

Best Practice Industry Guide for Philippine Employers

Making Sure There is No Child Labor in Your Business and Supply Chain



Employers Confederation of the Philippines (ECOP)



International Labour Organization (ILO)

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**by Employers Confederation of the Philippines (ECOP)
and International Labor Organization (ILO)**

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Message from Employers Confederation of the Philippines (ECOP)

It is not far fetch to assume that most enterprises engage the services of child labor because of necessity from the perspectives of both the enterprise and the child. A child is paid much less than an adult and therefore would mean savings for the enterprise. On the other hand, any income that a child brings into the family could mean an additional meal not just for himself or herself but for the rest of its members.

But in reality, there are more companies which are in the forefront of promoting and implementing programs and practices that impact on the lives of children.

Small enterprises are expected to do something more than just mere compliance with the minimum requirements of the law. In the case of small enterprises, hiring child labor is a matter of option especially where their very survival is at stake. A small enterprise which deliberately decides not to engage child labor, even if it has the option of doing so, deserves a pat in the back. In our case, we want this enterprise recognized because it is not only the legal thing to do; it is also the right thing to do.

For larger companies, we prescribe additional requirements before they are recognized as child friendly. It is not enough that they do not hire child labor. This is a given and there cannot be any compelling reason other than to take advantage of the child's vulnerabilities. To us, this is unacceptable. We would like to be of assistance and service to these companies by showing how others deal with this situation and set up concrete measures to prevent it from happening.

We are making a call to seriously examine the prospects of leveraging the networks, tools, mechanisms, and systems that they have developed in the course of the implementation of their Corporate Social Responsibility (CSR) initiatives for the sake of children who are most vulnerable to exploitation and abuses, which include child laborers. By bringing them to where they are most needed, there is no need to re-invent the wheel, spend so much resources just to start-up a program, and test strategies whose success may not be guaranteed. In other words, business may just be able to provide the resources, which incidentally do not mean funds alone, needed to make a program or project sustainable.

Acknowledgement

This best practice guide for Philippine employers was developed through consultations and discussions with officials and leaders of business associations and chambers of commerce in Cebu City, Bacolod City, Bulacan and Daet, Camarines Norte, on various occasions from September to October 2006. ECOP is most grateful to the resource speakers, local, provincial and regional government officials, and non-government organizations who provided valuable ideas and sharing of experiences in the campaign to eradicate child labor in business and the supply chain.

Introduction

The Employers Confederation of the Philippines (ECOP) Project on *Child Labor Monitoring* (CLM) promotes Corporate Social Responsibility (CSR) as a tool towards the elimination of child labor. The project is part of ECOP's commitment to the International Labor Organization-International Programme on the Elimination of Child Labor (ILO – IPEC) program. ECOP identified four (4) industry sectors with child labor as a focus in the current project phase: pyrotechnics in Bulacan, sugar plantations in Negros, mining and quarrying in Camarines Norte, and commercial sexual exploitation of children (CSEC) in Cebu. This project builds on current efforts to eliminate child labor and contributes to build a bridge in the critical gaps.

Intervention implemented by ECOP to eliminate child labor includes provision of education or alternative learning, medical and health care, skills and livelihood trainings to child laborers as well as awareness raising and advocacy.

ECOP aims to help child laborers nationwide by removing child laborers from hazardous conditions or by preparing them for better work opportunities in the future. This is possible only if there is crucial support from employers, industry leaders and the other social partners.

It is important that Philippine employers do their part and exert extra effort to ensure that there is no child labor in their business and supply chain. This best practice guide should provide a framework on how to help eliminate child labor.

Children were attended by a volunteer doctor during ECOP's medical mission at Pulang Buhangin, Sta. Maria, Bulacan (ECOP Photobank).



Under the ILO-IPEC program, ECOP works with government, workers organizations, non-government organizations (NGOs), community groups, and parents to reduce risks and hazards in the workplace. The goal is to ensure that different sectors of society, including business and the supply chain, are informed and active movers against child labor.

What is *Child Labor Monitoring (CLM)*?

It is important to be aware of the facts, tools and strategies to stop child labor. *Child Labor Monitoring (CLM)* is an active tool designed to recognize and address the problem of child labor through direct, repeated and regular observations. Child labor must be identified where it exists, with due recognition of the risks and dangers to which children are exposed. After identification of child laborers and analysis of their situation, those engaged in child labor are removed from the workplace and provided with alternatives such as schooling, counseling, health and other social services. Through CLM, those engaged in child labor are monitored if, indeed, they are removed from their previous exploited condition, and are delivered to a satisfactory life environment.

