



International
Labour
Organization
Jakarta

Indonesia: Working out of Poverty



**Eliminating
the worst forms
of child labour**

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In Preparation for the ILO's submission to the Poverty Alleviation Committee in Indonesia, a series of 12 (twelve) Technical Briefing Notes (TBNs) have been prepared which serve two purposes; first, as background documents, on issues and policy choices critical to poverty reduction and secondly, as building blocks towards a comprehensive report: "*Working Out of Poverty: an ILO submission for the Indonesia PRSP*".

This briefing note address ***Eliminating the worst forms of child labour***. Other themes in series include the following:

- Employment dimensions of macro and sectoral policies;
- Decentralization and decent work: making the connection to the MDGs;
- Job creation and enterprise development (SMEs and local economic development);
- Youth employment: pathways from school to work
- Rural development: access, employment and income opportunities;
- Skills development for economic growth and sustainable livelihoods;
- Promoting the declaration on fundamental principles and rights at work;
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- Migration: opportunities and challenges for poverty reduction;
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First published 2004

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ILO

*A Series of Policy Recommendations
Decent Work and Poverty Reduction in Indonesia, 2004*

ISBN 92 2 015540 0

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Printed in Jakarta, Indonesia

ELIMINATING THE WORST FORMS OF CHILD LABOUR

Introduction

In a perfect world, no one would deny a child's right to childhood, with education, protection, affection and time to grow to adulthood. In reality, however, more than 1.5 million children aged between 10 and 14 are in the labour force in Indonesia, forced to give up their right to childhood.

In most all cases, it is poverty that breeds this hotbed of child labour. And, it is poverty that nurtures child labour to the point that child labour breeds the next generation of poverty. Without childhood, in which the foundation of human capacity is developed, it is inevitable that these 1.5 million children will have a limited capacity to earn a decent living and thus limited options with which to cope with poverty. Poverty will be passed on from one generation to the next with the active agent being child labour, causing a vicious cycle of poverty to perpetuate, resulting in a underdeveloped overall national capacity to battle poverty.

The existence of child labour is a manifestation of inadequate and improper socio-economic development, and the problem cannot be effectively addressed in isolation from the broader context of the development process¹. Indonesia has been sensitive and responsive on this point. The current five-year National Development Programme (PROPENAS), 2000-2004, recognized the issue of child labour. It refers to child labour in the context of its need to enforce laws and regulations on workers

¹ Mainstreaming action against child labour in development and poverty reduction strategies, Hamid Tabatabai, ILO-IPEC, June 2003, p.2.

“including children that have no choice but to work”. Recognition of child labour in the national development context is the first step towards addressing the intertwined and inseparable link between child labour and poverty.

Mainstreaming child labour issues into the context of overall national development and poverty reduction will not only enhance the effectiveness and relevance of the action against child labour, but will also bring multiplier effects. It can mobilize different actors for multi-dimensional supports that can address the root causes of child labour, such as poverty. By doing so, the scope for reaching many more children than one can reach through “child labour” specific actions can be broadened. It may also be possible to realize a child labour free zone/community with such multiple-dimensional and comprehensive support from different actors.

Statistics on child labour

In Indonesia, child labour has been a wide-spread and long-standing phenomenon, which is recognised in the national data under the name of “children in the labour force”. As the legal minimum age for employment is set at the age of 15 (Act 20/1999), estimates given below focus on the children aged between 10 and 14 years. Based on the three different national surveys that provide estimates of the numbers of children in the labour force, the average of the three estimates indicates that 1,575,000 children aged between 10 and 14 are in the labour force (7.5%)². It should also be noted that, 26.1% of the children aged between 15 and 17 are in the labour force³ and those who are involved in hazardous work and other worst forms deserve our special attentions and immediate actions.

