

**OUTCOME  
GOAL 3.4 -  
REDUCE  
EXPLOITATION  
OF CHILD  
LABOR,  
STRENGTHEN  
THE PROTECTION  
OF WORKERS'  
BASIC RIGHTS,  
AND IMPROVE  
ECONOMIC  
OPPORTUNITIES  
FOR WORKERS**



These girls, like many others in northern Thailand, were removed from exploitative work and provided with non-formal education, thanks to support from a DOL-funded IPEC project. When an IPEC project team member asked the girls what their dream careers would be, their replies included a teacher, a nurse, a policewoman, a pilot, and a business entrepreneur.

Photo from: USDOL/ILAB archive

### Overview

The 21st Century creates new challenges for the Department not only on American soil, but also in its relationships with other countries. As the economies of the world continue to become more interdependent, the importance of ensuring respect for internationally recognized workers' rights among countries increases, contributing to the strength of the relationship between the United States and other countries. Exploitative child labor conditions and violations of workers' basic rights in developing and transition countries, along with the new security threats facing our country and the rest of the world, demonstrate the significance of broad-based, sustainable economic development abroad.

According to the International Labor Organization (ILO), some 250 million children under the age of 15 are working in developing countries. Nearly half of these children work on a full-time basis, and many work under extremely hazardous and exploitative conditions. In addition, millions of adult workers are denied basic labor rights and protections. To combat these abuses and enhance the economic status of children and workers around the world, the Department's Bureau of International Labor Affairs (ILAB) administers technical assistance programs aimed at reducing exploitative child labor, advancing internationally recognized workers' rights, and strengthening social safety nets. In FY2001, the Department contributed to the ILO's International Program on the Elimination of Child Labor (IPEC) and began implementing an Education Initiative to increase access to basic education in countries with a high incidence of child labor. The Department also contributed to the ILO's efforts to implement the Declaration on Fundamental Principles and Rights at Work, and awarded grants and contracts to conduct social safety net projects that provide workers with the tools and support to benefit from a more open and integrated world economy.

### Serving the Public

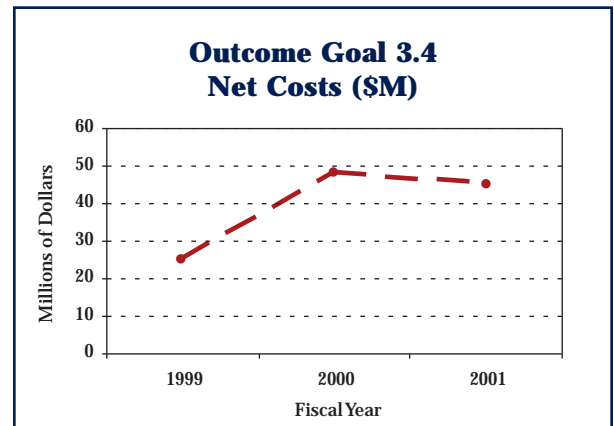
The Department has been instrumental in promoting the progressive elimination of child labor around the world by raising awareness about the issue,

documenting its extent and nature, removing children from exploitative work situations, and providing them with educational opportunities. These projects also provide income generating opportunities to families of former child laborers. Initiatives to advance the basic rights and economic status of workers focus on reforming and strengthening the enforcement of labor laws, improving the capacity of employers and workers to prevent and resolve disputes, strengthening social insurance systems, and facilitating the employment of dislocated workers.

## Program Costs

ILAB's budget authority has increased significantly over the past three fiscal years. From \$12.1 million in FY 1998, ILAB's budget authority increased to \$40.3 million in FY 1999, \$70 million in FY 2000, and \$147.9 million in FY 2001. However, markedly lower net annual program costs are depicted in the chart for FY 1999-2001.

This difference results from an approximately one to two year lag time from ILAB's receipt of funding to expenditure of funds by grantees/contractors implementing an ILAB project. Project design negotiations with host countries, consultation with U.S. Government partners and foreign stakeholders with interest in the project, and contractor competition are all part of extended start-up activities that take place over a one year period before a grant is awarded for a project and a grantee begins to expend funds. As a result of this extended lead time, costs reported by grantees in FY 2001 are generally for grants and contracts funded with FY 1999 funds and awarded during FY 2000.