Philippine employers, through ECOP, are part of the network and mechanism for CLM to help eliminate child labor in the country. They contribute to efforts towards eliminating child labor through design, monitoring and other follow up activities against child labor, including:

- Identification and assessment of children engaged in child labor, in the industry or community, including the degree of risks they face.
- Identification of service providers in education, health, and employment; and agreement on procedures with the partners.
- Referral of those engaged in child labor to the service providers, with immediate removal of children from serious risk in hazardous workplaces as priority action.
- Protection of those previously engaged in child labor from further hazards and risks and prevention against child labor recurrence.



A child shares the meaning of his winning artwork during the celebration of National Children's Month at Bulacan (ECOP Photobank).

The Employers Confederation of the Philippines (ECOP) is working with government, workers, and committed groups to help eliminate the complex issue of child labor.

Child Labor Free and Child Friendly Recognition Program: A Corporate Approach Against Child Labor



Last year, the Employers Confederation of the Philippines (ECOP) re-launched its child labor-free and child friendly recognition program as a component of its child-labor project under ILO's International Programme for the Elimination of Child Labor (ILO-IPEC).

For more than two (2) years now the Program has been in a state of suspended animation. We would have wanted to proceed with the Program without interruption but forces beyond our control prompted us to hold it in abeyance. The suspension actually worked in our favor as we were able to address fundamental questions related to the Program's criteria, inclusiveness and sustainability.

The criteria has been revised to make a distinction between large enterprises and small enterprises and now include non governmental organizations and business foundations.

The Program is not entirely new. In fact more than thirty (30) companies had been recognized as child labor-free and child friendly since its establishment in 2002.

In the recognition program, we want the spotlight focused on the many corporate policies and practices that redound to the benefit of children. We want companies to apply them to the supply chain especially in the informal sector where conditions are worse because they are unregulated. It is all about transparency as we urge them to publicize the steps that they are taking to forestall the occurrence of the worst forms of child labor in the workplace and opening up their facilities to public scrutiny. It is a call on the business community to work hand-in-hand with government and civil society, as child labor is a menace that it cannot solve by its lonesome self.

These are the companies which made it through the rigorous screening process, consisting of the documents that they were made to submit in support of their application, the ocular visits made by the members of the ECOP Child Friendly Committee, and the panel interview conducted by a Screening Committee whose members are recognized personalities championing the rights and welfare of children.

Recognized Firms with progress reports:

- CS Garments
- IBM Philippines
- INDOPHIL
- Mabuhay Vinyl Corp.
- Mindanao Trucking Corporation
- Phil Germa Manufacturing Corp.
- St. Luke's Medical Center

Business Category:

Child-Labor Free Companies:

- Marco Polo Davao
- Splash Corporation

Child Friendly Companies

- Globe Telecom, Inc.
- Vitarich Corporation
- Johnson and Johnson (Philippines) Inc.
- Fiesta Brands, Inc.
- Central Azucarera don Pedro
- Sunlife of Canada (Philippines), Inc.
- New City Commercial Corporation-Davao

Non-Business Category:

Child Friendly Organization

- **Metrobank Foundation, Inc.**
- **Association for the Rights of Children in Southeast Asia**
- **Philippine Airlines (PAL) Foundation**
- **Splash Foundation, Inc.**
- **Mother Laura Gertrude Seland Foundation Inc.**
- **Family Planning Organization of the Philippines Inc.**
- **Sarmiento Foundation, Inc.**
- **Sugar Industry Foundation, Inc.**

**CEBU-BASED CHILD LABOR-FREE AND CHILD FRIENDLY
RECOGNITION PROGRAM**

Recognized Firms with progress reports:

- **Fairchild Semiconductors, Inc.**
- **Friendly Care Foundation, Inc.**
- **Norkis Trading Company, Inc.**
- **Shangril'as Mactan Island Resort and Spa**

Child Friendly Companies

- **CITE Technical Institute**
- **Purok II, San Jose, Cebu City**
- **TIMEX Philippines Inc.**
- **PEZA 1**
- **Lapulapu City, Cebu**
- **Victory Refrigeration and Marine Development Corporation**
- **Lawaan 1, Talisay City**

Child Friendly Organizations

- **Lamac Multi-purpose Cooperative**
- **Lamac, Pinamungahan, Cebu**
- **Victory Refrigeration and Marine Development Corporation**
- **Lawaan 1, Talisay City**

Why is it Important for Business and Supply Chain to Eliminate Child Labor?

Being responsible in society means more business.