2 The National Labour Force Survey (SAKERNAS) in 2001 estimated the proportion of children between 10 and 14 in the labour force at 6.34%. The National Socio Economic Survey (SUSENAS) in 2001 provided the estimate of the children in the labour force (working or looking for work) under the same age range at 9.2%. Another estimate of 6.9% was given from the unpublished raw data collected for the National Labour Force Survey (SAKERNAS) in 1999. (Prior to 1998, SAKERNAS had defined the working population from 10 years of age, however, since 1998 SAKERNAS has not included the data on labour force participation of children under 15, thus the published document did not provide the data on children aged between 10-14 in the labour force.) Both SAKERNAS 1999 and 2001 are cited here, but SAKERNAS 1999 is considered as a better resource with its higher sample number.

Children are working in a variety of sectors and forms. But the majority of children work in agricultural family businesses and in small manufacturing enterprises and trades. The economic crisis in 1997 has changed the structure of child labour. Following the significant change observed in the labour market in general, the child labour market has seen an increasing informalisation of employment, a dramatic increase in work in the agricultural sector, and a fall in real wages.⁴ Furthermore, child employment rose strongly in urban areas, reflecting the crowding of children into informal jobs.⁵ The economic crisis seems to have more children pushed into less desirable jobs, which are unregulated, unprotected and informal and in some forms considered as the worst forms of child labour compared to the period prior to the economic crisis.

In the meantime, the worst forms and the nature of child labour began receiving an increased attention internationally. Indonesia, being the first signatory in Asia to the ILO Convention 182 - Worst Forms of Child Labour, made a significant step towards the elimination of child labour, particularly the worst forms in 2002. Presidential decree 59/2002 set up the National Action Plan on the Worst Forms of Child Labour (NAP-WFCL) identifying thirteen worst forms of child labour. Out of the thirteen, five forms (children involved in the sale, production and trafficking of drugs, children trafficked for prostitution and children working in offshore fishing, mines and

**13 Worst Forms of Child Labour
Presidential Decree 59/2002**

- The employment of children as prostitutes;
- The employment of children in mines;
- The employment of children as pearl divers;
- The employment of children in the construction sector;
- The confinement of children to work at offshore fishing platforms [known as *jermal* in Indonesian];
- The employment of children as scavengers;
- The involvement of children in the production of and activities that make use of explosives;
- The use of children for working on the street;
- The employment of children as domestic helps;
- The employment of children in cottage industries;
- The employment of children in plantations/ estates;
- The employment of children in activities associated with the business of cutting down trees for timber, processing wood for building and transporting logs and timbers;
- Employment of children in industries and activities that make use of hazardous chemical substances.

3 SAKERNAS 1999

4 ILO/IPEC Working Paper, The Economic Crisis and Child Labour in Indonesia, Chris Manning, 2000, p.10

5 ILO/IPEC Working Paper, The Economic Crisis and Child Labour in Indonesia, Chris Manning, 2000, p.23

footwear) are further prioritised for the first five years of the 20-year NAP-WFCL.

In general, to collect reliable data on the worst forms of child labour is extremely difficult due to their hidden nature, high mobility and limited accessibility. Yet, an attempt was made to calculate the number of children in eight sectors, which broadly relate to the worst forms of child labour identified in the NAP-WFCL (See Annex 1). The figure in Annex 1 does not necessarily indicate the number of children in the worst forms in absolute terms; however, it does indicate the number of children who are working in sectors, which could potentially be hazardous. 4,201,452 children below the age of 18 were involved in the potentially hazardous sectors, and more than 1.5 million are girls.

*Children involved
in the Sale,
production and
trafficking of drugs*

A relatively new, but increasingly alarming concern is those children involved in the sale, production and trafficking of drugs as the magnitude of the problem has become visible through recent studies. According to the Provincial Office of the Department of Education (2000), 14.3% of 1,603 Junior High Schools and 16.13% of 1,029 Senior High School in Jakarta have reported drug problem among their students. Information gathered from drug users indicated that 10-20% of children using drugs would be most likely to be involved in selling drugs to maintain their habits and for other reasons⁶.

