

# Stolen childhood

Census 2001 data say one in every 10 workers in India is a child and puts the number of child workers in the 5-14 age group in the country at 12.66 million. The National Sample Survey Organisation's figure for 2004-05 is 8.9 million.

One can safely presume that the situation has not made any significant improvement in the past few years. Many non-governmental organisations (NGOs) suggest the figure is close to over 60 million.

At any rate, India is the largest employer of child labour. Nearly 85 per cent of the child labourers in India are invisible as they work largely in the unorganised sector, within the family, or in household-based units.

## THE LOSS

According to Bachpan Bachao Andolan, a profit of around Rs.1,20,000 crore is made by employers of child labour annually in India, which is rarely reported as income, in order to evade taxes. The NGO bases this claim on the following:

Six crore child labourers substitute a similar number of adults in the job market. As per government estimates, Rs.15 is spent on a child labourer a day while as per the national floor wage, an adult labourer must be paid Rs.115. For 200 working days, the wage costs work out to Rs.18,000 crore for child workers and Rs.1,38,000 crore for adults. The difference of Rs.1,20,000 crore is the undeclared profit.

## ECONOMICS OF CHILD LABOUR

- Economists view child labour as economic activities in which children participate. 'Economic activity' is defined as any activity resulting in the production of goods and services that add value to national product.
- Child labour is highly related to poverty.
- It substitutes unskilled adult labour at a lower cost. The 2010 adult unemployment rate was 9.4 per cent, or 40 million in absolute numbers.
- In India about 90 per cent of the working children are in rural areas.
- Children from the lower castes are more vulnerable to labour-related exploitation.
- The work participation rate is higher among minority religious communities.
- The incidence of child labour declines as the households go up in the economic ladder.
- Child workers are spread more among

## Child labour is both a cause and a consequence of poverty.

### Poverty

More than one billion people worldwide live on less than \$1 a day. The number of poor people is the greatest in South Asia.

### Child labour

There are about 186 million child labourers under 15 in the world. Most of them live in the Asia-Pacific region. Nearly 180 million children in the age group of 5-17 years do the worst forms of work.

### Adult unemployment

Global unemployment was 184.7 million at the end of 2004.

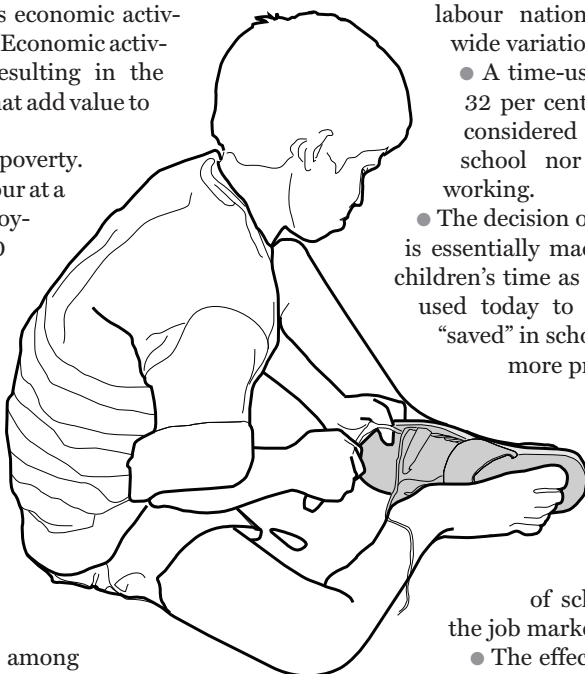
### Failing education system

103 million children of elementary school age are out of school. Nearly 60 per cent of them are girls. The world adult illiterate population is 799 million.

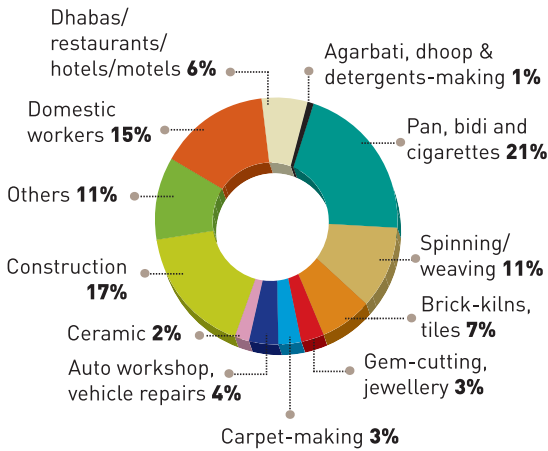


illiterates, and primary- and secondary-educated households.

