

CHILD LABOUR: SOME ISSUES, CORRELATES AND CURES

SOMESH K MATHUR¹

Introduction:

According to the Bureau of Statistics of the International Labor Organization, in 1995 at least 120 million of the world's children between the ages of 5 and 14 years did full-time, paid work (ILO, 1996; Ashagrie, 1998). Many of them worked under hazardous and unhygienic conditions and for more than 10 hours a day. This is not a new problem. In different parts of the world, at different stages of history, the laboring child has been a part of economic life. In particular, children have worked in large numbers in factories from the time of the industrial revolution in Europe and from the mid-nineteenth century in America. In contemporary times, the incidence of child labor is very high in Third World countries, and it has been that way for several decades now.

What has increased is the awareness of and concern for children who work as laborers. This is caused, in part, by the increasing globalization of the world, which has brought not only more information about the condition of labor in different nations to academics and activists the world over, but also goods produced by children in far away lands into the hands of consumers in high-income countries. This has, in turn, brought two very different kinds of people on the same platform -- individuals who are genuinely concerned about the plight of children in poor countries and those who comprise the forces of protectionism in developed countries. The two have rallied together to support a variety of interventions in Third-World labor markets, ranging from banning imports into industrialized nations of products 'tainted' by child labor inputs through setting international labor standards to be monitored by international organizations such as the WTO or growing concern about the incidence of child labour and attempts for its elimination at the national and international levels.

The complexities of the issue and the problems of inter-relatedness of factors affecting incidence of child labour are also being realized. This short study attempts to examine the phenomenon of child labour particularly in India and examine some factors which affect demand and supply of child labour. The first section discusses the issue of definition of child labour. The second section give some socio-economic indicators of the major states of India and further discusses some correlates of the incidence of child labour in India. The third section give some suggestions for reducing, if not curing the menace of child labour.

Section I: Definition

Any estimate of child labor depends on how we define "child" and "labor" and on the quality of statistics available. The ILO Convention No. 138 specifies 15 years as the age above which, in normal circumstances, a person may participate in economic activity.

Following this, most studies treat a person of age less than 15 years as a "child".

A child is classified as a "laborer" if the child is "economically active" (Ashagrie, 1993). Governments and international organizations usually treat a person as economically active or "gainfully employed" if the person does work on a regular basis for which he or she is remunerated or which results in output destined for the market. The Indian census, for instance, explicitly uses such a convention. We know from micro studies that if we

¹ Lecturer-Department of Economics, Faculty of Social Sciences, Jamia Millia Islamia, New Delhi-25, India. Email: som@del3.vsnl.net.in.

instead include those 'invisible' workers who do unpaid work, which finds no market outlet, such as work within the household, the estimates of child labor can shoot up. Jayaraj and Subramanian's (1997) recent calculations for the state of Tamilnadu, India, show that for the 5-14 age group in 1983, if they use the restrictive definition of the kind that the ILO uses, 13% of all children were laborers. Using the more liberal definition the figure jumps to 33%

Even after the definitions are sorted out (to the extent that they can be) official data on child labor tends to be deficient because of the likelihood of under-reporting. In most countries there are laws which place restrictions on child labor, ranging from an outright ban (as in most industrialized countries) to other kinds of limitations such as an outright ban on child labor for very small children, and for all children in hazardous industries, for instance, in Bangladesh,

The ILO often distinguishes between "child work" and "child labor", the latter being used to describe the more pejorative part of "child work", whereas "child work" in itself could include doing light household chores and can actually have some learning value (ILO, 1995).