The first risk that a child faces by being involved in the sale, production and trafficking of drugs are the legal consequences of their actions. Some argue that children are preferred to be used as traffickers since they innocently perform the mission without realizing the consequences of the act of trafficking. If they are caught by police, those children will face severe punishment both from legal enforcement and the people who control them. Furthermore, the risks that they face would go beyond the legal consequences. They deprive the children of educational opportunities by expelling them from the school systems⁷ as well as deteriorating their

⁶ Children involve in sale, production and trafficking of drugs, in Jakarta, a Rapid Assessment, Irawanto PhD and Riza Sarasvita, 2003

⁷ According to the above rapid assessment, most interviewees indicated that they had been using and selling drugs while they were in school, especially when they were in Junior and Senior High School (p.6)

physical development by the consumption of drugs. It is worth mentioning that drugs are used not only voluntarily, but also forcefully in some cases. Drugs can be used to take control over children and make them more vulnerable to exploitative forms of labour such as commercial sexual exploitation.

The impact and damages to a child by being involved in the commercial sexual exploitation are also overwhelming. Several studies point out that a rise in trafficking of young people for prostitution is significant in the wake of labour migration (international and domestic) and trafficking. According to 1999 data from the Ministry of Social Affairs, there are 70,000 children involved in sex work (ILO/IPEC, 2001b: 9), which is generally consistent with the assertion made by Farid that 30% of sex workers are under the age of 18 years (Irwanto et.al., 2001:30)⁸ A recent surge of diversified entertainment services provide a scope for diversified forms of sex work to be created. Entertainment complexes, massage parlours, karaoke bars, beer promotion girls, soft drink and tea sellers etc. have possibilities to provide opportunities for commercial sexual exploitation to occur.

Commercial sexual exploitation of children

The occupational hazards that children face in offshore fishing, mining and footwear sector call for immediate actions. 6 types of hazards such as accident, chemical, physical, ergonomic, psychosocial, biological hazards affect child's development in many different ways. For example, the use of mercury in mining, and the glues that contain toxic organic solvents such as toluene, methyl ethyl keton, and acetone in informal footwear sector can cause brain damage or damage in the central nerve system. The equipment and tools that children use are often designed to meet the requirements of adult workers, and do not provide special protection to children who are not fully developed physically. In the worst case scenarios, these hazards could take up a life of a child and/or leave permanent damages to a child. A major accident in a mine in East Kalimantan in 1998 took 32 lives, and half of them were children.

Hazardous forms of child labour

⁸ Trafficking of women and children in Indonesia, ICMC and Solidarity Center, USAID, 2003, p.68

Child domestic labour

Children who are potentially facing the hazardous working conditions, but have not received the attention that they deserve are those children working as domestic workers. According to the first baseline survey in 2002/2003 conducted by University of Indonesia and ILO-IPEC, 688,132 child domestic workers exist in Indonesia. It is extremely difficult to determine the number of child domestic workers as well as to generalise their working conditions as the situation that one child domestic worker can face vary tremendously depending on his/her employer. However, one cannot negate the risks that any child domestic worker can face behind the closed door without any support from outside. Those children are often under absolute control of their employers, thus it is often regarded as "slavery-like" practice. In some cases, child domestic workers face physical, sexual and emotional abuses. Yet, they tend to hide the real situations in fear of losing their employment. Despite the magnitude of the problem, child domestic work is yet to receive the due attention and is not included in the prioritised sectors for the 1st Phase of NPA-WFCL.

Pro-poor economic growth and child labour

Indonesia for the last three decades after 1965 has seen steady economic growth except during the economic crisis in the 4th Quarter 1997 and 1998⁹. According to one report by ILO/IPEC, Indonesia's macro economic development over the twenty years (1976 to 1996) has an interesting relationship with the incidence of child labour. The report pointed out that poverty was reduced to only one fifth of the magnitude of the 1970s (81% reduction), while the incidence of children in the labour force declined only 42%. (See Annex 2)¹⁰

One can question why the formidable decline in overall poverty did not bring equally formidable decline in the incidence of child labour. One explanation could be that the economic growth did not necessarily bring the pro-poor economic growth, thus it was not translated into poverty reduction among the poor. That is inductively considered to

⁹ The proportion of those in poverty fell from 40.1% in 1976 to 11.3% in 1996, but the economic crisis set Indonesia back to the levels of 1981 and 1984. In 2002, the figure had improved to 17.9% (Indonesian Interim-PRSP, p.3).