## Challenges

Poverty has been frequently cited as a major cause of child labor. As many of the world's working children come from socially and economically disadvantaged backgrounds, efforts to combat child labor must be linked to poverty alleviation strategies and overall economic development. Another important factor that needs to be addressed is the degree to which children have meaningful alternatives to work, such as access to affordable, quality schooling.

In order to enhance workers' protections and status in today's environment of widespread market reforms and economic integration, efficient and fair labor markets have become a prerequisite of economic growth. While the ILO's Declaration on Fundamental Principles and Rights at Work commits its members to respect basic workers' rights, the members' capacities to fulfill their commitments are limited.

In both of these arenas, tackling these challenges in an integrated manner requires collaboration and coordination among many different organizations and at different levels. Finally, these technical assistance programs must work within the dynamic and diverse political, economic, and social realities that exist within individual countries.

## REDUCE CHILD LABOR IN DEVELOPING COUNTRIES

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

**Results:** The goal was not met. The Department targeted four performance indicators to measure success against this goal. Three of the four indicators were substantially achieved or exceeded. DOL did not meet the fourth target to prevent or remove 50,000 children from exploitative work.

**Program Description:** The International Labor Organization (ILO) created the International Program on the Elimination of Child Labor (IPEC) in 1992 to implement technical cooperation activities in countries with significant numbers of working children, and established

voluntary contributions of ILO member nations as the program's funding source. By supporting IPEC projects, DOL through its Bureau of International Labor Affairs (ILAB) seeks to withdraw children from exploitative work, while preventing at-risk children from entering child labor situations. In addition to these direct action projects, DOL funds support child labor country surveys, enable new countries to benefit from IPEC's technical assistance, and further IPEC's efforts to raise awareness about child labor around the world. In FY 2001, the Department of Labor increased its contribution by 50 percent from \$30 million to \$45 million.

### Analysis of Results:

- Increase number of countries ratifying International Labor Organization (ILO) Convention 182 on the Worst Forms of Child Labor

Preventing Child Labor or Removing Children from Exploitative Work					
Indicator	FY 1999	FY 2000 Goal	FY 2000 Result	FY 2001 Goal	FY 2001 Result
Countries ratifying ILO Convention 182	1	Increase over FY 99	36	25	63
Countries that establish new action plans to eliminate child labor	--	--	--	15	13
Children targeted for prevention or removal from exploitative work	--	50,000	109,000	100,000	199,336
Children actually prevented or removed from exploitative work	--	--	--	50,000	25,885
IPEC National Action Plans	1	Increase over FY 99	2	--	--
Reports, publications, website	1 Report, other publications, website	Increase awareness	1 Report, other publications, website	--	--

A total of 63 countries ratified ILO Convention 182 on the Worst Forms of Child Labor, reflecting positively on DOL efforts at advocacy in this area and demonstrating the extensive international commitment to end exploitative child labor. Convention 182, ratified by the United States in 1999, has had the fastest ratification rate of any ILO Convention. As of the end of FY 2001, a total of 100 countries have ratified the convention.

- 15 countries will establish new national plans to eliminate child labor

Thirteen countries established a total of 15 new national plans in FY 2001, demonstrating concrete efforts to eliminate child labor. Many countries develop comprehensive plans targeting all working children, while some focus on specific worst forms of child labor, such as commercial, sexual exploitation, and bonded child labor. DOL funding contributed to the development of 11 of these plans, reflecting the Department's encouragement of systematic, nationwide approaches to eliminate abusive child labor, undertaken with full support from the highest levels of government in the recipient countries.

- 100,000 children targeted for prevention and removal from exploitative work

With the meaningful increase in funding for ILO/IPEC activities, and a focus on larger direct action projects, DOL targeted some 200,000 children for prevention and withdrawal from exploitative work. The projects will provide the targeted children with meaningful educational opportunities and their parents with viable economic alternatives. IPEC projects that target children for direct assistance are comprehensive in scope

and include components such as capacity-building and awareness raising for the local communities, child labor monitoring, data collection, and support services for the families. Such activities create an enabling environment, benefiting a much larger number of children.

DOL-approved ILO project documents and baseline surveys from the field provide the program data for this indicator.

