Reducing Child Labor in the Philippines

Around the world, 168 million children are engaged in child labor, and in the Philippines many of the children working illegally are in occupations that pose a threat to their health and safety. However, poor families may have little other choice to support themselves. The government of the Philippines aims to help families avoid child labor by providing them with a one-time asset transfers equivalent to US $500 and training in using the asset to develop a livelihood. Innovations for Poverty Action is working with researchers and the government of the Philippines to examine whether this program leads to a sustainable improvement in livelihoods and a reduction in child labor for these families.

Policy Issue

The elimination of child labor in all its forms is one of the measurable targets for the UN Sustainable Development Goal 8: “Promote inclusive and sustainable economic growth, employment and decent work for all.” Widespread child labor in low-income countries is thought to damper future economic growth through its negative impact on child development, and depresses economic growth by discouraging the adoption of skill-intensive technologies while lowering wages in low-skill sectors. Cash transfers have been shown to reduce entry into child labor but are not seen as a sustainable permanent solution. This study is evaluating whether a productive asset transfers targeted to parents of child labor sustainably eliminate child labor.

Evaluation Context

Despite strong economic progress over the last several decades, one in five Filipino families remain below the poverty line, and a 2011 study found 3.21 million Filipino children engaged in unlawful child labor. Ninety-three percent of them worked in hazardous labor - activities where chemical, physical and biological hazards exist. A majority of these child laborers participate in agricultural activities, and other areas of labor include domestic help, production of pyrotechnics, scavenging, deep sea fishing, mining, prostitution, and drug trafficking. This study is being conducted in five regions of the Philippine island of Luzon. Two of these regions, Bicol and Central Luzon, account for more than 1 in 5 of all child laborers in the Philippines. Common economic activities in these regions include production of key agricultural products and fishing.

Details of the Intervention

Innovations for Poverty Action is working with researchers to test if offering households a productive
asset reduces their use of child labor. In randomly selected villages across five regions of Luzon with high levels of child labor, parents of child laborers are being offered the opportunity to participate in the The Kabuhayan Para sa Magulang ng Batang Manggagawa (KASAMA) program. The program is designed to support families in moving to more entrepreneurial activities and sustainable livelihoods. Within both sets of villages, potential beneficiaries are drawn from existing government lists of vulnerable families with children and child laborers. Participating households are given an asset such as livestock, farming tools, inventory for vending snacks, or materials for producing home goods (such as candles or curtains) worth PHP10,000 (USD$518 Purchasing Power Parity) and training in how to use it. The researchers will compare villages participating in the program in 2016 to villages where it will be introduced later to see if the program leads to sustainable alternative forms of income, reduces levels of child labor among those currently engaged, prevents entry of additional children into child labor, and improves the well-being of vulnerable families.

Results and Policy Lessons
Results forthcoming.