¹⁰ ILO Working Paper on Child Labour in Indonesia, Unger and Irawan,p.5, 2002, ILO Jakarta

affect the incidence of child labour. This point is confirmed by the trend in the Gini coefficient showing deterioration in income inequality from 1964 (0.333) to 1996 (0.356). It indicates that economic growth does not promise better income distribution, thus, poor households can remain poor and vulnerable to child labour without pro-poor growth.

This underscores the importance of addressing pro-poor economic growth in order to tackle the issue of child labour. Making impacts on the poor households, and fostering the pro-poor economic growth are in fact the thrust and direction of the Indonesian strategy to reduce poverty articulated in the Law No.25/2000 on PROPENAS 2000-2004 (the five year National Development Programme) and the Interim-Poverty Strategy Paper (I-PRSP) in 2002. I-PRSP highlights poverty reduction beyond "macro economic growth" and stresses that mere economic growth would not be sufficient, since it has to be concurrent with the effort of directing the pro-poor economic growth.¹¹ As we believe that poverty reduction with focus on the pro-poor economic growth will benefit the reduction of child labour, the efforts to eliminate child labour always go hand-in-hand with the efforts to foster the pro-poor economic growth. Thus, the effort towards elimination of child labour can be considered as a direct contribution to the pro-poor economic growth.

Four strategic objectives of poverty reduction are set in the draft PRSP structure based on the I-PRSP: (i) creating opportunities for the poor; (ii) community empowerment; (iii) capacity building; and (iv) social protection/safety. Within the framework set for poverty reduction, the contributions that the elimination of child labour can bring into poverty reduction are twofold.

Contributions to poverty reduction

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The draft of PRSP structure places much importance on human resources development in reducing poverty, particularly in response to the strategic objective (iii) - capacity building. A 9-year-compulsory education, therefore, receives the highest priority in human resources development. Children who have no choice but to work, inevitably,

¹¹ Indonesian Interim-Poverty Reduction strategy Paper (I-PRSP), National Development Planning Agency, 2002, p.7

have a limited time and opportunity to study. Thus, child labour is a major obstacle to the promotion of basic education. As they are deprived of educational opportunities in early stages of their lives, it cannot be expected that child workers with low educational achievement will grow into productive workers who enjoy the benefits beyond the subsistence level. Data from the Central Bureau of Statistics (BPS) in 1999 shows that 72.01% of poor households in the rural areas are lead by elementary school dropouts, and 24.32% are lead by elementary school graduates.¹²

*Human resource
development*

Furthermore, several studies point out that lower educational achievement of the heads of household highly correlates with poverty in a way that compels people to place priority on the short term needs such as foods and accommodation, over long term strategic needs such as education. Poverty at the household level pushes the children to work and supplement the household income. Therefore, child labour in poor households tends to create the next generation of the labour force with limited capacity and perpetuates the poverty cycle. Increasing the educational level of the heads of household and improving immediate returns of education are keys to break the vicious inter-generational cycle of poverty as well as prevent child labour.

Lower educational achievement not only hampers one's human development, but also stunts the overall national capacity to reduce poverty by lowering productivity and producing unskilled labour. One may argue that children, by entering the labour market at an earlier age, can acquire skills needed for their work. However, the skills that children learn through child labour are often rudimentary. With the increased introduction of modern technology, the level of workers in terms of basic comprehension and skills is expected to be much higher and sophisticated. The education gap in junior secondary enrolment between the performance of Indonesia and neighboring countries (See Annex 3) is a great concern for the future economic performance of the country. Thus, it is important to promote continued education beyond the 9-year-compulsory education so that productivity and capacity of workers be enhanced.