- 50,000 children actually prevented or removed from exploitative work



In FY 2001, the Department measured actual prevention or removal of children from exploitative work to assess the initial results of the grant program for the first time since it began receiving substantial funding in FY1999. The time required for some projects to demonstrate results was underestimated, and by the end of the year the projects had successfully removed more than 25,800 children (52 percent of the goal) from exploitative work or prevented their entry into child labor. Although the goal was not achieved, the number of children prevented or removed from exploitative work increased as the year progressed, with over 70 percent of the children realizing the projects' benefits during the last two quarters. The rising levels of success during the last half of the year support the Department's expectations that the projects will benefit the planned numbers of children before their completion.

These Pakistani girls used to weave carpets in their homes every day. With DOL funds, IPEC established an education center that uses innovative teaching methods to make learning fun for kids. The girls pictured are jumping rope as part of a counting exercise. Similar schools have been established in villages around the Punjab province, and, as a result, more than 8,000 children who would never have had an opportunity to attend classes are now going to school.

Photo from: USDOL/ILAB archive



Experience has shown that the time period required to demonstrate results through child labor direct action activities varies significantly. 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 communities and build the capacity of local organizations to provide quality educational opportunities. Furthermore, IPEC works in countries with diverse political, social and economic environments, where civil unrest, economic shocks and frequent changes in governments have affected the progress of several initiatives.

The Department and the ILO jointly developed a system for collecting data early in the fiscal year, and will re-examine the measures for project success based on our FY 2001 experiences. To ensure that children are benefiting from services in a timely

manner, DOL and the ILO have discussed ways to accelerate project startup, including earlier recruitment of project management and using regional staff to expedite the establishment of project offices.

**Goal Assessment and Future Plans:**

As more child labor direct action projects become fully operational, DOL expects that results reported in FY 2002 and successive years will improve significantly. In order to better measure the programs intended outcomes, DOL will continue to work closely with ILO/IPEC to obtain detailed information relating to program performance, implementation cycles and anticipated results. ■

*(Goal 3.4A — FY 2001 Annual Performance Plan)*

In the Philippines, a boy eats his lunch on a fishing boat surrounded by plastic tubes that are used in an extremely dangerous fishing technique known as pa-aling. Young boys live and work on the fishing boats for months at a time and are used as divers to carry these hoses down into the water. Once set up by the boys, air can be released through the tubes to scare fish into waiting nets.

Photo from: USDOL/ILAB archive



**PROMOTE LABOR STANDARDS IN DEVELOPING COUNTRIES**

**Raise workers' protection and the safety of work places in selected countries by improving core labor standards and social safety net programs.**

**Results:** The goal was achieved. The Department targeted 15 countries for commitments to improvements in the application of core labor standards and 8 countries to strengthen social safety net programs. In FY 2001, 10 countries committed to strengthening social safety net programs and approximately 43 countries were reached through country specific, regional, and global technical cooperation projects to improve core labor standards.

**Program Description:** In June 1998, the International Labor Organization (ILO) adopted the Declaration on Fundamental Rights and Principles at Work which *affirmed the importance of core labor standards to the global economy*. The Declaration introduced a new mechanism to hold member states accountable for providing basic labor rights. While all member states of the ILO committed to improving the implementation of core labor standards, a number of countries still lack the organizational and technical capacity to fulfill that commitment. To assist countries in their capacity building, the Department's Bureau of International Labor Affairs (ILAB), through a cooperative agreement with the ILO, funds a technical assistance program that targets *protecting workers' basic rights* by improving the administration of labor laws and training workers and employers in their responsibilities and rights under the law.

The Department also funds a complementary technical assistance program to *improve economic opportunities and income security for workers*, and provides these services with support from other DOL agencies and outside contractors. This program addresses the needs of workers in countries transitioning to a more open, market driven economy through the strengthening of social safety net programs. During such transitions, workers are often dislocated from their jobs and require assistance to obtain new skills and find employment in more marketable areas of the economy. In addition, this program seeks to improve workplace safety and health, and strengthen social insurance systems that provide income support to the unemployed and to retirees.

Indicator	FY 2000 Target	FY 2000 Results	FY 2001 Target	FY 2001 Results
Countries committing to improvements in application of core labor standards	8	35	15	43
Countries committing to strengthening social safety net programs	4	34	8	10

**Analysis of Results:**

*Protecting the Basic Rights of Workers*

The Department's FY 2001 agreement with the ILO funds a total of 15 projects to improve the protection of workers' basic rights. DOL reached 13 countries directly through country specific projects. Two of the 15 projects are worldwide in scope, enabling DOL to reach 30 more countries than planned.