- Girl children face a higher burden of child labour nationally. However, there are wide variations across States.
- A time-use survey showed that over 32 per cent of the children who were considered as 'nowhere' (neither in school nor in work) were actually working.
- The decision on child labour or schooling is essentially made by parents, who regard children's time as an asset that can either be used today to earn wage income or be "saved" in school so that children become more productive in the future.
- In the non-inclusive Indian economy, the poor have very little access to low-interest capital. So during hard times they are forced to pull children out of schools and push them into the job market.
- The effects of globalisation on child



### Where children work, sectorwise: 2001



labour are still being studied. A UNICEF report says international trade appears to be associated with a lower incidence of child labour. Some studies indicate that globalisation may increase the demand for unskilled labour in countries that specialise in labour-intensive industries. The demand for child labour, which is unskilled, therefore, may increase.

- Child labour is more prevalent in poorer countries than richer ones.

### CURBING CHILD LABOUR

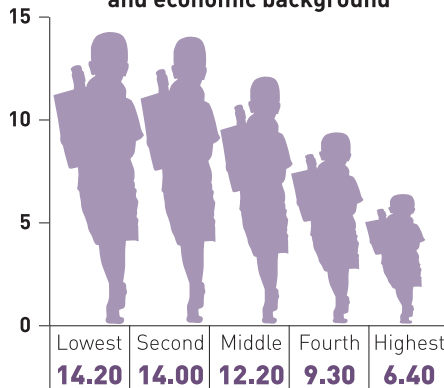
- Prevention of child labour can be through collaborative and coercive actions. Collaborative actions include improving the adult labour market so that adult income rises and unemployment falls; improving credit and insurance markets for families that fall on bad times to borrow at reasonable rates and not pull children out of school; and reward children who go to school instead of work.

- Coercive measures are needed to ban child labour in hazardous industries. However, banning child labour in non-hazardous activities can have negative effects such as putting children's survival in peril.

- Fines on errant companies that employ child labour either transfer the burden on children, forcing them to work for longer hours, or push the child labour market underground.

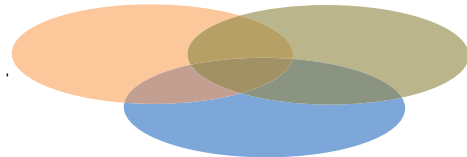
- Using global measures to stop trade in areas that employ child labour can also push child labour to other unregulated sectors.

### Percentage of children (5-14 years) working and economic background



One in seven children in the lowest and the second lowest income categories are working.

Source: National Family Health Survey- 3 (2005-06)



### Poverty alleviation:

For example, income transfer programmes for mothers to offset the income lost to poor households if children are enrolled and stay in school.

### Urgent elimination of child labour:

Non-school interventions; programmes to remove/rehabilitate children from the worst forms of child labour; interventions targeting socially excluded children.

### Provision of free universal quality education:

Building new schools closer to communities; upgrading the quality of education by training new teachers, reducing class size, supplying sufficient materials, etc.



- Reducing school fees or making schooling more attractive through free-meal schemes for children and compensating wage losses to parents are found to be better ways of curbing child labour than a compulsory education law.

- The Child Labour (Prohibition & Regulation) Act, 1986, and the Right to Education Act are among several legislative steps the Indian government has taken to curb child labour and give education to children. But the Child Labour Act covers only organised sectors.

**Sources:** National Commission for Protection of Child Rights; Ministry of Statistics and Programme Implementation; National Sample Survey Office data; International Labour Organisation; Childline India Foundation; Economic & Political Weekly; International Centre on Child Labour and Education; Bachpan Bachao Andolan; "The economics of child labour" by Kaushik Basu and Hoang Van Pham; "The Economics of Child Labour" by Xinye Zheng; and others.