¹² I-PRSP, p.4

While Indonesia enjoys a great success in the overall educational achievement¹³, challenges remain for those living on the fringe of society; ethnic minorities and the poor, especially girls. For the poor, the cost of sending children to school is high in both actual expenses for the schooling and lost income. A study indicates that after the economic crisis the fall in schooling has been especially marked among the bottom 40% of the population in terms of expenditure per capita, reinforcing the conclusion that the fall in enrolments is partly related to the capacity to pay among poorer segments of the population.¹⁴ For child labourers, who by nature tend to fail to receive extended and improved education opportunities and expect immediate returns of education even more than children who do not need to work, a wider range of responses to improve the immediate returns of education and to lead children to productive employment is required.

While emphasis is placed upon achieving the 9-year-compulsory education for all and promoting continued education, it should be noted that basic education has a limited scope to lead children to gainful employment immediately, and to bring immediate benefits that accommodate their economic needs. In order for those children above the minimum age for employment (15 years old) to obtain gainful employment, promotion of youth employment¹⁵ is worth exploring with the provision of vocational and skills development training.

*Youth employment
(also see technical
briefing note on
youth employment)*

As seen in the table (Annex 1), the number of children aged 15-17 who are potentially exposed to the worst forms of child labour is alarmingly high. Thus, from a child labour preventive point of view, promotion of youth employment is effective as it can prevent the worst forms of child labour by preparing the youth as productive workers with protection and appropriate skills. Without having proper understanding of the labour market and employment options, youths are highly vulnerable to exploitation in economic, social and physical terms.

13 According to the national statistics, in 1971 workers with little education (less than primary level) made up 74% of the labour force. But the current figure is closer to 25%.

14 Keadaan dan perkembangan pendidikan setahun setelah krisis, Boediono, Suryadi and Heriawan, 1999, p.38

15 Youth is defined in the MDGs as people aged between 15-24.

From a poverty reduction point of view, youth employment is important, as it is a connecting link between child labour and the national labour force in the human resources development spectrum. The vocational training and skills training to be provided for those children (above 15 years old) must match the needs of the markets. Especially for both child workers and their parents, the value of education and training is determined vis-à-vis immediate employability and ability to generate extra income. Thus, ILO-IPEC has been providing practical skills training and apprenticeship for older children aged between 15-17 in order to enhance their capacity for self-employment and/or employability in formal sectors.

**Actions to
combat child
labour in
Indonesia**

As seen in the above analysis, the link between child labour and poverty is multi-dimensional and complex. ILO through the International Programme on the Elimination of Child Labour (IPEC) has been supporting the Government of Indonesia and civil society to address the complex child labour dimensions of poverty by providing multi-dimensional responses since 1992. ILO-IPEC's supports are holistic with multiple activities directly targeting beneficiaries and creating an enabling environment for the elimination of child labour.

**Policy
advocacy and
awareness
raising**

The Government of Indonesia has made significant progress in changing policies and raising awareness on child labour with the support from civil society and ILO-IPEC. Ratification of the ILO Minimum Age Convention, No. 138 and the Worst Forms of Child Labour Convention, No. 182 are the concrete examples of such achievements. Both conventions have provided a firm ground for the efforts towards elimination of child labour in Indonesia and the supports for the planning of a concrete 20-year National Plan of Action on the Worst Forms of Child Labour.

The commitment made by the Government has brought multiplier effects by mainstreaming the issue of child labour into the existing government programmes. Child labour component was integrated in a government poverty alleviation programme, which aimed to support the rural poor through micro finance and income generating

activities. The Ministry of Home Affairs together with the Directorate of Rural Development implemented the programme and supported the children of the target families under the project to continue education with the provision of scholarship. Communities and families were motivated by specially trained motivators to send their children to school instead of work. This model was considered successful and replicated to other provinces.