There are a growing number of consumers who are conscious and aware about corporate social responsibility. These consumers expect companies to supply quality products and services through responsible social practices. Being competitive nowadays means that the business is practicing corporate social responsibility, among other effective tools to attract and retain consumers in the market. Employers would be at a tremendous advantage if they ensure that there is no child labor in their businesses, as well as those who supply products and services to their companies.

Developing the future workers.

The community is the source of the company's future workers. It is essential that a healthy, well-motivated and skilled workforce, together with a prosperous consumer base, sustain the company's operations and the market. Child labor in the business and the supply chain could prevent young and future workers in reaching their full potential to be productive and creative. In the long run, hiring of child laborers poses risks towards the development of the future labor market.

Building a good business image.

A positive business image is important to the future of the company. A community's discovery of employing children in the business and its supply chain could severely damage a company's reputation. The risk of being branded as a social and business deviant will bring about loss of consumers and eventual business downfall.

Cost efficiency and savings.

There is a common mistaken idea that there are cost advantages to hire children instead of adults in the business and the supply chain. In reality, children in general have shorter attention span and low appreciation for quality work. There is a higher rate of rejection or rework of products, which offsets any cost advantage of hiring cheap labor of children.

CS Garments President Clauss Sudoff (third from left) received the recognition given by ILO-ECOP as one of the child labor free and child friendly firms in the Philippines (*ECOP Photobank*).

Helping eliminate child labor is part of a growing trend in business to engage in socially responsible practices.

***Consumer Market Power
Against Child Labor:
The Case
of Wal-Mart Chain
in the United States***

Wal-Mart is a top supermarket chain in the U.S., with the following statement in its Supplier Partner Standards:

“Wal – Mart will not tolerate the use of child labor in the manufacture of products it sells. Wal-Mart will not accept products that utilize in any manner child labor in their contracting, subcontracting, or other relationships for manufacturing products. No person shall be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows), or younger than the age or completing compulsory education in the country of manufacture, which is higher than 15.”

Source: www.walmart.com (Cited in World Bank IFC. 2002. *Good Practice Note. Addressing Child Labor in the Workplace and Supply Chain*. Washington DC: World Bank IFC.)

How to Make Sure That the Business and A Best Practice

Enterprises which are part of a global chain, consumers have a great stake to ensure that labor, as one key element of being globally

There are many suggested areas for child especially ECOP member companies and shared, and a common program of action

- Advocacy and information campaigns to guide organizations and company officers in eliminating child labor.
- Capacity building among key company officers and personnel on the elimination of child labor;
- Educational assistance to facilitate the re-entry of child laborers into the formal education system.
- The creation of multi-sectoral alliances and joint activities with local governments, workers organizations, church institutions, and non-government organizations on the elimination of child labor in priority industry sectors.

The Supply Chain is 'Child Labor Free': Guide

and whose market include international business operations are clean on child labor competitive.

labor interventions, among employers, organizations. Resources should be developed through:

- Support to skills training through donation of training materials, equipment, and provision of classrooms and guidance counselors for victims of child labor. Employers must identify specific education or skills training institutions which could provide education or skills training for victims of child labor and work with these institutions.
- The provision of medical, health and psychosocial counseling needs that can be addressed by identifying and working with community health centers or hospital units which company officers could access for referrals to serve victims of child labor.

Suggested Company Policy Statements Against Child Labor

There are many
especially FCC
shared, and a

"The company shall not engage in or support the use of child labor in its business, among its suppliers, or contractors."

"The company shall establish, document, maintain, and effectively communicate to personnel and other interested parties policies and procedures to ensure that there is no hiring of child labor among the business, contractors, and suppliers."

"The company will provide the means to ensure that no child or young worker is employed during school hours and that combined hours of daily transportation (to and from work and school), school, and work time does not exceed 10 hours a day."

"The company shall not expose children or young workers to situations in or outside of the company workplace and premises that are hazardous, unsafe, or unhealthy."

Source: Social Accountability International, 2001. SA8000 Guidelines.

The Philippine Labor Code Says:

“ART. 139. Minimum employable age.

- (a) No child below fifteen (15) years of age shall be employed, except when he works directly under the sole responsibility of his parents or guardian, and his employment does not in any way interfere with his schooling.

(b) Any person between fifteen (15) and eighteen (18) years of age may be employed for such number of hours and such periods of the day as determined by the Secretary of Labor and Employment in appropriate regulations.

(c) The foregoing provisions shall in no case allow the employment of a person below eighteen (18) years of age in an undertaking which is hazardous or deleterious in nature as determined by the Secretary of Labor and Employment.

ART. 140. Prohibition against child discrimination. - No employer shall discriminate against any person in respect to terms and conditions of employment on account of his age.”