Section II: Socio-Economic Indicators and Some Co-relates of Child Labour

Information on GDP per capita, urbanisation, infrastructure, total fertility rates and educational variables for four Census points (1961 - 1991 pertaining to major states of India) is given in Table 1. A number of patterns are worth noting. GDP per capita at constant prices has grown very unevenly in different states of India with lowest growth in Bihar and highest in Punjab. Similar variations in proportion of urban population and relative index of infrastructure are also noticeable. Total fertility rate has declined in all states between 1961 and 1991. However, rate of decline has also been very uneven. Decline in total fertility rate in the states of Kerala and Tamil Nadu has been fastest while in UP and Bihar, it has been very slow. Literacy rates (combined) have improved from 28 per cent to 52 per cent. Kerala is the only state with literacy rates of almost 90 per cent. All others have rates below 70 per cent. States with literacy rates below the national average are Bihar (38.5), Madhya Pradesh (44.2), Orissa (49.1), Rajasthan (38.6) and Uttar Pradesh (41.6). Gross primary school enrolment ratio everywhere have increased substantially with only Bihar and Uttar Pradesh reporting comparatively lower gross enrolment ratio of 73 and 75 per cent respectively in 1991. Variations in gross middle school enrolment ratios are much greater than those observed in literacy rates and/or primary school enrolment ratios. Here again, Bihar, Rajasthan and Uttar Pradesh have enrolment rates of less than 50 per cent and below the national average. Per capita expenditure on education has much less variations across the states than other indicators of education including literacy rates.

Table I: Some Socio-Economic Indicators of Major States of India 1961-91

	SDP Per-Capita				Proportion of Urban Population				Relative Index of Infrastructure				Total Fertility Years (15-49 Years)			
	Constant Price(70-71 prices) Rs															
	61	71	81	91	61	71	81	91	61	71	81	91	61	71	81	91
A.P	530	585	647	975	17.4	19.3	23.3	26.9	93	91	98	98	4.6	4.6	4	2
Bihar	389	402	441	626	8.4	10.0	12.5	13.1	98	106	97	97	7.9	5.6	5.7	4
Gujrat	687	829	904	1358	25.8	28.1	31.1	34.5	111	122	125	124	7.1	5.6	4.3	3

Haryana	650	877	1060	1677	47.2	17.7	21.9	24.6	129	148	154	156	8.9	6.7	5	3
H.P	48	651	711	1050	6.3	7.6	8.7	24.6	Na	64	79	86	6.7	5.2	3.8	3
Karnataka	526	641	687	1045	22.3	24.3	28.9	30.9	90	101	101	93	5.3	4.4	3.6	2
Kerala	509	594	621	1103	15.1	16.2	18.8	26.4	135	202	137	138	5.6	4.1	2.8	1
M.P	508	484	516	862	14.3	16.3	20.3	23.2	53	60	62	72	5.6	5.6	5.2	4
Maharashtra	745	783	957	1775	28.2	31.2	35.0	38.7	117	115	118	111	5.9	4.6	3.6	2
Orissa	236	478	477	789	6.3	8.4	11.8	13.4	69	75	82	86	4.3	4.7	4.3	3
Punjab	790	1070	1354	1794	23.1	23.7	27.7	29.6	201	206	215	211	6.7	5.2	4	3
Rajasthan	519	651	535	906	16.3	17.6	20.9	22.9	59	70	77	85	6.6	6.2	5.2	4
T.N	558	581	584	983	26.7	30.3	33.0	34.2	171	173	153	139	3.7	3.9	3.4	2
U.P	453	486	519	750	12.9	14.0	18.0	19.8	107	116	107	111	7.6	6.6	5.8	5
W.B	737	722	797	1030	24.5	26.7	26.5	27.5	152	142	132	115	6.8	5.4	4.2	2
ALL INDIA	561	638	699		18.0	19.9	23.3	26.1	100	100	100	100	5.6	5.2	4.5	3