Similarly, child labor was mainstreamed into the work of the Ministry of National Education. ILO-IPEC supported the redirection of the non-formal education (NFE) programme of the Government towards the needs of working children by adapting the teaching methodology and improving access of working children to the programme. This work has also sought to influence the Directorate of Community Education to acknowledge the child labor problem and to rethink the role of NFE in supporting efforts to tackle child labor. Currently, ILO-IPEC is discussing on preparation of a NFE curriculum specifically tailored to address the needs of child domestic workers with the Ministry of National Education. Considering the numbers and the potentiality in educational attainment of child domestic workers, this group of children is strategically targeted for the 100% achievement of the 9-year compulsory education in Indonesia.

Since January 2001, local governments of Indonesia have entered into the new era of autonomy, which enables them to set local budgets and local development plans. Every region is now expected to formulate its own Poverty Reduction Strategy upon completion of the national level PRSP. Accordingly, working with local governments has become increasingly important. Local governments are better situated to listen to the people at the grassroots level and respond to their needs. Thus, to mobilize people to take actions to combat child labour from the grassroots level, ILO-IPEC supports the function of provincial and district action committees on the elimination of the worst forms of child labour. The committees function as main vehicles to work effectively together and to mainstream child labour into provincial and district development plans.

Decentralized initiatives to eliminate child labour

One positive example from this approach was the declaration of "Child Labor Free Zone" by Kutai Kartanegara district of East Kalimantan. In April 2002, the Head of Kutai Kartanegara District discussed a plan to combat child labor in the district with ILO-IPEC. The District government saw that tackling child labor could be one element of a broader drive against poverty and to promote local economic and social development. Subsequently Kutai Kartanegara district made its commitment declared aiming to abolish all child labor by 2012 mainly by increasing access to and quality of education.

The fishing project supported by ILO-IPEC in North Sumatra contributed to another example of decentralized efforts to eliminate the worst forms of child labour. The provincial government of North Sumatra, which is the main actor of the project, took a strong initiative to eliminate the worst forms of child labour by setting up its provincial action committee under a provincial decree on 7 October 2002. The provincial government has also developed a provincial decree to eliminate all worst forms of child labour in the province, which is expected to be adopted by February 2004.

Sector specific interventions

The sector specific interventions that ILO-IPEC began supporting in fishing (jermals) and footwear in North Sumatra and Cibaduyut, Bandung, West Java in December 1999, have started to bear fruit in the last four years. By the end of June 2003, a total of 295 children have been withdrawn and 1,354 children have been prevented from entering jermals through the provision of the project interventions, such as non-formal education, vocational training, apprenticeship programmes, livelihood programmes and micro finance schemes. In the footwear sector, it has been recorded that 603 children have been withdrawn from hazardous work and some 3,015 children have been prevented from entering such work. More than 1,700 adult family members have also benefited from the project.

Apart from gaining commitment from the local authorities, the projects were firmly supported by the workers' and employers' organisations at local and regional level. SPTSK (Textile, Leather, and Garment Workers' Union) has been actively advocating the issue of child labour and supported

the establishment of the Tukang Association (Asosiasi Tukang Cibaduyut, ASPEC). The employers also joined to support the project by establishing the Cibaduyut Small Footwear Employers' Association (APSC) with the objective to strengthen the capacity of informal footwear employers through development of networks and markets and business development training.

The projects have also aimed to provide sustainable and tailor-made solutions to the needs of the target groups. To improve working conditions for child workers aged 15 and above is one of the realistic solutions. The occupational safety and health (OSH) component under the footwear project has been supporting capacity building of employers and workers to recognise and deal with OSH issues and to improve working conditions through low-cost measures.

