

# Outcome Goal 3.3

## Reduce Exploitation of Child Labor and Address Core International Labor Standards

**O**n May 7-8, 2003, Secretary of Labor Elaine L. Chao hosted representatives of the world community as they gathered to participate in a U.S. Department of Labor Conference to heighten the global response to the exploitation of child soldiers. At the conference, *Children in the Crossfire: Prevention and Rehabilitation of Child Soldiers*, Secretary Chao announced a \$13 million initiative to support programs that counter the problem and to help former child soldiers rebuild their lives. The panel discussions and case studies also resulted in sharing best practices and successful interventions among the world's leading child welfare practitioners, government officials, and former child soldiers themselves.



Photo Credit: DOL/ILAB

### Overview

In today's environment of widespread market reforms and economic integration, efficient and fair labor markets have become a prerequisite of economic growth. Open trade creates job opportunities and broader business prosperity both domestically and abroad. The President's trade agenda has provided the Department's Bureau of International Labor Affairs (ILAB) with an important challenge to focus its efforts on supporting the goal of expanding free and fair trade. Passage of the Trade Act of 2002 has allowed the United States to restore its leadership on trade and press aggressively to secure the benefits of open markets for American workers, consumers, families and businesses. ILAB plays an important role in trade negotiations and initiatives that reflect the government's determination to see that trade agreements include a framework for promoting strong labor standards.

In addition, ILAB continues to provide policy guidance on other labor-related issues and support technical cooperation projects that reduce the exploitation of child labor, strengthen social safety nets, and improve adherence to core labor standards. The International Labor Organization (ILO) estimates some 211 million children between the ages of 5 and 14 were working around the world in 2000. Many of these children work under extremely hazardous and exploitative conditions. Millions of adult workers are also denied their basic labor rights. They are forced to work under modern forms of slavery such as bonded labor, denied their right to associate freely and bargain collectively, or are subject to discrimination. Many other workers live in countries that are unable to provide even the most basic social safety nets in times of crisis.

### Serving The Public

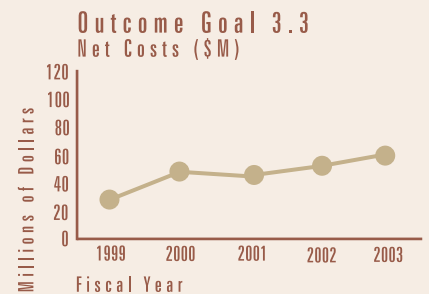
In FY 2003, DOL supported technical assistance programs through the International Labor Organization's International Program on the Elimination of Child Labor (IPEC). Grants were also awarded to other organizations through the competitive bid process. In 2003, 23 new international projects were funded to support the progressive elimination of child labor and increased access to basic education in areas with a high incidence of exploitative child labor. ILAB's funding for IPEC concentrated on larger integrated and highly focused programs that stress the importance of building innovative partnerships with governments and other institutions. Assistance to developing countries has led to a significant increase in the number of governments adopting recent initiatives designed to eradicate the worst forms of child labor within a specified period of time. The Department also hosted an international conference on the issue of child soldiers and funded a \$13 million initiative to help rehabilitate child soldiers in nine countries and prevent the recruitment of new ones.

DOL's technical cooperation program placed greater emphasis on supporting countries to improve their adherence to international labor standards. Concerted effort was made to include appropriate core labor standards in each bilateral and multilateral trade agreement negotiated by the government and to establish technical assistance programs to promote core labor standards in countries that benefit from U.S. trade preference programs. To carry out this initiative, DOL worked closely with the other main government agencies involved in international trade policy: the United States Trade Representative and Departments of State, Commerce and Treasury.

Technical assistance continues to be provided to strategically selected developing and transition countries to address a range of issues including: strengthening the administration of labor laws, improving the capacity to prevent and resolve disputes, strengthening social insurance systems, improving workplace safety and health, enhancing the capacity of job training and employment services, and providing greater employment opportunities for persons with disabilities and for women. In addition, in support of government-wide efforts to fight global AIDS, ILAB financed workplace-based AIDS education and prevention programs. In FY 2003 seven countries also committed to undertake improvements in assuring compliance and implementation of core labor standards. ILAB and U.S. embassies worked closely with partners to design projects that complement rather than duplicate existing efforts.

