

Understanding child labour and youth employment outcomes in the Philippines

Executive summary



EXECUTIVE SUMMARY

1. Overcoming the twin challenges of child labour and the youth decent work deficit will be critical to progress in the Philippines towards its broader social development goals. Estimates presented in the Philippines Country Report indicate that over two million Filipino children remain trapped in child labour. At the same time, one quarter of all youth are not in education, employment or training (NEET), and those that are in employment are concentrated overwhelmingly in low skills jobs offering little prospect for advancement or for escaping poverty and exploitation. The effects of child labour and the decent work deficit facing youth are well-documented: both can lead to social vulnerability, societal marginalisation and deprivation, and both can permanently impair lifetime patterns of employment and pay.

2. The Philippines Country Report examines the related issues of child labour and youth employment in the context of the Philippines. Guided by observed outcomes in terms of schooling, work activities and status in the labour market, the report considers the economic as well as the social determinants of child labour and youth employment. The Philippines 2011 Survey on Children (SOC, 2011) and the Philippines 2013 Labour Force Survey (LFS, 2013) are the primary data sources for the report.¹ Data from these surveys permit a comprehensive and nationally-representative picture of the child labour and youth employment situations.

Child labour: the overall picture

3. Child labour in the Philippines continues to affect an estimated 2.1 million children aged 5-17 years, about eight percent of this age group.^{2 3} These numbers indicate clearly that the struggle against child labour has not yet been won in the country, and that efforts in this regard need to be intensified and accelerated in order that the goal of child labour elimination is reached in the nearest possible future.

¹ The former is the source for the chapters on child labour and children's employment, and the latter is the source for the chapter on youth employment.

² This number rises to 2.3 million when child labour is measured in accordance with international legal and measurement standards.

³ The national legal framework for child labour is contained in the Republic Act No. 9231 (2003) "Special protection of children against child abuse, exploitation and discrimination act" and in the DoLE Order No. 65-04 (2004) on the Implementing Rules and Regulations (IRR) for this act. In addition, hazardous work for children is identified in DoLE Order No. 04 (1999) on 'Hazardous work and activities to persons below 18 years of age'. Following national legislation, children are classified in child labour on the basis of the following criteria: a) *For children of 5-14 years*: working for more than 20 hours per week; working in hazardous work (see DoLE Order No. 04 (1999)); or working between 20:00 and 06:00 of the following day. b) *For children of 15-17 years*: working more than 40 hours per week (or more than 8 hours a day); working between 22:00 and 06:00 of the following day; or working in hazardous work (see DoLE Order No. 04 (1999)).

Table 1. Child labour estimates based on national legislation

	Children aged 5-14 in child labour ^(a)		Children aged 15-17 in child labour ^(b)		Total child labour 5-17 years	
	%	No.	%	No.	%	No.
Male	5.4	571,392	26.8	821,230	10.2	1,392,622
Female	3.0	304,304	13.7	399,696	5.4	704,000
Urban	2.8	224,771	13.3	318,690	5.2	543,461
Rural	5.2	650,926	25.1	902,236	9.6	1,553,161
Total	4.2	875,696	20.4	1,220,926	7.9	2,096,622

*Note: (a) National child labour legislation prohibits the employment of children under the age of 15 years, however the legislation provide some exceptions, i.e., children age 5-14 shall not work i) more than 20 hours per week, ii) during the evening or at night, iii) the type of employment is not hazardous irrespective of working hours; (b) Includes 15-17 year-olds working over 40 hours per week, working during the night, and children in this age range exposed to hazardous forms of work irrespective of working hours
Source: UCW calculations based on Philippines, Survey on Children (SOC), 2011*

4. This overall estimate masks important differences by age, sex and residence. Involvement in child labour increases with the age, from four percent for children aged 5-14 to 20% for children aged 15-17 years. Boys face a much greater risk of child labour than girls. For the overall 5-17 years age group they are twice as likely to be involved in child labour as their female peers (10% versus five percent). Finally, child labour is much more common among rural children than urban children (10% versus five percent).

5. It should be underscored in interpreting these numbers that they represent "conservative" estimates of child labour, for two important reasons. First, the legal definition of child labour in Philippines is more restrictive than that contained in ILO Conventions No. 138 and No. 182.⁴ Second, the child labour estimates exclude so-called "worst forms of child labour other than hazardous work."⁵ In the Philippines as in most countries, information on children involved in these extreme forms of child labour is limited due to both methodological difficulties in measuring them and to cultural sensitivity.

Children aged 5-14 years

6. Similar patterns prevail when narrowing the focus to children in the 5-14 years age range. In short, their involvement in child labour increases with age, is much higher among boys than girls and is much higher in rural areas than in cities and towns. A more detailed look at how children's employment⁶ (and schooling) varies in accordance with these and other background variables is provided below.^{7 8}

⁴ National legislation sets a time threshold of 20 hours per week for child labour in the 5-14 years age range, while the ILO Conventions contains only allow an exception for "light work" for children aged 12-14 years. Article 7 of ILO Convention No. 138 defines light work as work that is: (a) not likely to be harmful to their health or development; and (b) not such as to prejudice their attendance at school, their participation in vocational orientation or training programmes approved by the competent authority or their capacity to benefit from the instruction received.