Doable 1 Understanding Child

Understanding more about child labor and has very little cost.

It is important to inform communities and laws on child labor and the penalties business owners, suppliers and their laws as well as the penalty or punishment

Creating awareness about regulations on business people are influential members impact in raising awareness within local

Business owners and employers should about child labor.

How many of the following questions

- **What is the minimum age for regular work in the Philippines?**
- **Under what conditions are children 15 to 17 years of age allowed working?**
- **What are the worst forms of child labor in the Philippines?**
- **What are the penalties for enterprises that hire child labor?**

Labor and How it Affects Business

how it affects business and supply chains

local employers about national and local
violating them. Often many local
families are not aware of regulations and
in using child labor.

child labor is an important step as
of the community and can have an
communities and government units.

test themselves on basic information

could employers answer correctly?

- What is the maximum weekly hours of work that can be legally undertaken by children between 15 to 17 years old?
- What are the hazardous jobs where child labor is not allowed?

List of Hazardous Jobs for Children

1. Work which expose children to physical, psychological or sexual abuse such as Karaoke/KTV bars, lewd shows, massage clinics and escort services.
2. Work underground, dangerous heights, or confined places such as mining, deep sea fishing and diving, painting buildings, window cleaning and fruit picking.
3. Work with dangerous machinery, equipment, or tools such as construction, logging, quarrying, mechanized farming, metal work, warehouse work, stevedoring and dock work.
4. Work in unhealthy environment such as pyrotechnics, pesticide spraying, blacksmithing, forging, extracting lard and oil, brewing, battery recycling, welding and garbage collection.
5. Work which involve difficult conditions and long hours, and in confined spaces.

Source: DOLE Department Order 4 (1999)

Industry Guide

Addressing Child Labor in Pyrotechnics

Recognizing the problem

Child labor in pyrotechnics in Bulacan is well documented. One non government organization¹ estimated that there are at least 1,000 children working in pyrotechnics in the town of Santa Maria, 500 children in Bocaue, and 300 children in Baliuag. There were various reasons cited for involving children in the pyrotechnics industry. One is the tradition rooted in the Spanish colonial period where skills and livelihood were handed down from parent to child. Children work in home-based production, mostly together with parents and relatives, to learn the trade. Another factor is the seasonal demand for pyrotechnics along with pockets of poverty in the community which encourages home-based work and contracting of other migrant families from nearby communities.

Many pyrotechnic employers deny that they employ child labor in production. Yet, one employer concedes that:

"Children do some paper folding work for firecracker wrappers, which is a small segment of the production process. These are easily done by a 7 or 8 year old child while watching TV. Children are not allowed to handle chemicals." ²

Diverse but isolated efforts have been undertaken by many organizations, both private and government, to eliminate child labor in pyrotechnics. Yet the problem persists.

There is recognition that poverty and lack of skills must be addressed in an integrated manner to effectively address child labor in pyrotechnics. A key strategy for employers is to work together with other social and community partners, including local and other government units. Employers could fill the gaps by providing critical support where it is needed most.

In Bulacan, the Sarmiento Foundation Incorporated (SFI) through a grant from the ILO IPEC, provided skills and livelihood training to remove children working in pyrotechnics. The SFI provided the financial assistance to young workers and coordinated with Department of Labor and Employment (DOLE) to identify skills training and other resources needed to support alternative livelihood projects of working children. Parents of children working in pyrotechnics who decided to engage in food production (bakery, sausage or ham making, etc.) or dressmaking were also supported by SFI which provided working capital loan and training.³ Joint efforts continue with other local government leaders, the organized parents of child labor, and local community leaders. ECOP has come in to provide a venue for dialogue among the local employers, government and community organizations, and to contribute to training and provision of medical care to the children.

¹ Estimates by Community Organizers Multiversity (CO Multiversity) in a presentation by Mr Edilberto B Villaruel, ECOP CLM Workshop, Clark Angeles City, 27 July 2006.

² Statements by Mr Simplicio Hermogenes, village chairman, Barangay Pulong Buhangin, Santa Maria Bulacan; Mr Rolando Bonilla, a representative of small scale pyrotechnics employer in a meeting with ECOP in Marx Restaurant, Malolos, Bulacan, on 5 September 2006.

³ Statements by Ms Marivic Sarmiento, executive director of the Sarmiento Foundation Inc. (SFI) in an ECOP consultation meeting in Max Restaurant, Malolos, Bulacan on 5 September 2006.