### Program Costs

In FY 2003, the Department obligated \$45 million to the IPEC. In addition, \$37 million was obligated to help strengthen basic education services in countries with high incidences of child labor. The Department allocated \$19.8 million to efforts to promote core labor standards and the principles embedded in the Declaration on Fundamental Principles and Rights at Work and \$16.9 million to social safety net projects that provide workers with the tools and support to benefit from a more open and integrated world economy. The Department also allocated \$9.9 million to fund initiatives to reduce the spread of the HIV/AIDS pandemic through workplace-based projects. The total of these figures does not match the graph because outlays (spending) lag federal obligations.<sup>1</sup>



<sup>1</sup> In FY 2002, auditors noted that ILAB grant costs were over-accrued by at least \$47 million. In FY 2003, management corrected the accrual process. However, the over-accrual results in an overstatement of ILAB costs in the FY 2002 consolidated financial statements and a corresponding understatement in the FY 2003 Consolidated Financial Statements. The amount was deemed immaterial to the consolidated statements and was not adjusted in either year. For the purposes of this analysis, the amount of the over-accrual is material, and the costs shown here have been corrected for its effect.

The use of domestic laborers is a widespread practice in Nepal where it is common for employers to hire children to live in their homes and perform household chores such as cooking, cleaning the house, and caring for their children. Many poor families have few choices but to allow their children to work. Once working, most child domestic workers do not have the opportunity to attend school. DOL-funded activities such as World Education's Brighter Futures Program are designed to reach out-of-school children and provide them with educational opportunities where before they had none.

When 11-year-old Lila's family could not afford to send her to school or provide food for the whole family, she became a domestic child worker to supplement her family's income. Lila learned from other child domestic workers in the neighborhood about the Brighter Futures Program where, for two hours a day, children learned to read, write and do math, and gained practical knowledge on health issues. With the support from a Brighter Futures Program scholarship, Lila attended the nine-month non-formal education program and was transitioned into a formal school.

Having overcome her initial shyness about being in school, Lila now has friends, laughs and talks with others, and asks questions if she does not understand something. Lila says she has benefited a lot from the non-formal education class. Her wish now is to become a nurse when she grows up.



Photo Credit: DOL/ILAB

## Reduce Child Labor in Developing Countries

Performance Goal 3.3A (Bureau of International Labor Affairs) – FY 2003

*Reduce exploitative child labor by promoting international efforts and targeting focused initiatives in selected countries.*

### Indicators

40,000 children *targeted* for prevention or removal from child labor, particularly its worst forms, through the provision of education or training opportunities in *new* DOL-funded programs.

60,000 children prevented or removed from child labor, particularly its worst forms, through the provision of education or training opportunities.

15 action plans, policies or programs established that combat child labor and/or promote access to education for child laborers or children at-risk.

Six Child Labor Education Initiative projects establish a baseline for education targets (enrollment and retention rates).

Child Labor Education Initiative projects begin in nine new countries.

### Results

The goal was achieved. ILAB reached all five performance indicators. ILAB identified more than 83,500 children for prevention and withdrawal from exploitative work, exceeding its target of 40,000 children. In FY 2003, more than 79,500 children were removed or prevented from exploitative work through the provision of education or training opportunities, compared to the target of 60,000 children. ILAB established 19 action plans, policies or programs in a total of 14 countries in FY 2003, compared to its target of 15. ILAB collected baseline data and established enrollment and retention baselines in eight Child Labor Education Initiative projects compared to the target of six. ILAB funded education projects in 10 countries, compared to its target of nine, through ILAB's Child Labor Education Initiative.

### Program Description

ILAB's activities include research and reporting on various aspects of international child labor, heightening public awareness and understanding of the issue, and supporting international projects that aim to eliminate exploitative and abusive child labor and to increase access to basic quality education.