⁵ These forms of child labour include child trafficking, commercial sexual exploitation, child slavery and the involvement of children in illicit activities.

⁶ This analysis relies on the broader concept of employment owing to data limitations and to differences between national and international child labour definitions for this age range. Children in employment are those engaged in any economic activity for at least one hour during the reference period. Economic activity covers all market

- *Age*: Involvement in child labour increases with age. This pattern results largely from the fact that the productivity of children increases as they grow older, meaning that the opportunity cost of keeping children in school as opposed to the workplace also goes up.
- *Gender*: Child labour has an important gender dimension. Involvement in employment among male children is almost 50% higher than among female children, a result confirmed by the econometric evidence presented in the Appendix of the Country Report. In interpreting these gender differences, it is worth recalling that child labour does *not* include involvement in household chores, a form of work where girls typically predominate.
- *Residence*. Involvement in child labour among rural children is nearly twice that of urban children. Econometric results controlling for other factors, however, indicate that factors associated with residence, rather than residence *per se*, is driving the difference between rural and urban children in terms of their involvement in child labour (Appendix 1, Country Report).
- *Region*. There are large differences in child labour (and schooling) across regions, pointing to the importance of area-specific approaches to addressing it. The Northern Mindanao region stands out as having the highest level of child labour. At the other end of the spectrum lies the National Capital region and the Autonomous Region in Muslim Mindanao, where only two percent and one percent, respectively, of children are involved in child labour.
- *Household income*. Child labour is higher and school attendance is lower among children from poor households. Econometric results, however, suggest that the effect of income on work is very small. Small changes in income, in other words, do not generate large changes in children's involvement in child labour. This in turn highlights the fact that a range of other individual, household and community factors is also at play.
- *Education level of the household head*. The amount of education obtained by the household head is strongly negatively associated with child labour and is positively associated with school attendance. One possible explanation is that parents who are more educated might have a better understanding of the economic returns to education, and/or might be in a better position to help their children realize these returns.

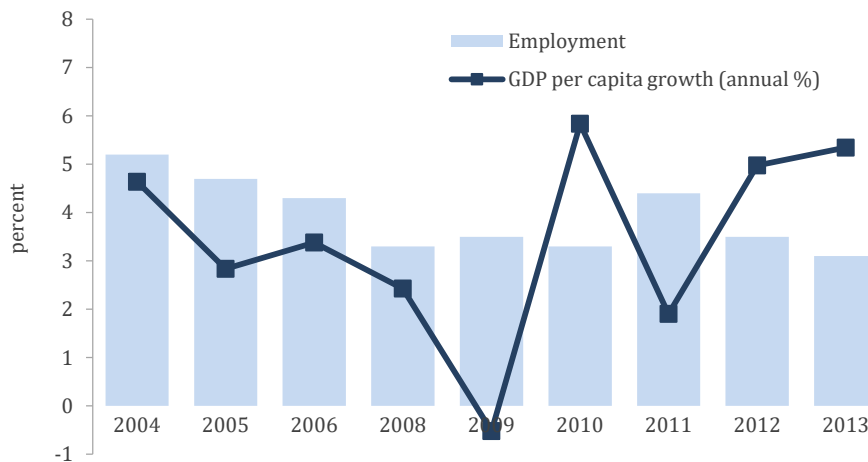
production and certain types of non-market production (principally the production of goods and services for own use). It includes forms of work in both the formal and informal economies; inside and outside family settings; work for pay or profit (in cash or in kind, part-time or full-time), or as a domestic worker outside the child's own household for an employer (with or without pay). The concept of employment is elaborated further in the *Resolution concerning statistics of work, employment and labour underutilization*, adopted by the Nineteenth International Conference of Labour Statisticians (October 2013). The resolution is available at: http://www.ilo.org/global/statistics-and-databases/standards-and-guidelines/resolutions-adopted-by-international-conferences-of-labour-statisticians/WCMS_230304/lang-en/index.htm.

⁷ This discussion draws on results of the econometric analysis presented in the Appendix.

⁸ A simple economic model of household behaviour is used to guide the empirical specification. For detailed information on the model, see Cigno, A.; Rosati, F.C. 2005. "The economics of child labour" (New York, NY, Oxford University Press).

7. Trend data indicate important progress in reducing children’s involvement in employment for the 5-14 years age range.⁹ There was a net decline of 40% (2.1 percentage points) over the 2004-2013 period. Most of the decline, however, occurred during the early part of this period (i.e., 2004-2008); progress after 2008 was slower. There were actual increases in children’s employment in 2009 and 2011, the two years in which the country experienced sharp deteriorations in terms of economic conditions (Figure 1), suggestive of the importance of shocks as a child labour determinant.

Figure 1. Data on trends indicate important progress in reducing children’s involvement in employment
Changes in children’s involvement in employment, 5-14 year-olds, and GDP per capita growth (%), 2004-2013



Source: UCW calculations based on Philippines, LFS surveys, various years

8. The majority of child labourers are found in agriculture (62%). The predominance of agriculture is a particular concern in light of the fact that this sector is one of the three most dangerous in which to work at any age.¹⁰ Commerce is the second-most important sector, followed by services and manufacturing (Figure 2a). In terms of status in employment, children are found predominantly in unpaid family work (67%) or working in private establishment (20%). Six percent of children are self-employed and an additional three percent work in private households, most likely as domestic workers (Figure 2b).