Table I-Continued

	Literacy Rates				Gross Primary				Gross Middle				Per Capita Expenditure on		
	(Combined)				School Enrollment Ratio				School Enrollment Ratio				Education (Current Prices) Rs		
	61	71	81	91	61	71	81	91	61	71	81	91	70-71	80-81	91-92
A.P	25.0	29.0	35.7	44.1	68.3	70.3	76.7	93.2	16.8	23.6	27.9	49.2	14.3	43.1	179.1
Bihar	22.0	33.0	32.0	38.5	50.7	53.5	74.1	73.1	17.1	20.1	21.2	32.9	8.6	33.8	149.7
Gujrat	36.0	42.0	52.2	61.3	72.1	84.6	96.5	105.7	26.3	36.1	45.9	67.7	15.9	53.1	256.0
Haryana	20.3	32.0	43.9	55.9	na	70.7	71.4	83.8	na	40.3	45.6	68.6	18.5	56.5	236.9
H.P	20.0	37.0	51.2	63.9	na	92.7	101.5	110.1	na	50.9	57.5	100.0	11.4	105.1	458.5
Karnataka	30.0	37.0	46.2	56.0	73.8	84.3	91.3	119.2	22.4	32.1	38.3	67.0	18.4	46.6	218.8
Kerala	55.0	70.0	81.6	89.8	108.2	117.3	101.2	96.1	58.3	69.8	91.4	100.5	28.1	85.3	282.3
M.P	21.0	26.0	34.2	44.2	49.2	79.1	61.4	98.0	15.5	25.8	29.7	55.0	11.9	33.0	160.5
Maharashtra	35.0	46.0	55.8	64.9	77.3	89.7	105.7	118.8	27.8	36.1	44.8	81.6	19.5	60.8	270.5
Orissa	25.0	31.0	41.0	49.1	63.7	74.5	81.1	100.6	9.0	21.9	27.4	50.0	11.0	41.0	183.6
Punjab	29.0	39.0	48.1	58.5	50.8	89.3	108.8	84.6	29.4	47.1	59.6	65.6	22.2	82.8	328.9
Rajasthan	18.0	23.0	30.1	38.6	40.9	57.1	58.5	85.1	14.5	26.2	27.3	46.2	16.1	42.6	213.6
T.N	36.0	45.0	54.4	54.6	85.5	104.1	109.9	143.5	31.6	47.9	51.5	103.4	17.6	50.0	241.5
U.P	21.0	25.0	33.3	41.6	44.7	77.8	71.6	75.7	16.6	30.8	28.5	46.6	8.5	31.7	149.6
W.B	35.0	39.0	48.6	57.7	64.9	83.9	80.6	104.2	21.7	30.6	30.5	53.1	15.7	45.3	203.4
ALL-INDIA	28.0	34.0	43.7	52.1	93.4	Na	na	91.7	43.5	33.2	42.4	48.0	14.5	46.1	207.9

Notes:

1. Per-Capita Net State Domestic Product at constant 1970-71 prices
2. In the absence of 1991 data, 1981 proportions have been assumed except Punjab and Haryana
3. Fertility Rate in 1991 refer to the year 1992.
4. Literacy Rate in 1991 excludes 0-7 years age group.
5. Figures of Enrollment Ratio Corresponds to the 71(Third), 81(Fourth), 91(Sixth) Educational Survey

Sources:

CMIE, Basic Statistics Relating to the Indian Economy, Volume 2., States-September 1984, September 93, September 94 and Various Issues.

Census of India, 1961, 1971, 1981 and 1991

All India Educational Survey, Third(73), Fourth(78), Sixth(93), N.C.E.R.T, New Delhi

Correlation matrix of child labour and associated socio-economic variables for four Census points(averaged into one figure) is reported in Table II. The correlation matrix brings out a number of important patterns relevant for the choice of factors affecting incidence of child labour. Components of child labour in terms of rural male, rural female, urban male and urban female child labour are correlated with each other suggesting that incidence of one is usual indicator of the incidence of the other.