In 2002, the Government of Indonesia launched the 20-year Indonesian National Plan of Action for the Elimination of the Worst Forms of Child Labour¹⁶. The objectives of the 1st phase of the NPA-WFCL in 2003-2007 are to: i) increase public awareness on the WFCL, ii) to map the existence of the WFCL, and iii) to eliminate the 5 worst forms of child labour, notably children involved in the sale, production and trafficking of drugs, children trafficked for prostitution and children working in off-shore fishing, mines and footwear. ILO-IPEC, building on the experiences gathered from the operations since 1992, supports the Indonesian NPA-WFCL through the Time-Bound Programme (TBP) (See Annex 4). As per priority set by the NPA-WFCL, the 4-million-dollar support programme aims at withdrawing and preventing a total of 31,450 children from the 5 sectors, and supporting economic empowerment of 7,500 families. This will contribute to the national plan for the complete elimination of child labour by 2012 in three sectors (mining, informal footwear production and deep-sea fishing), and by 2022 in two sectors (trafficking of children for prostitution; sale, production and trafficking of drugs) in the selected geographical areas.

**The Indonesian
National Plan of
Action for the
Elimination of
the Worst Forms
of Child Labour
(NPA - WFCL)**

The TBP will employ a two-pronged strategy. The first part of the strategy will focus on promoting change in the policy and enabling environment. It will include work on promoting action against child labor in national and local policy and programme frameworks, improving the knowledge base, improving the legal environment, awareness raising and advocacy, and building the capacity of stakeholders. Through this work the project would hope to help advance in a qualitative way the national effort to eliminate worst forms of child labor. It would also hope that such work would assist in leveraging additional resource commitments from other national and international agencies, in order to develop support to the Indonesian NPA-WFCL.

**Child Labour
Indicator**

Both the analysis of the link between child labour and poverty and the experience of ILO-IPEC confirm that child labour and poverty are intertwined and inseparable. Child labour is a manifestation of poverty and a cause of poverty. Therefore, it should be analyzed and articulated in the every process of the Indonesian PRSP, notably participatory poverty assessment, review of policies/programs and formulation of strategy. In addition, ILO recommends an inclusion of child labour (children aged between 10 and 14 years in the labour force) as an indicator of poverty reduction performance indicators in the PRSP, together with the youth employment rate (aged 15-17, 18-24) required for the Millennium Development Goals (MDGs). As discussed earlier, the prevalence of child labour is distinctively related to the level of the pro-poor economic growth. While the PRSP aims at achieving poverty reduction by intensifying the efforts towards the pro-poor economic growth, the child labour indicator that can measure the impact of poverty reduction for the poor at the household level should be introduced.

Another important aspect of the child labour indicator is that it is regarded as a counter-indicator of education indicators such as net enrollment rate, attendance rate and proportion of pupils starting grade 1 who reach grade 5. While the education indicators indicate positive development towards human resource development, the child labour indicator suggests the existence of variables preventing successful human resource development.

The variables that the prevalence of child labour can indirectly represent, are quality, accessibility, affordability, relevancy of education to the poor and the marginalized population, and parents' attitude towards their children's education. These variables independently play significant roles in determining chances of children continuing their education and/or joining the labour force. By measuring both the positive and negative progress of human resource development, which is the basis of the national capacity to fight against poverty, the performance of poverty reduction can be assessed.

Finally, it needs to be emphasized that the cost of the proposed indicator is competitive. Until 1997, the National Labour Force Survey (SAKERNAS) defined the labour force from children aged 10 and above, and collected data regularly. In 1998, the age definition of the labour force was revised at 15 as the argument over non-recognition of the labour force under the legal minimum age for employment suppressed the existing definition.¹⁷ Considering the real situation of children aged below 15 in the labour force, it makes sense to include children aged 10 and above in the labour force survey as before¹⁸.

Proposed base figure

By revising the age definition of the labour force, the data regarding child labour aged 10-14 and 15-17 can be easily and regularly obtained without additional cost to the SAKERNAS. Furthermore, historical data is available, which can contribute to setting the target figure and a future trend projection. The latest figure of children aged 10-14 in the labour force from SAKERNAS (2001) which can be used as the baseline figure is 6.34%.

17 However, SAKERNAS still collects the information on children aged 10-14 in the labour force, which has not been officially published since 1998.