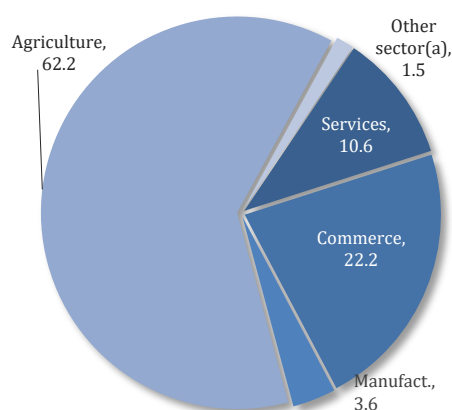
⁹ To assess the changes in child labour, we make use of the Philippines Labour Force Survey (LFS), which is available for several years. However, the LFS does not collect information on working hours for younger children. Therefore, it does not permit the estimation of child labour in accordance with the national legislation. For this discussion of trends we hence use children’s employment as a proxy for child labour.

¹⁰ Along with construction and mining, in terms of work-related fatalities, non-fatal accidents and occupational diseases. For further details, please visit the “Child labour in agriculture” section of the ILO-IPEC website: <http://www.ilo.org/ipecc/areas/Agriculture/lang--en/index.htm>.

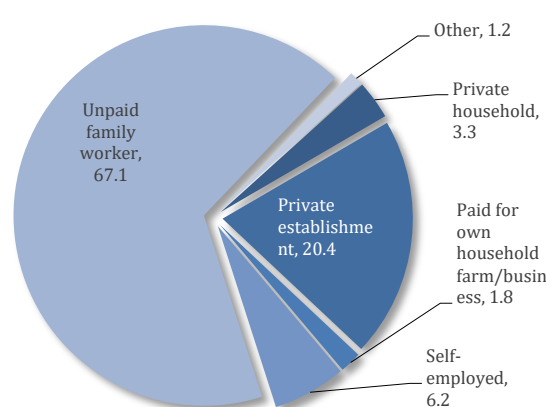
Figure 2. Child labourers are concentrated in agricultural work within the family unit

Distribution of children in child labour by sector and status in employment, age group 5-14 years.

(a) Sector of employment



(b) Status in employment⁽¹⁾



Notes: (1) The terms "Private household" and "Private establishment" reflect the language used in the SOC questionnaire. The former can be considered primarily as domestic work in third party households and the latter as paid work outside the home in the private sector.
Source: UCW calculations based on Philippines, Survey on Children (SOC), 2011

Children aged 15-17 years

9. More than one-fifth of all children aged 15-17 years, 1.2 million in absolute terms, are in child labour.¹¹ Differences in involvement in child labour by age, sex and residence are very large for this age group. In brief, child labour rises sharply with age, from 16 percent of 15-year-olds to 25% of 17-year-olds, as the 15-17 years age range coincides with the period in which the transition from school to work begins to accelerate. The child labour population in this age range is male-dominated – 27% of male 15-17 year-olds are in child labour against only 14% of same-aged females. This is a reflection of both the higher share of boys entering the labour market (while relatively more girls take up domestic responsibilities in their own homes) and of the fact that boys' jobs are more likely to be hazardous.¹² Finally, child labour among 15-17 year-olds is in large part a rural phenomenon; in absolute terms, rural child labourers outnumber their urban counterparts 900,000 to 319,000.

10. Another way of viewing the issue of child labour for the 15-17 years age group is its importance *relative to overall employment* for this age group. In other words, the share of *employed* adolescents in this age group that are in child labour. Globally, adolescents in hazardous work account for 40% of total employed adolescents.¹³ In the Philippines, the figure for 15-17 year-olds is much higher – more than 69% of those with jobs are in child labour. The high incidence of hazardous work among employed 15-17 year-olds is

¹¹ As discussed above and in accordance with national legislation, child labour for the 15-17 years age group consists of the following groups: (a) children working over 40 hours per week; (b) children working during the evening or night; (c) and children exposed to hazardous forms of work irrespective of working hours. Child labour among 15-17 year-olds measured on this basis is very high.

¹² 72% of all male jobs are hazardous compared to 64% of all female jobs.

¹³ IPEC, *Global child labour trends 2008 to 2012* / International Labour Office, International Programme on the Elimination of Child Labour (IPEC) - Geneva: ILO, 2013.

an indication of the size of the “decent work deficit” facing this group of the resulting urgent need to expand decent work opportunities.

11. Most of those in child labour face hazardous conditions. Of the total group in child labour, 84% are exposed to hazardous conditions, 26% must work long hours, and 16% are working at night. This combination of long hours and hazardous conditions is a particular concern, as the greater the length of time that a child is exposed to hazardous conditions the more likely they are to be harmed by them. Again, these results highlight the urgency of intervening to remove children in this age group from child labour and afford them with decent work opportunities.

Child labour and education

12. The degree to which work interferes with children’s schooling is one of the most important determinants of the long-term impact of child labour. Clearly, if the exigencies of work mean that children are denied schooling altogether or are less able to perform in the classroom, then these children will not acquire the education necessary for more decent work upon entering adulthood.