Sharing of Best Practice

Children with Working Permits

The ABS-CBN FOUNDATION, INC. Experience

As a leading media organization, the BANTAY BATA 163 PROGRAM OF ABS-CBN FOUNDATION, INC. shares with the industry and community its success in raising awareness and sharing of best practices in the elimination of child labor. The Bantay Bata program of the ABS CBN stands out in particular, in the vigilance of viewers who report cases of child abuse. Cases of child abuse are documented on print and video.

ABS-CBN's corporate social responsibility (CSR) is reflected in all their programs. At the end of each TV program, a statement says that children who appear in its various shows and programs have been granted work permits by the Department of Labor and Employment. The company offers employees support systems to establish closer relationships with their children. The ABS-CBN Nursery is the country's first and only media in-house facility.

Source: Ms. Dulce Festin-Baybay, Lopez Group Foundation, 27 August 2006; and ECOP Child Labor Free and Child Friendly Recognition Program.

A young boy with dark hair and glasses is smiling. He is wearing a white t-shirt. To his right is a tall stack of VHS tapes. The tapes have various colorful covers with titles like 'epool a pe', 'Bayani', and 'Sine K2'. The boy is holding one of the tapes in front of him, showing its cover which features a cartoon character and the title 'epool a pe'.

ABS CBN's corporate social responsibility (CSR) is reflected in all their programs. Prominent among television programs are educational series focusing on values, literacy and numeracy (Photo from Bridge Com for Education).

Creating awareness about regulations on child labor is an important step.

Doable **2**

Identifying the Most Appropriate Strategy

In recognizing the existence of child labor, Philippine employers need a strategy to identify and help prevent its incidence.

Philippine employers should recognize the problem and possess the will to work with other sectors of society to address child labor. It is important to benchmark with enterprises and organizations that are active in the campaign to eliminate child labor, and identify which strategies are most practical, cost effective and doable.

Most likely, isolated sectoral efforts have been done to address the problem of child labor in the industry or in the community. Employers may be able to effectively contribute to the elimination of child labor by providing a venue for coordination or dialogue between the isolated sectors. Employers could also provide critical support in an area not addressed by sectoral organizations or by local, regional or national government units.

Industry Guide

Addressing Child Labor in Commercial Sexual Exploitation of Children (CSEC):

Raising awareness and improving coordination as key strategies

Visayas and Mindanao regions were identified as sources and transit routes of trafficking of children. Trafficked children who were transported for commercial sexual exploitation were eventually sent to local brothels and bars in nearby cities like Cebu. With the alarming increase of CSEC cases in Cebu, The Cebu Chamber of Commerce and Industry (CCCI) is committed to lead employers in the region and cooperate with ECOP in Child Labor Monitoring, in the following areas:

- Raising awareness of various employer sectors: shopping malls, hotels and restaurants, security guards, taxi owners/drivers, resort owners, security guard agencies and ship owners. Mall owners and hotel officials should be brought together in the Peace and Order Committee meetings, with CSEC as one of the topics in the agenda of the CCCI.
- Identification of resources for CLM, including expertise, and resource persons to help employers to be more knowledgeable about CSEC and introduce better monitoring efforts that will help in combating CSEC.
- Orientation and training will be provided to front line personnel and other stakeholders on detecting and proper handling of CSEC cases in the malls, hotels, ships and in other commercial areas of Cebu.
- Ensuring participation by employers in discussions, in the various committees and task forces against CSEC and human trafficking, at the local village or barangay, municipal, provincial and regional levels.

Source: ECOP – CCCI CLM Workshop, 4 October 2006, Cebu Sports Club, Cebu City

Doable **3**

Immediate Response Against Child Labor

The company should immediately check its business and supplier partners.

There are immediate steps that could be taken with respect to child labor:

- Stop the practice of hiring children. Release children from work that is harmful.
- Remove children working in hazardous tasks. Enroll them in school.
- Reduce the number of hours that children devote to work. Provide them alternative venues or facilities to enjoy their childhood, and learn skills.
- Provide alternative income generating activities for the parents of child laborers or other adult relatives who ask the children to work as additional sources of income.
- Identify safe work with fair wages and improve working conditions for children who meet minimum age requirements.

Sharing of Best Practice

Eliminating Child Labor in Mines

The PHILEX MINING CORPORATION Experience

Philex Mining Corporation is located in the mountain hinterlands of Benguet, in Cordillera. It started operations in 1955, and now employs 2,400 regular and 350 contractual workers, supporting 10,000 dependents in the mining community.

The most concrete anti-child labor policy of Philex is its hiring policy, which requires that applicants must be at least 18 years old for work in the surface areas, and 21 years old for underground mining. The age requirement is also enforced with the contractors who operate in the mine site. The company strictly monitors its contractors and subcontractors with respect to its anti-child labor policy. In addition, the company operates preschool, primary and secondary schools for employees and their dependents. Medical and health care services and facilities are provided for free. Projects are implemented in partnership with the local government units and community organizations, including the unions.