TableII:Correlation Matrix of Child Labour and Associated Explanatory Variables for India 1961-91

	RM CL	RF CL	UM CL	UF CL	PS DP	RII	TFR	MP E	FPE	FL PR	RM NC	RF NC	UM NC	UF NC	MM E	FM E
RM CL	1.00															
RF CL	0.77	1.00														
UM CL	0.86	0.62	1.00													
UF CL	0.71	0.69	0.87	1.00												
PS DP	- 0.23	- 0.27	- 0.02	0.13	1.00											
RII	- 0.18	- 0.41	0.19	0.06	0.29	1.00										
TFR	0.23	0.15	-0.07	- 0.29	- 0.60	- 0.19	1.00									
MP E	- 0.10	0.08	0.10	0.36	0.35	0.02	- 0.71	1.00								
FPE	- 0.29	- 0.16	0.05	0.24	0.55	0.33	- 0.79	0.85	1.00							
FL PR	0.12	0.60	0.02	0.36	- 0.09	- 0.53	- 0.21	0.37	0.10	1.00						
RM NC	0.88	0.53	0.74	0.52	- 0.18	- 0.07	0.24	- 0.13	- 0.26	- 0.09	1.00					
RF NC	0.88	0.63	0.80	0.62	- 0.23	- 0.09	0.26	- 0.11	- 0.26	- 0.07	0.89	1.00				
UM NC	0.81	0.54	0.95		0.08	0.21	0.01	0.01	- 0.01	- 0.09	0.99	0.89	1.00			
UF NC	0.81	0.55	0.95		0.19	0.25	0.10	0.25	- 0.01	- 0.07	0.76	0.81	0.96	1.00		
MM E	- 0.53	- 0.33	- 0.21		0.66	0.32	- 0.64	0.62	0.78	0.00	- 0.42	0.45	- 0.19	- 0.22	1.00	
FM E	- 0.41	- 0.32	- 0.03		0.66	0.43	- 0.73	0.67	0.89	- 0.08	- 0.30	- 0.32	- 0.02	0.04	0.93	1.00

Note:All variables appear in log form

2.Description of variables

RMCL:Log Rural Male Child Labour

RFCL:Log Rural Femal Child Labour

UMCL:Log Urban Male Child Labour

UFCL:Log Urban Female Child Labour

PSDP:Log Per Capita State Domestic Product

RII:Log Relative Index of Infrastructure

TFR:Log Total Fertility Rate

MPE:Log Male Primary Education

FPE:Log Female Primary Education

FLPR:Log Female Labour Participation Rate

RMNC:Log Rural Male Nowhere Children

RFNC:Log Rural Female Nowhere Children

UMNC:Log Urban Male Nowhere Children

UFNC:Log Urban Femal Nowhere Children

Children who are neither in schools nor in labour force called "Nowhere children" also have a high correlation with the incidence of child labour. Rural male nowhere children, rural female nowhere children, urban male nowhere children and urban female nowhere children have a correlation of 0.81 to 0.88 with the incidence of rural male child labour. The inference that incidence of nowhere children and that of child labour are probably driven by the same set of factors acquires plausibility. Middle school education of male and female children has negative correlation with the incidence of child labour. Total fertility rates have negative correlation with primary school education of boys and girls as well as middle school education of boys and girls. Relative index of infrastructure has mildly negative correlation with rural child labour but not with urban child labour. It is negatively correlated with total fertility rate and female labour force participation rates also but the correlation coefficients are small.

Three generalisations from the observed patterns of the correlation matrix are important in identifying factors affecting incidence of child labour. Firstly, different components of child labour and those of nowhere children are highly correlated with each other and are driven by some other socio-economic variables. Middle school male and female education, SDP per capita, relative index of infrastructure has negative correlation with the incidence of every component of child labour. Chaudhri et. al(1999) reports positive and statistically significant elasticity of children in primary schools with respect to incidence of child labour. Chaudhri(1997) found the coefficient of the variable - children in middle schools to be negative and significant at 5 per cent in explaining incidence of child labour in India. While analysing the 50th Round of National Sample Survey data his study showed that 97.5 per cent of all child labour in India in 1993-94 was in the age group 10-14 years whereas the age-group attending primary schools is normally of 6-11 years. The educational policy implications of two alternative specifications clearly bring out the importance of schooling up to the age of 14 rather than only primary schools if the goal is to target the incidence of child labour. Total fertility rates obviously contributes to total child population, thus contributing to the supply of child labour. In terms of demand and supply of child labour, it seems, that total fertility rate and the incidence of nowhere children adds to the pool of children from which child labour is drawn. As such, these, probably, augment the supply of child labour. School education of boys and girls up to middle school levels tends to reduce supply of child labour. Role of SDP per capita and relative index of infrastructure development is ambiguous because neither historical evidence nor contemporary views provide any reliable guide. However, it is felt that both of them tend to reduce the incidence of child labour.