13. Child labourers in the Philippines are clearly disadvantaged in terms of being able to attend school. The school attendance gap between child labourers and other children increases with age and is particularly marked at the end of the 5-17 years age spectrum: for the age group 10-14 years, the school attendance of child labourers is 18 percentage points less than that of other children while for the age group 15-17 years the attendance gap grows to 43 percentage points. Filipino working children also have lower school life expectancy (SLE) at every age.¹⁴ Working children that enter schooling, in other words, can expect to remain there for less time than non-working children

14. There remains a small but nonetheless significant share of children who are not in school, particularly at the upper end of the compulsory school age range. The share of children who are out of school rises from two percent at age eight years to four percent at age 12 years (at the end of the primary cycle) and to 41% at age 17 years (the last year of compulsory schooling).¹⁵ By far the most important reason cited for being out of school was disability and illness (cited by 47% of out-of-school children), suggesting the urgent need for measures to accommodate children with special needs. Nearly 22% of out-of-school children cite a lack of interest in studying as the primary motive for being out of school, a response likely driven in important part by perceptions of school quality and relevance.

¹⁴ School life expectancy (SLE) provides a measure of the total number of years of education that a child can be expected to complete. Relatively higher school life expectancy indicates greater probability of achieving a higher level of education.

¹⁵ Compulsory schooling in the Philippines begins at the age of five years and is 13 years in total duration. (Source: UNESCO Institute of Statistics, 2014).

Young persons aged 15-24 years

15. Young people face numerous challenges in entering the labour market in the Philippines. Levels of human capital remain low for many, compromising their future prospects. One-quarter of all youth are not in education, employment or training (NEET) and therefore at risk of social marginalisation. Unemployment is high in urban areas, and underemployment, or “hidden unemployment”, affects a large share of employed youth in rural areas. Youth employment is dominated by low-skill jobs offering fewer chances for upward mobility.

Table 2. Aggregate labour market indicators, persons aged 15-24 years, by residence, sex, and age range

Population category		% of population				% of active pop.	
		Labour force participation	Education participation	Inactive and out of school	NEET ^(a)	Employment ratio	Unemployment rate ^(b)
Residence	Urban	43.4	43.5	16.6	25.9	34.1	21.5
	Rural	47.5	40.3	18.2	24.2	41.5	12.6
Sex	Male	55.8	39.9	9.8	18.5	47.1	15.6
	Female	34.8	43.9	25.3	31.8	28.4	18.5
Age range	15-19	30.6	62.4	13.6	18.2	26.0	15.2
	20-24	64.6	15.6	22.4	33.8	53.2	17.6
Region	National Capital Region	43.7	43.4	14.9	25.8	32.8	24.8
	Cordillera Administrative Region	46.5	46.3	13.7	19.1	41.1	11.7
	I - Ilocos Region	43.5	39.7	19.4	28.1	34.8	20.1
	II - Cagayan Valley	46.3	41.9	16.5	20.7	42.0	9.2
	III - Central Luzon	45.8	38.6	18.0	28.1	35.7	22.2
	IVA - CALABARZON	47.2	39.3	16.3	27.1	36.4	22.9
	IVB - MIMAROPA	44.7	45.9	16.5	20.8	40.4	9.6
	V - Bicol Region	45.5	45.2	16.8	23.5	38.8	14.7
	VI - Western Visayas	43.8	45.1	16.3	23.2	36.9	15.8
	VII - Central Visayas	45.2	41.8	17.4	24.5	38.2	15.6
	VIII - Eastern Visayas	47.6	44.1	16.8	22.1	42.2	11.2
	IX - Zamboanga Peninsula	46.3	42.7	18.8	22.5	42.6	8.1
	X - Northern Mindanao	50.9	40.7	17.0	22.8	45.1	11.4
	XI - Davao Region	46.7	38.9	19.3	27.0	39.0	16.4
	XII - SOCCSKSARGEN	46.8	40.6	19.0	23.7	42.2	10.0
Caraga	49.2	38.8	20.3	27.2	42.3	14.0	
Autonomous Region in Muslim Mindanao	33.9	45.2	24.0	28.4	29.6	12.8	
Total		45.5	41.9	17.4	25.0	37.9	16.7

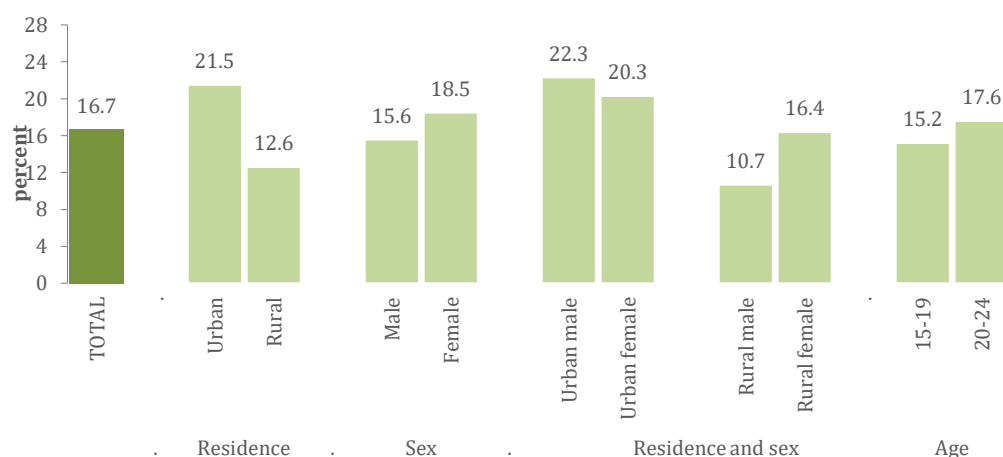
Note: a) NEET refers to youth who are not in education, employment or training. It is a measure that therefore reflects both youth who are inactive and out of education as well as youth who are unemployed. b) Unemployed persons include all those who have no job/business and are actively looking for work and available for work. Also considered as unemployed are persons without a job or business who are available for work but are reported not looking for work because of their belief that no work was available or because of temporary illness/disability, bad weather, pending job application or waiting for job interview.