The ECOP awarded recognition to Philex Mines as “child labor free” and “child friendly firm” in 2000 and 2001.

Source: ILO IPEC pamphlet. “The Philex initiative: a good practice in the Philippines”.

Doable **4**

From Child Labor to Decent Work

Removing children from hazardous labor may however result in hardship for them and their families. Leaving them without any means of support will result in recriminations, return to their former status, or even worse situations. Employers should recognize that the provision of skills, alternative learning, and a positive social and community environment will ensure that children take the transition from child labor to decent work.

The choices available to employers, particularly SMEs include:

- Making arrangements to transfer full time child workers to school or training centers while paying for their equivalent income in kind or in cash, or in combination with living allowances depending on need.
- Allowing young workers (15 to 17 years old) to continue working, but on a reduced shift or work load, in non-hazardous tasks.
- Sponsorships for schooling of young workers.
- Building schools or classrooms and providing support for their operation in communities where child labor is most prevalent.
- Ensuring that child laborers acquire competencies and skills through training, before they apply for jobs.
- Providing credit access or guarantees as starting capital for those who wish to be self-employed.

In Central Azucarera de Don Pedro Inc. (CADPI) child workers and out of school youth were given skills training on hotel and



Removing a child from hazardous labor without any means of support will result in recriminations, return to their former status, or even more risk

Doable **5**

Business Doesn't Need Child Labor

There is a need to review the 'need' of employers and SMEs who view child labor as "traditional" or part of "growing up". Reorienting this perceived "need" among employers would mean:

- Encouraging employers to access technical or engineering expertise to review production operations and processes where children are involved.
- Identification of tasks requiring child labor among the enterprises
- Reexamination of the costs and benefits of hiring children.
- Review of the difference in wages between adults and young workers in the industry. It might be the case that when the wages of adults are significantly raised, there is no need for parents or guardians to ask their children to work, sacrifice time for school work, or stop school.
- Lobbying for specific industry support, especially for SMEs for employers to replace operations, which require children, with either new production processes, or with adult workers.



A key strategy for employers is to work together with other social and community partners, including local and other government units.

Sharing of Best Practice *Preventing Child Labor at Supply Chains*

The LEVI STRAUSS
AND COMPANY Experience

In 1990s, Levi Strauss and Co. discovered that some of its contractors in Bangladesh hired under age girls in their factories. The company realized that these children and their families desperately needed the extra income. Dismissing the young girls may force them into more hazardous work, such as prostitution. The company discussed possible solutions with its suppliers. The contractors agreed to stop hiring underage workers, but continued to pay the salaries of the girls on condition that they go to school. In addition, the girls could be hired back if they finish schooling.

Source: www.levistrauss.com

Doable 6

Eliminating Child

The business may not have control over the yet company reputation is damaged when known. Some suggestions for employers families in commercial agriculture, such as farming, are:

- Review current and future suppliers (contractors and subcontractors) and give each one a rating. The criteria should give due recognition to quality suppliers who comply with social responsibility, and who take efforts to ensure there is no child labor in their work processes.
- Warn suppliers found with child laborers that the company will no longer do business with them. Suggest to the suppliers that child laborers be given educational assistance and better working conditions.

Labor Among Supply Chains

practices and decisions of their suppliers the hiring of child laborers is publicly especially those who engage migrant sugar, rice coconut farming, and fish

- Inform current and future suppliers that the company is not transacting business with people who involve children in the production processes. One means is to write a standard provision in the contract to stop business with suppliers who are found to have working children. Monitor regularly the contractors and subcontractors on their compliance with the provision.
- As a last resort, stop giving business to suppliers and contractors who fail to comply.

Sharing of Best Practice Preventing Child Labor at Supply Chains

The REEBOK Experience

In 1990s, Reebok discovered that children were often involved in home-based stitching and production of soccer balls. To address alarming concerns about child labor, Reebok's supplier in Pakistan decided to construct a state of the art factory, where all production and stitching work is done on site.

The factory is regularly monitored by human rights advocates and watchers. The soccer balls now have a label: "Guaranteed Manufactured Without Child Labor". The company provided funds to an educational assistance program to benefit children in the soccer ball manufacturing region

Source: World Bank IFC. 2002. *Good Practice Note. Addressing Child Labor in the Workplace and Supply Chain*. Washington DC: World Bank IFC.