Arguments and evidence highlighting the role of community factor in important individual and household decisions that generate social outcomes like incidence of child labour, non-participation in school education and household's fertility decisions are presented in Chaudhri (1997). A large number of these micro decision factors are mutually reinforcing in positive or negative ways.

Section III:Curing Problem of Child Labour

There are many ways of creating conditions such that the problem of child labour can be cured-for example ,one way is to try to improve the wages and productivity of adult

workers so that they do not have to send the children out to contribute to family income. In this context citizens of developed countries concerned with the welfare of such working people in developing countries could influence the choice of parents away from putting their children to work altogether or atleast reduce the amount of work done by their children through income transfers to parents. There is no need to link trade with enforcing labor standards. The domestic challenge,for example, would be that governments can try to make existing schools more attractive for the children-to make schools better and more accessible to them through better transport,provision of meals in schools as well as more scholarships.Also there is a possibility of paying a subsidy to the mother conditional on her child's school attendance.In India the number of children working is quite large,but the number of children who are neither working nor going to school is many times larger than the children who are working.Most of such children are girls who are looking after siblings.An obvious solution would be to think of starting good number of day care centres.In case the child labor is banned altogether and there an increase in prices of the products governments can ask for funds to earmark for improving schools and for better and more schools for child workers from poor families.One needs coordination among business units,government,NGOs and international agencies so that no company employs child labor and no one is able to undercut other companies when the price increases as a result of the agreement.The proceeds can go for betterment of school facilities and infrastructure for displaced child labour.ILO can play a constructive role in this by providing some leadership in bringing the parties together.

Most child labor in poor countries is in the non-trade sector.For example,in India only about 5% of child labor is in the export sector.WTO sanctions which are being pressed by many developed countries will push these children into the non-traded sectors where the sanctions do not apply,and that their conditions may be worse.

Another view which is being made is that transnational companies are attracted to countries just for their poor labor standards.There is very little systematic evidence which confirms that Multinationals go to poor countries primarily because of poor labour stadards.In fact,labour standards in the multinational companies,by and large,are somewhat better than in the domestically run factories.It does not mean that the working conditions are good.They are dismal in many factories,domestic or foreign.It require coordination between governments,NGOs , business and making labour/employee union effective in improving the working conditions.

References

Ashagrie, Kebebew (1993), 'Statistics on Child Labor', Bulletin of Labor Statistics, Issue No. 3, International Labor Organization, Geneva.

Ashagrie, Kebebew (1998), 'Statistics on Child Labor and Hazardous Child Labor in Brief', mimeo, Bureau of Labor Statistics, ILO, Geneva.

ILO (1995), Child Labor in Nepal: An Overview and a Proposed Plan of Action, International Labor Organization, Geneva.

ILO (1996), Child Labor: Targeting the Intolerable, International Labor Organization, Geneva.

Jayaraj, D. and Subramanian, S. (1997), 'Child Labor in Tamil Nadu: A Preliminary Account of its Nature, Extent and Distribution', Working Paper No. 151, Madras Institute of Development Studies, Chennai.

Chaudhri, D. P. (1997), "Female Child Labour and Gender Bias in School Education in Indian States, 1961-92", Indian Journal of Labour Economics, September-December 1997.

Chaudhri, D. P. (1997a), A Policy Perspective on Child Labour in India with Pervasive Gender and Urban Bias in School Education, an invited paper for the Annual Conference of the Indian Society of Labour Economics held at Trivandrum from January 2-4, 1998.