Source: UCW calculations based on Philippines, Labour Force Survey (LFS) 2013.

16. A large share of youth in the labour force is unable to find jobs. The youth unemployment rate stands at 17%, more than three times the rate for adults. Not all youth, however, face the same risk of unemployment (Figure 3). The unemployment rate for female youth is higher than that for male youth, particularly in rural areas. Unemployment is much more common in urban areas (22%) than in rural ones (13%), despite the lower levels of labour force participation in the former. Finally, youth unemployment varies considerably across regions, from a high of 25% in the National Capital region to less than 10% in the regions of Cagayan Valley, Mimaropa, and

Zamboanga Peninsula, underscoring the importance of sub-national approaches to addressing youth job access.

Figure 3. A substantial share of youth wanting to work are unable to secure jobs
Unemployment rate, by sex, age range, and residence



Note: Unemployed persons include all those who have no job/business and are actively looking for work and available for work. Also considered as unemployed are persons without a job or business who are available for work but are reported not to be looking for work because of their belief that work is not available or because of temporary illness/disability, bad weather, pending job application or waiting for job interview.

Source: UCW calculations based on Philippines, Labour Force Survey (LFS) 2013.

17. One in every four Filipino young persons is not engaged in education, employment or training (NEET). The group of NEET youth consists of both youths who are unemployed and youths who are inactive and out of education, and therefore NEET is a more comprehensive measure for assessing youth labour market difficulties. Again the difference between male and female youth is noteworthy: almost 32% of female youth are in the NEET category compared to 19% of their male counterparts. This large difference is due to both higher unemployment and higher inactivity rates among female youth; it highlights the particular importance of affording greater labour market opportunities for female youth in the Philippines.

18. Obtaining a job is of course an insufficient condition for successful labour market outcomes. This is because in countries such as the Philippines where poverty is widespread, many youth simply cannot afford to remain without work altogether and must accept jobs regardless of the conditions and pay associated with them. In the Philippines context, in other words, securing *decent work*, in other words, rather than work *per se*, is the desired goal of the transition to working life. It is therefore important to assess youth jobs against basic decent work criteria for a more complete picture of labour market success.

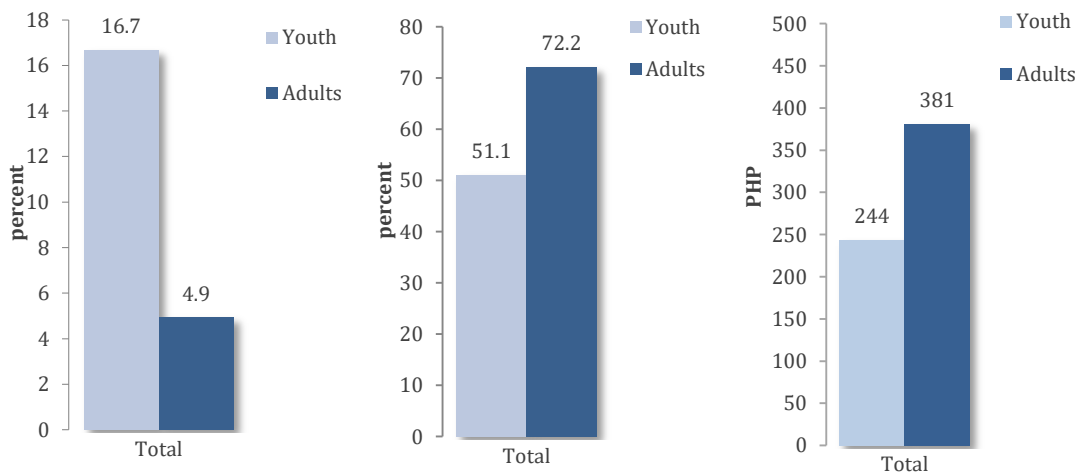
19. Youth are concentrated overwhelmingly in low-skill jobs. Eighty-nine percent of all youth jobs fall into either the lowest skills category (48%) (requiring only the performance of simple and routine physical or manual tasks) or the second lowest skill category (41%) (requiring the performance of tasks such as operating machinery and electronic equipment). Around

70% of employed youth are paid employees, but only about half of wage jobs are permanent in nature while most of the remainder are temporary jobs offering little in the way of job security or benefits.