ILAB's contributions support efforts to combat child labor in 61 developing countries around the globe. Many of ILAB's projects are implemented by the International Labor Organization's International Program on the Elimination of Child Labor (ILO/IPEC), a worldwide technical assistance program aimed at the progressive elimination of child labor. Key components of ILO/IPEC projects included building the capacity of government and local institutions to combat child labor, raising awareness of the hazards of exploitative work, developing workplace and community child labor monitoring systems, and providing direct services to families, such as education and training opportunities for children and income generating alternatives for parents. ILAB also provided funds through its Child Labor Education Initiative (EI) for international projects to increase the access and quality of basic education in areas with a high incidence of exploitative child labor. Through competitively awarded grants, ILAB has supported partnerships

with a variety of organizations, including international non-governmental organizations (NGOs) and faith-based groups that have creative and innovative approaches to supporting the education needs of child laborers.

In 2003, ILAB funded a total of 23 new international projects to combat child labor and increase access to basic education with a special focus on the worst forms of child labor, as identified in ILO Convention No.182. With ILAB assistance, the number of governments adopting time bound programs to eradicate the worst forms of child labor in their respective countries increased significantly. The Department also brought heightened attention to the situation of child soldiers, one of the worst forms of child labor. In May 2003, Secretary of Labor Elaine L. Chao hosted an international conference on child soldiers and announced the Department's support for a \$13 million global initiative aimed at rehabilitating and preventing child soldiers in nine countries.

Analysis of Results

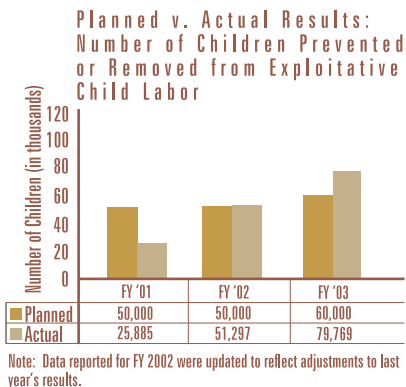
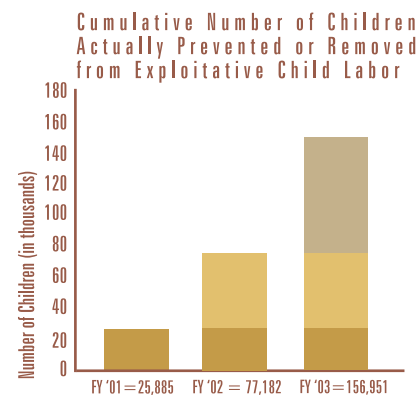
The Child Labor Education Initiative is a recent program, and therefore indicators focused on initial process measures rather than outcome measures, including the funding of new initiatives and the establishment of baselines for last year's projects. Targets for all ILAB indicators were set in consultation with grantees and took into consideration the experience and results achieved in previous years.

With the contribution of \$45 million for ILO/IPEC activities, and a focus on larger projects, in FY 2003, ILAB identified more than 83,500 children for prevention of and withdrawal from exploitative work. ILAB supported seven new time bound programs aimed at eliminating the worst forms of child labor, two regional projects and one global program. The projects focus on the identified worst forms of child labor including child soldiering, trafficking of children and commercial sexual exploitation.

During FY 2003, more than 79,500 children were removed or prevented from exploitative work through the provision of education or training opportunities in ongoing DOL-funded IPEC programs. Since ILAB began tracking this indicator in 2001, more than 150,000 children in total have been removed or prevented from exploitative work and given meaningful alternatives to child labor (See Figure 1). The children reported in FY 2003 worked in a variety of sectors and countries, including commercial agriculture in East Africa, bonded labor in Nepal, carpet production in Pakistan, beedi (cigarette) making in Bangladesh and the coffee industry in Honduras.

In FY 2003, 19 action plans, policies or programs were established in a total of 14 countries, demonstrating concrete commitments to eliminate child labor at the highest levels of local and national government. Some countries developed specific plans that targeted working children in an individual sector. For example, in February 2003 the Nepalese government endorsed a National Plan of Action against Trafficking of Children and Women for Sexual and Labour Exploitation. Others developed broad plans of action for children or education, which included a component to address child labor.