Industry Guide

Addressing Child Labor in Sugar Plantations

Addressing child labor among kontratistas (labor supply contractors) and families of workers who supply labor in Negros sugar plantations

The Bacolod Chamber of Commerce and Industry (BCCI) is ready to cooperate, support and work closely with ECOP in the child labor monitoring (CLM) program, together with local government, community and workers organizations. The Sugar Industry Foundation, Inc. (SIFI), an organization of sugar plantation owners and employers, has pioneered efforts to provide schooling and other assistance to families who are in sugar plantation work. The Chamber will encourage its member employers to use various opportunities in identifying resources to help in the campaign to eliminate child labor in the sugar plantations. The sugar industry employers are ready to cooperate with ECOP in the following aspects of CLM:

- Provision for on the job training (OJT) on non-hazardous vocational and technical skills such as handling of agricultural farm tools and machines, computer literacy, entrepreneurship training and access to microfinance credit for those working children found in sugar plantations
- Close coordination with formal schools that offer computer literacy programs to child laborers.
- Orientation of parents of children engaged in child labor. It is recommended that the CLM involve the Metro Bacolod Chamber of Commerce and the sugar plantations in the orientation meetings.
- Provision of health personnel and safety equipment in each barangay to provide emergency and health care to working children and their families.

- **The employers will also access, coordinate and request assistance from the Department of Agrarian Reform (DAR), to involve the farmer beneficiaries in CLM monitoring to prevent their children working in hazardous jobs in the sugar industry, and in tapping other resources for this purpose. In this regard, the sugar industry employers are willing to work with the National Confederation of Unions in the Sugar Industry of the Philippines (NACUSIP).**

Source: ECOP sugar industry employer consultations, 8 September 2006, L'Fisher Hotel, Bacolod City.

Doable 7

Implementing a Code of Conduct

Enterprises, including SMEs and suppliers or subcontractors, may belong to groups or affiliates of companies. Contracts for business relations among affiliates and their suppliers may need to be reviewed. In negotiations, a Code of Conduct, which explicitly prohibits child labor, must be written in new contracts.

In drafting a Code of Conduct, the following should be considered for inclusion into the Code:

- Company statements prohibiting child labor in production.
- Explanations to business partners, contractors or suppliers why there is a need to prohibit child labor in the business.
- The design and implementation of a monitoring mechanism that encourages enterprises to work with government, workers and community organizations, in preventing child labor.
- Clear policies and sanctions for non-compliance, and dissemination of these policies among contractors and suppliers of the business.

Sharing of Best Practice

Code of Conduct in Action

The CS Garments Inc. Experience

CS Garments Inc. in the Cavite Economic Zone is a German-Filipino owned company, which manufactures quality men's shirts and ladies blouses. It is one of the few companies which has a Code of Conduct that reflects the growing clamor against exploitative labor. The CS Garment Inc. management has a child-friendly committee, with the chief executive himself at the helm, to provide continuing and sustained awareness on child labor issues, to uphold the law against child abuse and exploitation.

CS Garments Inc. also implements programs where children of employees and from nearby communities are protected and well cared for.

The company has undergone the *AVE Sector Model for Social Responsibility* in its continuing commitment to ensure a child-labor free workplace

ECOP awarded recognition to CS Garment as a child labor free and child friendly firm in 2001.

Source: CS Garments Inc., and ECOP Child Labor Free and Child Friendly Recognition Program Brochure

Sharing of Best Practice

Corporate Social Responsibility (CSR) in Action

The Central Azucarera de Don Pedro Inc. (CADPI) and Central Azucarera de la Carlota (CALC) Experience

The CADPI and CALC have set a strong commitment to Corporate Social Responsibility (CSR). While continuing to serve customers, traders, suppliers, shareholders and employees, the companies have vibrant community extension programs which benefit, among others, child laborers engaged in sugar plantations. The companies have identified several communities where the children live and alternative livelihood programs and skills training were provided for them and their parents to augment their income. Parents must have additional income for them not to push their children to work in sugar planting, harvesting and processing.

It is a challenge to ensure that child labor is eliminated among contractors who supply labor during sugar planting and harvest seasons. The CADP and CALC continuously monitor their work contractors, and take extra efforts to provide skills training and alternative education for child laborers who were discovered in the monitoring process.

Source: Rafael Francisco, Vice President, CADPI and CALC Group, ECOP sugar industry



the Central Azucarera de Don Pedro Inc. (CADPI) provides skills trainings to child labors and out of school youth engaged in sugar plantations (Photo from CADPI).