20. Young workers appear disadvantaged vis-à-vis their adult counterparts in terms of both job access and quality. The youth unemployment rate is three times higher than the adult rate. This unemployment gap extends to all sub-categories of the youth population and points to the existence of special barriers to youth employment in the Philippines that need to be addressed by policy makers. Differences between youth and adult workers in terms of employment security are also large. Only 50% of youth in paid work enjoy a permanent work arrangement compared with 72% of their adult counterparts. Wage levels for young workers are considerably lower than for their adult counterparts. Youth on average earn about one-third less than adults (244 PHP versus 381 PHP). Again, these differences extend to all sub-categories of the youth population.

Figure 4. Young workers appear disadvantaged vis-à-vis their adult counterparts in terms of both job access and quality

(a) Unemployment rate, youth and (b) Job security (% of workers in paid (c) Daily average wages^(a)(Philippine adult workers employment with permanent jobs), Pesos PHP), youth and adult paid youth and adult workers workers



Notes: (a) Average labour income is calculated for employed population of youth and adults with non-zero wage.
Source: UCW calculations based on Philippines, Labour Force Survey (LFS) 2013

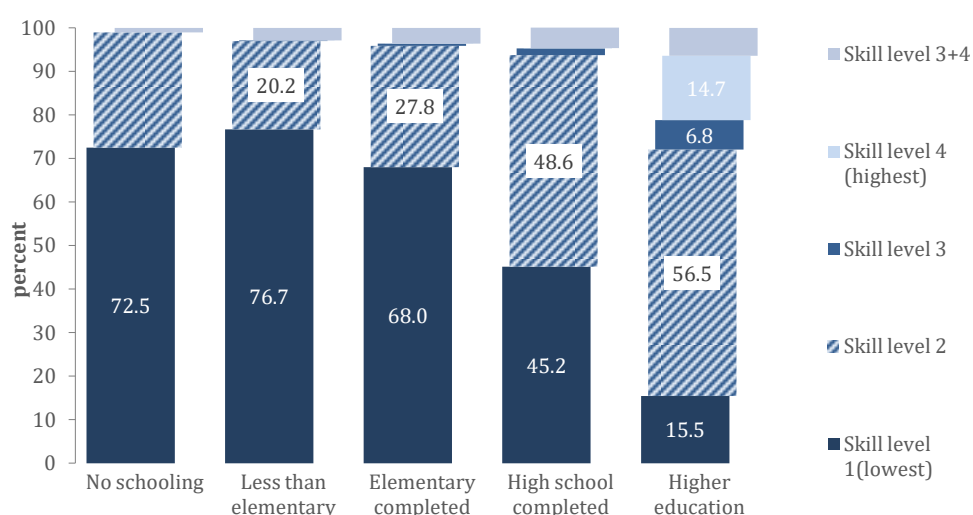
21. Levels of human capital remain low for many Filipino young people, compromising their future prospects. Nearly 39% of young persons either have either no education (13%) or only primary education (26%). At the same time, levels of education are clearly linked with job quality. The likelihood of wage work and of work in the tertiary services sector both rise consistently with more education. Successive levels of educational attainment are also associated with higher earnings. The premium associated with higher education is especially large – those with higher education can expect to be paid more than twice that of youth with secondary education and more than three times that of youth with only primary education. Econometric evidence confirms the importance of

higher education as a determinant of earnings (see Annex of the Country Report).¹⁶

22. Another way of viewing the interplay between education and employment outcomes is by looking at the skills intensity of the jobs secured by youth with different levels of education. This decomposition of youth jobs by skills intensity, reported in Figure 5, shows that the skills intensity of jobs rises with education, but that young people with up to secondary education are nonetheless concentrated overwhelming in low-skill jobs. The picture changes somewhat for most-educated youth, but even in this group 74% are in jobs in the two lowest skill classifications, suggesting significant skills mismatches.

Figure 5. A substantial of even well-educated youth must settle for low-skill jobs

Skill level classification of youth jobs (% distribution of employed youth), by sex