ILAB collected baseline enrollment and retention information on children to be provided basic education in eight Child Labor Education Initiative projects funded last year. The projects are being implemented in Bolivia, Nepal, Pakistan, Peru, Tanzania, Togo, Zambia



**A** Kids In Need (KIN) director expresses his enthusiasm for KIN: "Working with street children has enabled me to share their feelings about neglect, being exploited, being looked at as the worst group of society. That has helped me to see there is a lot of work to be done, but I also have seen that they are very beautiful and intelligent, therefore not to be left behind. They are people to be trusted." Street children come to the KIN Center where they receive shelter, counseling, occupational therapy, non-formal literacy education, meals, and health care.



Photo Credit: DOL/ILAB

and the Ivory Coast. This information will serve to set targets for project performance and provide a starting point from which to compare future outcomes.

Through ILAB's Child Labor Education Initiative, education projects were funded in 10 countries (Afghanistan, Benin, Brazil, Burkina Faso, Cambodia, the Dominican Republic, Mali, Morocco, the Philippines and Uganda). In addition, through a global program started in 2002, small projects were funded through community-based organizations in 14 countries. All Education Initiative projects aim to provide education to child laborers or children at risk of engaging in various types of work including domestic service, armed combat, agriculture, and other hazardous forms of child labor.

#### Strategies

DOL-funded ILO/IPEC projects provide direct assistance to children and families, in the form of education and training, to ensure that they are removed from work or prevented from engaging in exploitative labor in the first place. The projects also work at the policy and institutional level to strengthen the ability of governments and local partners to address child labor on their own over the long-term. Child Labor Education Initiative projects complement ILO/IPEC's approach by focusing on education. Providing access to quality basic education is considered one of the most effective strategies to combating child labor. Education Initiative Projects raise awareness about the need for education, improve the quality of education, strengthen child labor and education institutions and policies, and raise resources for education.

To sustain efforts, countries and local communities must offer meaningful alternatives to exploitative work for the children and their families, often entailing extensive preparatory work to mobilize partners and build the capacity of local organizations to provide quality educational and training opportunities. To ensure that its child labor and basic education projects are effective and complementary to existing initiatives, DOL consults closely with U.S. agencies, national governments and international and local organizations.

#### Management Issues

*Management Challenges:* ILAB's international projects are implemented in countries with diverse political, social and economic environments, where civil unrest, natural disasters, economic shocks and frequent changes in governments can impact the timely progress of initiatives. Delays in the appropriations process in past years have shortened the amount of time available for obligating funds, including conduct of initial needs assessments, government and interagency consultations, and grantee proposal review and approval.

*Data:* DOL receives primary data from its grantees, including ILO/IPEC and organizations implementing Child Labor Education Initiative projects. ILAB staff review and verify the accuracy of data once received. Data originates in country at the project level as part of the project monitoring system. Data are compiled at the project level and submitted to DOL through individual progress reports.

#### Goal Assessment and Future Plans

DOL will continue to work closely with ILO/IPEC and its Child Labor Education Initiative grantees to obtain detailed information relating to program performance, implementation plans, and anticipated results.

## Improving Life for Workers Around the Globe

Performance Goal 3.3B (Bureau of International Labor Affairs) – FY 2003

*Improve living standards and conditions of work for workers in developing and transition countries.*

### Indicators

Number and percent of relevant government officials and members and officials of workers' and employers' organizations who are influential in determining living standards and working conditions and participating in DOL project activities, who consider the project to have improved their conditions of work.

Number and percent of individuals whose economic situation has benefited from DOL project assistance (economic situation improved if individuals: received increase in wages, income or employment benefits or improved their potential for increases in wages, income and employment benefits).

Number and percent of workplaces that have received DOL project assistance (directly or indirectly) and that have implemented new measures to prevent workplace accidents and illnesses.

Number of workers participating in pension funds that are government regulated by project partner agencies.

### Results

The goal was achieved. The Department established baselines for indicators in four areas that will help measure the impact of DOL-funded projects.

### Program Description

A majority of projects funded through the Department's International Cooperation Program fall under three primary program initiatives:

*Improving Economic Opportunity and Income Security for Workers (EOIS):* The Department worked to strengthen developing countries' abilities to build and institutionalize social safety net policies and programs needed to improve working conditions and foster economic growth. Projects under this initiative aimed to increase employment among targeted groups, improve workplace safety and health, and expand access to social insurance.