18 The official data on child labour does not make any reference to economically active children aged below 10. However, according to the three pilot surveys in Bandung, Medan and North Sulawesi conducted by BPS between 1993 to 1998, 0.5% to 1.1% of economically active children are found younger than 10 years old.

Annex 1

Involvement in and potential exposure to the worst forms of child labour

Sector	Age10-14	Age15-17
Prostitution	no data	27,000
Drugs trade	no data	(Minimum)100,000
Agriculture	912,677	1,702,805
Mining	16,182	28,444
Domestic work	no data	310,000
Fisheries	31,172	106,383
Construction	6,912	94,623
Manufacturing	209,943	655,311
Total	1,176,886	3,024,566

Source: Unger and Irawan, ILO Working Paper on Child Labor in Indonesia, 2002 (based on BPS (Badan Pusat Statistik - the national statistics body) statistics for 1999 and best estimates on prostitution and drugs trade)

Annex 2

People living in poverty and children in the workforce Numbers and in %, 1976-1996¹⁹ and 1997-2000

Year	People living in poverty		Children aged 10-14		
	% of total	Number (millions)	Total no. of children (millions)	In labour force	
				No. of children in labour force	% of age group
1976	40.10	54.2	15.1	2.10	13.00
1980	28.00	42.3	17.6	1.98	11.27
1986	21.60	35.0	21.0	2.72	12.94
1990	15.10	27.2	21.5	2.24	10.41
1996	11.30	22.5	22.6	1.92	8.51
1998 Des.	24.20	49.5	21.7	1.79	7.91
1999 Feb.	23.50	48.4	-	-	-
1999 Aug.	18.20	37.5	20.9	1.52	6.86
2000 *	19.00	37.3	20.2	1.06	4.71

Annex 3

Junior secondary enrolment

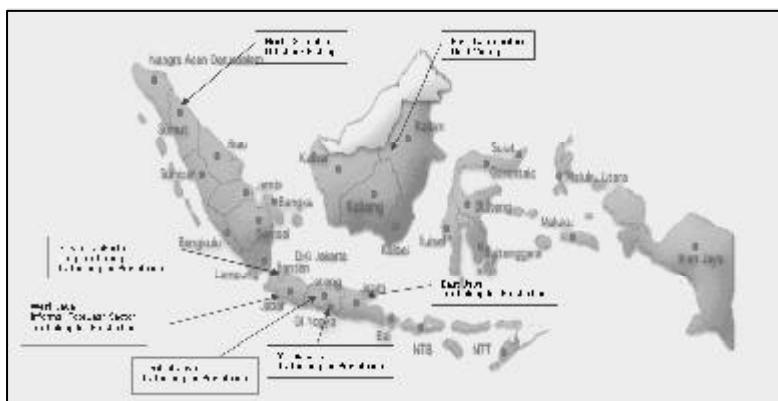
Country	% Enrolment rate
Malaysia	83 (1990)
Philippines	79 (1993)
Thailand	63 (1994)
Indonesia	47 (1995)

Source, Education in Indonesia, World Bank, 1998

Annex 4

Geographical coverage of the TBP

The project combines national level efforts to strengthen the enabling environment, with targeted interventions to assist children involved in the above sectors in six major geographical areas, which are indicated on the map below. These areas have been identified for interventions based on knowledge of the situation in the areas and in particular information collected during recent Rapid Assessments.



**Targets for elimination of the worst forms of child labour
in areas covered by the TBP**

Sector	Best estimate of # involved in WFCL in provinces covered by the project	Target after 5 years	Target after 10 years	Target after 20 years
Trafficking of Children for Prostitution: West, Central and East Java	21,500	17,200	10,750	0
Sale, production and trafficking of drugs: Jakarta	15,000	14,000	10,000	0
Mining: East Kalimantan	10,000	7,000	0	0
Informal Footwear Production: West Java	9,000	1,000	0	0
Deep sea fishing: North Sumatra	7,157	1,000	0	0