Source: UCW calculations based on Philippines, Labour Force Survey (LFS) 2013

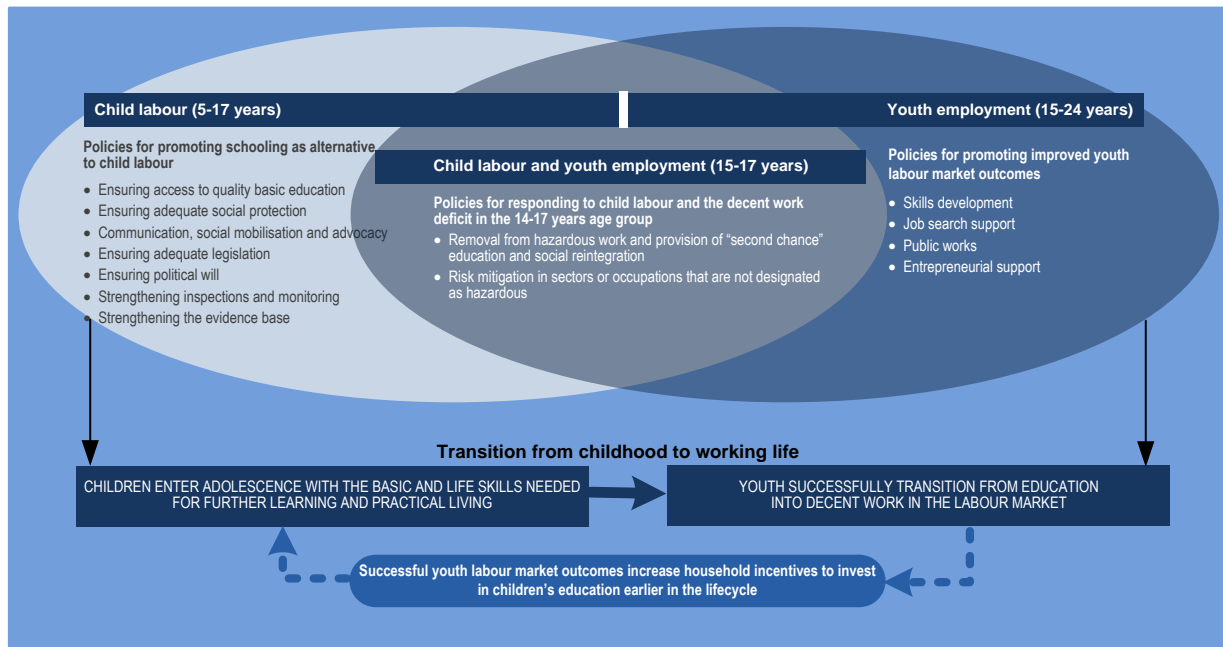
Addressing child labour and the youth decent work deficit: the need for an integrated approach

23. Child labour and youth employment are closely linked, underscoring the importance of addressing the two issues hand in hand, following a lifecycle approach. The figure below illustrates key components of an integrated response. A set of child-centred policies are needed to promote schooling as an alternative to child labour, and, following from this, to ensure that children enter adolescence with the basic and life skills needed for further learning and practical living. This foundation is in turn crucial to the success

¹⁶ A wage equation was estimated in order to assess the importance of education and other individual and household characteristics on earnings of employees. Estimation results, presented in Annex 1 of the main report, indicate that the earnings premium associated with primary and secondary education are positive and significant and that the premium associated with higher education is even greater.

of active labour market policies for promoting improved youth employment outcomes, and to ensuring that youth successfully transition from education into decent work in the labour market. This causal chain can also work in the opposite direction: successful youth labour market outcomes can increase household incentives to invest in children's education earlier in the lifecycle.

Figure 6. An integrated response to child labour and youth employment problems



Addressing child labour: children aged 5-14 years

24. Evidence from the Philippines and elsewhere point to a number of policy priorities that are relevant as part of an integrated response to child labour, including access to quality basic education; adequate social protection; awareness of the dangers of child labour and benefits of schooling; social and political mobilisation; effective inspections and monitoring systems; and an adequate evidence base to inform action.

25. It is important to emphasise that many of these priorities are already reflected in the Philippines Development Plan 2011-2016, the Philippines National Strategic Framework for Plan Development for Children, or 'Child 21', and other planning instruments and programmes.¹⁷ The key challenge, therefore, is less the articulation of a policy framework for combatting child labour, and more the effective *implementation* of existing frameworks. Ensuring that there are adequate resources and capacity for implementation, particularly in areas that experience high levels of child labour, will be especially important.

¹⁷ Other important plans include the Education for All Acceleration Plan 2015; the Basic Education Sector Reform Agenda; the Philippine Programme against Child Labour; and the HELP ME convergence programme.

26. Successful implementation will also depend fundamentally on improving the coordination and integration of efforts. The Philippines has not historically considered child labour as one holistic issue, instead the response to different types of child labour such as trafficking, sexual exploitation and hazardous labour has been led by different agencies, which have different budgets and are sometimes regulated under different laws. Combined with multiple layers of government through an expansive devolved system of governance, not only is this approach complex, it means that children in some forms of exploitation are less visible and receive less attention within the systems set up to help them.

- *Education access and quality.* There is broad consensus that the single most effective way to stem the flow of school-aged children into work is to extend and improve schooling. This starts with extending access to early childhood education (ECD) to promote learning readiness and help children keep away from work in their early years. Continued efforts are needed to remove access barriers to primary and especially post-primary schooling for all children. The net enrolment rate at the primary level is over 95% but falls to 65% at the secondary level (2013). Late entry and low completion rates also remain concerns.¹⁸ The school system also needs to play a greater role in efforts directly targeting vulnerable children, including outreach to bring out-of-school children back into the classroom and to follow up cases of child labour.
- *Social protection.* The importance of social protection in reducing child labour is well established. Social protection instruments serve to prevent vulnerable households from having to resort to child labour as a buffer against poverty and negative shocks. The Philippines is especially vulnerable to negative shocks that affect household livelihoods such as typhoons and flooding, adding to the importance of social protection instruments. The Government has prioritized social protection expansion and in 2012 adopted the Social Protection Operational Framework and Strategy to guide efforts in this regard. Beyond the broad social insurance schemes that disproportionately benefit those with jobs in the formal economy,¹⁹ the Government has launched a number of social protection programmes targeting vulnerable households. These efforts, taken together, provide key protection for vulnerable families but do not yet constitute a complete basic social protection floor, particularly among those in the informal economy. Further investment is needed in evaluating their impact, and, on this basis, extending the most effective approaches to reach all vulnerable households.²⁰ Greater attention is also

¹⁸ 28% of all students did not enter schooling at the right age in 2013; at the same time, 26% of pupils entering primary school fail to reach sixth grade and 23% entering secondary school fail to graduate.

