al., 2008	Engaged in income-generating activities (wage labour, farm labour and non-farm business labour) (during past week)
Atención a Crisis, Nicaragua	del Carpio and Loayza, 2012	Number of hours worked per week in agricultural and livestock activities, non-agricultural activities (such as food production and preparation, manufacturing, commerce, services and professional jobs) and household chores (such as minding the house, cleaning, cooking, water gathering, wood cutting and gathering, and caring for siblings) (during past week)
Atención a Crisis, Nicaragua	del Carpio and Macours, 2010	Number of hours worked per week in economic activities including labour in agricultural and livestock activities, and in non-agricultural activities (during past week)
Bono de Desarrollo Humano, Ecuador	Edmonds and Schady, 2012	Engaged in work for pay or in unpaid labour in the family farm or business (during past week)
Bono de Desarrollo Humano, Ecuador	Schady and Araujo, 2006	Engaged in work for pay or in unpaid labour in the family farm or business (during past week)
BRIGHT, Burkina Faso	de Hoop and Rosati, 2012b	Engaged in collecting firewood, cleaning, fetching water, taking care of younger siblings, tending animals, farming, shopping, other work for the family (in a business or selling goods in the street), or work for someone who is not a member of the household (no information on reference period)
CESSP scholarship programme, Cambodia	Ferreira et al., 2009	Work for pay on a farm, public or private sector, or in a business belonging to someone else (during past week)
Child Support Grant, South Africa	DSD et al., 2012	Household chores for 10-year-old children and work outside the home for 15–17 year-old adolescents (no information on reference period)
Familias en Acción, Colombia	Attanasio et al., 2010	Engaged in domestic work, or in income-generating work in the labour market or the family business (no information on reference period)
Familias en Acción, Colombia	IFS, 2004	Earning labour income (no information on reference period)
Female school stipends, Pakistan	Alam et al., 2011	Looking for a job or engaged in work for pay or unpaid work (unpaid family helper or unpaid work outside the home) (no information on reference period)
Food for Education, Bangladesh	Ravallion and Wodon, 2000	Employed, employed but not working, household work, or seeking work (during past week)
Food for Education, Burkina Faso	Kazianga et al., 2009	Farm labour and non-farm labour (during past week)
Ingreso Ciudadano, Uruguay	Borraz and González, 2009	Engaged in paid or unpaid activities outside the household or spending more than three hours working for the household in activities that may affect the normal development of the child, e.g. bricklaying, street selling, farm work, housekeeping (no information on reference period)

Definitions of child labour used in the impact evaluation studies cited in this report (continued)

Programme and country	Reference	Definition
Old-age pensions, South Africa	Edmonds, 2006	Engaged in domestic work, wage work, self-employment, or work in the family farm or business (no information on reference period)
Oportunidades, Mexico	Behrman et al., 2011a	Engaged in work for pay (no information on reference period)
Oportunidades, Mexico	Buddelmeyer and Skoufias, 2004	All individuals who report that they work (paid or unpaid) or that they are engaged in selling a product, helping in a family business, making products to sell, washing, cooking, ironing, working in agriculture or caring for animals (during past week)
Oportunidades, Mexico	Diaz and Handa, 2006	Engaged in work for pay (no information on reference period)
Oportunidades, Mexico	Skoufias and Parker, 2001	All individuals who report that they work (paid or unpaid) or that they are engaged in selling a product, helping in a family business, making products to sell, washing, cooking, ironing, working in agriculture or caring for animals (during past week)
PANES, Uruguay	Amarante et al., 2011	No definition given
PATH, Jamaica	Levy and Ohls, 2007	Engaged in any kind of work or other activities that contribute towards the maintenance of the household or towards himself / herself (no information on reference period)
PETI, Brazil	Pianto and Soares, 2004	No definition given
PRAF, Honduras	Galiani and McEwan, 2011	Paid or unpaid work in a business or farm outside the home (during past week)
Public Safety Net Programme, Ethiopia	Hoddinott et al., 2009	Hours worked in agriculture or domestic chores (during past week)
Red de Protección Social, Nicaragua	Dammert, 2009	Engaged in market work, which includes wage employment, self-employment, agriculture, unpaid work in a family business, and helping on the family farm (no information on reference period)
Red de Protección Social, Nicaragua	Maluccio and Flores, 2005	Working as a primary or secondary activity for any positive number of hours (no information on reference period)
School vouchers, Colombia	Angrist et al., 2002	No definition given
School vouchers, Indonesia	Sparrow, 2004	Activities that contribute to household income for at least one hour in the week
Subsidios Condicionados a la Asistencia Escolar, Colombia	Barrera-Osorio et al., 2008	Number of hours worked (during past week)