Doable 8

Initiating a Collective Action in Eliminating Child Labor

The elimination of child labor is also a key concern of other social sectors, aside from the employers. The workshops organized by ECOP in the four crucial sectors — pyrotechnics in Bulacan, commercial sexual exploitation of children in Cebu, sugar plantations in Negros, and mining and quarrying in Camarines — reveal that joint action by local employers, local governments, and local community organizations work best to identify achievable joint action in eliminating child labor.

A positive working relationship could be developed between employers and the following leaders and officials to identify child labor, remove them, and provide education, social and other support services:

- Local workers organizations or unions;
- Key persons in the local councils for the welfare of children (Barangay or village, municipal or city, provincial, and regional);
- Local civic organizations, non-government organizations, faith based organizations, and community organizations.

The employer's organization and their local chapters need to clearly include in their work plan a commitment to work with other social sectors and organizations in eliminating child labor. The commitment should include:

- Approval of the organization's commitment to help eliminate child labor

- **Appointment of a key person in the organization to implement the commitments.**
- **Pledge and approval of financial and other resources to help remove those who are in child labor, with specific amounts, releases and expected results.**
- **Identification of reliable social partners, including local village (barangay) governments, provincial offices, and regional officials; as well as community organizations who could devote resources, leaders and people, and engage them in identifying enterprises where child labor could be found, and providing education, health and other social services to the child laborers.**
- **Specific activities and plans to help monitor and ensure that those who were engaged in child labor in the past do not return to their former status, or much worse.**

Expertise and experience in using tools and strategies to help eliminate child labor need to be shared by different sectors. For its part, ECOP continues with greater vigor in its campaign to identify and recognize enterprises which are “child friendly and child labor free”, through a nationwide and in-depth search.

Industry Guide

Addressing Child Labor in Mines

Working with local governments in the elimination of child labor in mining and quarrying villages in Camarines Norte

Child labor is rampant in the gold panning villages of the towns of Labo and Jose Panganiban in Camarines Norte, in the Bicol region. After intense lobbying by community organizations, the town councils adopted ordinances ("local legislation") to "prohibit the employment of children below 15 years of age in hazardous undertakings ..."

The ordinance in Jose Panganiban specifically prohibited child labor in small scale mining, fishing and other activities. The ordinance also requested cooperation from the social welfare services department, the village officials, the Philippine Rural Reconstruction Movement (PRRM), which is an NGO, the ILO and the Technical Working Group "to provide values orientation in the community to protect children", among others.

The local business organization, the *Camarines Norte Chamber of Commerce and Industry* has pledged to work with ECOP in eliminating child labor in mining and quarrying and in other industries in the community. The Chamber also intends to develop a program of action against child labor and will work together with other organizations and government agencies to eliminate child labor in the province.

Sources: Municipal Council Resolutions of the Town Council of the municipality of Labo, Camarines Norte dated 26 May 2006; and the municipality of Jose Panganiban on 1 August 2002. The consultation meeting with the ECOP was held on 26 October 2006 in Daet, Camarines Norte.

Doable **9**

Working with Audit, Monitoring and Certification Bodies in Eliminating Child Labor

There are costs and benefits for businesses that are certified as child labor free. Organized consumer power is getting to be an important factor in the market, and they are well represented, as well as their voices heard and recognized in many multinational global enterprises, industry associations, and international institutions including those which provide development assistance. The proliferation of international monitoring bodies against child labor, and social as well as environmental compliance shows that the consumers and investors are taking serious efforts to remove child labor in their business and supply chain.

Large employers, particularly multinational enterprises doing extensive business with local partners and suppliers (mostly SMEs) have access to organizations conducting audit, monitoring and certification with respect to a “no child labor policy”. There are now many audit, monitoring and certification bodies on corporate social responsibility and social accountability, which includes checking that the business is free of child labor. Strong internal audit and monitoring systems should be in place, and certification bodies require these. The company should assign a specific official and support staff to ensure that there is no child labor in the business and the supply chain

The following are international bodies, which accredit auditors for social compliance:

- Fair Labor Association (audit and certify enterprises mostly in Central and Latin America)
- Social Accountability International (SAI)

Independent auditors:

- Verite: www.verite.org

SAI certification bodies and some websites:

- TUV Rheinland
- SGS – ICS, Belgium www.sgsgroup.com
- Bureau Veritas Quality International, UK www.bvqi.com
- Centro per l'Innovazione e lo Sviluppo Economico (CISE), Italy
- Cal Safety Compliance Corporation, USA www.csccl-online.com
- DNV (Det Norske Veritas): Hongkong, China www.dnv.com
- RINA SpA, Italy www.rina.org
- Intertek Testing Services, U.S. www.intertek-labtest.com



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Child-Labor Free and Child Friendly Firms Recognition Program