*Protecting the Basic Rights of Workers (PBRW):* The Department works to implement the principles embedded in the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, specifically working towards strengthening the right to freedom of association and collective bargaining, eliminating forced or compulsory labor, and eliminating discrimination with respect to employment and occupation.

*Improving the Workplace Environment through HIV/AIDS Prevention Education:* The Department works to reduce the incidence of HIV/AIDS through workplace-based education.

### Analysis of Results

*Indicator 1:* An FY 2002 baseline study for Indicator 1 surveyed seven projects. An

independent contractor chose three regional projects (Caribbean, Central America, and Eastern Africa) and four country level projects (East Timor, Indonesia, Nigeria, Ukraine) to survey a total of 14 countries. A total of 483 stakeholders participated in the survey. Sixty-three percent of those stakeholders, including government officials, officials of workers' and employers' organizations, and their members, credit the projects with enhanced capacity to improve work conditions.

*Indicator 2:* The FY 2002 baseline study for Indicator 2 surveyed nine projects in one region and six different countries (Bulgaria, Caribbean, El Salvador, Nigeria, Romania, Tanzania, Ukraine). According to the data, ILAB successfully assisted 39 percent of project participants in obtaining employment or retaining a threatened job.

*Indicator 3:* According to the FY 2002 baseline for Indicator 3, 10 percent of workplaces directly or indirectly assisted by DOL (based on a sample from Bangladesh, Central America, Ukraine) implemented new measures to prevent workplace accidents and illnesses. The data strongly varied from region to region surveyed.

*Indicator 4:* According to the FY 2002 baseline, ILAB assisted three governmental agencies in Hungary and Poland in providing 3,545,008 workers with private or voluntary pension funds.

#### Strategies

*Global Strategies:* As political developments, market reforms, and the transition to a global economy bring significant changes to national economies, individual labor market systems need to change accordingly to remain viable and to support their populations. Engaging in and increasing international trade enhances the global economy and helps foster economic growth, raise living standards, and promote employment in the U.S. The expansion of global trade and investment and the improvement of working conditions and protection of basic worker rights are best understood as mutually reinforcing objectives. In addition, relatively open market economies serve in the development of political democracy, social cohesion, and equity during periods of political and social transition.

The Department's International Cooperation Program ensures that the greatest number of workers benefit from a more open world economy. In FY 2003, DOL contributed \$19 million to projects that support the President's trade agenda by funding projects in Cambodia, Central America, Chile, Mexico, Morocco, Southern Africa, Vietnam, and with the Inter-American Conference of Labor Ministers aimed at improving conditions of work for workers in those countries. In addition, DOL supported efforts to alleviate poverty and other conditions leading to political and economic insecurity. In FY 2003, DOL contributed almost \$9 million to projects in countries affected by military conflict, with \$6 million going to the projects working directly with ex-combatants in Iraq, Nigeria, and South Africa.

*Project Strategies:* The Department funded a large number of international projects with widely varying goals and strategies, but in general, DOL is pursuing a uniform strategy of designing outcome-driven projects and implementing a performance-based monitoring system for all of its projects in order to ensure the efficient use of funds and the greatest impact.

#### Management Issues

*Data:* The Department does not place staff overseas to manage projects, so data are collected and reported by grantees and contractors. DOL used two primary sources to collect baseline information for these indicators: a global survey and projects' individual reports against their Performance Monitoring Plans (PMPs). An independent contractor conducted a worldwide survey of project stakeholders to gain baseline data for Indicator 1. For Indicators 2, 3, and 4, ILAB collected baseline data through project PMPs. ILAB worked with project implementers to develop PMPs in tandem with project designs in order to facilitate the data collection process, to ensure comparability of data, and to inform data analysis. Project Managers from DOL verify data via monitoring or evaluation missions.

#### Goal Assessment and Future Plans

At the end of FY 2003, DOL initiated a second global survey to assess progress made against Indicator 1 and received sufficient data from PMPs to assess progress against the other three indicators. Analysis of this data will enable the Department to set realistic but challenging annual goals and indicators to measure improvement over the baseline.

ILAB's budgetary levels for FY 2004-FY 2005 remain uncertain. Contingent upon the FY 2004 Appropriation, ILAB will reassess its goals and targets.