Examples of projects to enhance the technical capacities of developing countries committed to protecting the

basic rights of workers include: a \$1.2 million project in Southern Africa to improve labor law administration; a \$1 million project in Brazil to eliminate the use of bonded labor; a \$1.67 million project in Vietnam to assist in the development of an industrial relations system consistent with ILO standards; and a \$1.6 million project in Ukraine to improve employment opportunities for women by reducing discrimination in the workplace.

*Improving Living Standards*

Ten countries implemented projects to improve economic opportunities and income security for workers. DOL exceeded the target of 8 countries by building on well-established cooperative working relationships with ministries of labor, major trade unions, and employer groups.

The 10 projects target all regions of the world and seek to improve workers' living standards through an array of assistance including, for example: \$800,000 to improve occupational safety and health in Bolivia, especially in the hazardous construction industry and the geographically isolated and economically hard-hit mining sector; \$780,000 to provide the 150

employment centers of the Vietnamese labor ministry with equipment, facilities and training to strengthen the quality of service to the country's job seekers; and, \$800,000 to Bulgaria, Hungary and Lithuania to establish effective oversight, regulatory, and compliance programs for transition to new private pension systems.

**Strategies:** The Department continues to emphasize targeting assistance to only those countries where the commitment to improve the protection of worker's rights and provide greater economic opportunities and income security to workers is commensurate with the economic needs. Without strong commitment from governments, trade unions and employers to seriously address labor problems, no project no matter how well designed and funded will succeed. The Department actively involves representatives of government, labor, and business in the design and implementation of all its projects. DOL also seeks counterpart contributions, either financial or in-kind, to secure local ownership of the project, a key element for short-term success and sustained improvements after project completion.

About 100 communities in Eastern Europe have received assistance from DOL's Bureau of International Labor Affairs (ILAB) in implementing local economic development projects. In addition to stimulating business growth and creating jobs, these projects encourage community members to participate in democratic decision making processes and to become more self-reliant and less dependent on central governments. As one example, in Busteni, Romania — one of 35 Romanian communities to receive this assistance from ILAB — a local economic development project leases technologically advanced equipment to small businesses. These businesses then hire workers who are trained to use this equipment. Through this project, six small- and medium-sized businesses have expanded production, creating 40 new jobs.

In response to the March 2000 disaster at Ukraine's Barakova Mine that resulted in 81 fatalities, DOL's Bureau of International Labor Affairs (ILAB) provided technical expertise and financial assistance to improve mine safety conditions in the Ukraine. In partnership with DOL's Mine Safety and Health Administration, ILAB has identified risk factors in Ukraine mines and has introduced safer equipment and training to mitigate the risk of accidents. For example, ILAB is providing rock-dusting equipment to thirty Ukraine mines to minimize the amount of combustible material, a significant factor in the Barakova Mine disaster. Ukrainian mine managers, occupational safety experts, and miners have reacted positively to this technical assistance and feel that their work environments are much safer. The Barakova Mine has not experienced any further accidents since March 2000.

DOL has successfully reached out to American embassies, US Agency for International Development missions, the ILO, and other bilateral donors to gauge the commitment of our potential partners. The Department has also worked since FY 2000, the initial year of these programs, to put in place a number of innovative arrangements and partnerships to assist in the implementation of our projects. Partners include seasoned deliverers of US Government foreign assistance, as well as leading international organizations in the labor field, such as the ILO. In addition, in the interest of building local capacity to help sustain project improvements following the end of DOL assistance to a country, the Department routinely enters into agreements with local Non-Governmental Organizations (NGOs) to deliver project assistance. These agreements provide assistance at a relatively low cost and at the same time help to build lasting relationships with the ministries of labor and other social partners that endure long after the end of DOL funding.

**Goal Assessment and Future Plans:**  
As the Department's early projects (started in FY 2000) reach maturity, they are expected to demonstrate

measurable results. DOL has implemented a comprehensive system to measure performance to ensure that every project is meeting project objectives. ■

*(Goal 3.4B — FY 2001 Annual Performance Plan)*