¹⁹ These include a scheme for civil servants the Government Service Insurance System (GSIS), a scheme for private sector, Social Security System (SSS) and the Philippine Health Insurance Corporation (PhilHealth).

²⁰ The ILO Social Protection Floors Recommendation (No. 202) of 2012 provides a key framework for efforts in this regard. The Recommendation sets out that SPFs should contain basic social security guarantees that ensure that all in need can afford and have access to essential health care and have income security at least at a nationally defined minimum level over the life cycle. See ILO, 2011. Resolution and conclusions concerning the recurrent discussion on social protection (social security), International Labour Conference, 100th Session, Geneva, 2011, in Record of

needed in ensuring that child labour considerations are effectively “mainstreamed” into social protection plans and programmes.

- *Strategic communication.* Strategic communication is needed as part of efforts to build a broad consensus for change. Child labour is a clear example in which both social norms and economic considerations are important, and strategic communication efforts should be designed with this in mind. Households require information concerning the costs or dangers of child labour and benefits of schooling in order to make informed decisions on their children’s time allocation. But factors that influence decisions concerning children’s schooling and child labour can extend well beyond economics or work conditions. Cultural attitudes and perceptions can also direct household decisions concerning children’s schooling and child labour, and therefore should also be targeted in strategic communication efforts.
- *Social mobilisation and advocacy.* Achieving a sustainable reduction in child labour requires social consensus well beyond the level of the household. Policy responses to child labour are also unlikely to be effective in the absence of the active participation of civil society and of social partners in implementing them. Similarly, laws to protect children from child labour are unlikely to be effective if they are not backed by broad social consensus. Social mobilisation is therefore critical to engaging a broad range of social actors in efforts against child labour. Various social actors, including, for example, NGOs, faith-based organisations, teachers’ organizations, the mass media, trade unions, employers’ organizations, have important roles to play in a broader societal effort against child labour. The National Child Labour Committee, the body responsible for coordinating national efforts and whose membership now includes 25 agencies, including Government departments and bodies, international organisations and trade union organisations, has a particularly important potential role to play in social mobilization efforts.
- *Political commitment.* A political commitment at all levels is also needed to ensure that child labour elimination occupies a prominent place in the national regional development agendas and is accorded adequate budgetary resources. In this context, the Government has enacted the Philippine Programme against Child Labour and the Philippines National Strategic Framework for Plan Development for Children, or ‘Child 21’. These documents reflect the Government’s commitment to eliminating child labour and provide a framework for national and local efforts towards this goal. The Government has not, however, allocated a separate budget for the implementation of the Philippine Programme against Child Labour or for the implementation and monitoring of

Republic Act No. 9231 (2003),²¹ meaning that efforts are dependent on funds from the existing budgets of implementing institutions, or from outside partners. The National Child Labour Committee, the body responsible for coordinating national efforts to combat child labour, has also been hampered by a lack of a specific budgetary appropriation for its operations.

- *Child labour legislation.* Achieving sustainable reductions in child labour requires a supportive policy and legislative environment which is in line with international standards and effectively mainstreamed into national development plans and programmes. The Philippines has taken a number of important legal measures against child labour but the legal framework is not yet complete. There is first of all an inconsistency between the minimum working age (15 years) and the minimum school leaving age (18 years), potentially encouraging children at 15 years to drop out of school and begin work, as it is lawful to do so. A second shortcoming relates to the legislative provision on family work, which is less restrictive than ILO Convention No. 138. A third shortcoming relates to hazardous work and other worst forms of child labour. The list of hazardous work for adolescents aged 15-17 years, required by ILO Convention No. 182 (Worst Forms) (Art. 4.1), has not yet been completed, hampering efforts to identify and address child labour in this age range. Guidelines or legislation are also needed, in consultation with other relevant government agencies, on the definition of forced labour, and what laws fall within the scope of it.
- *Inspections and monitoring.* The effectiveness of legislation in protecting children from child labour also depends on establishing and strengthening mechanisms for monitoring and enforcing laws, including provisions for inspections and for the removal of child labourers to safe places. While there is a formal workplace inspection system in place in the form of the Labour Laws Compliance System (LLCS) of the Department of Labour and Employment (DOLE), the level of identification, investigation and prosecution of child labour and its worst forms, and the consistent and effective enforcement of laws by all Government agencies is worryingly low. The government needs to adapt and strengthen labour inspection through the LLCS and child labour monitoring in a manner that affords protection to children in extreme forms of child labour, micro businesses, informal settings, agriculture, and that provides stronger legal provisions/stipulations for children working under their parents.
- *Improving the evidence base.* Effective and well-targeted responses to child labour demand a strong body of knowledge on the issue, including an understanding of how many child labourers there are, which sectors and geographical areas they work in, the demographic characteristics of

²¹ Act Providing for the Elimination of the Worst Forms of Child Labour and Affording Stronger Protection for the Working Child.

the children involved, and the type of work that they carry out. Despite recent national household surveys, data quality and comparability are uneven and significant information gaps remain, affecting understanding of the child labour phenomenon and the ability of policy-makers to address it. Better data is especially needed on programme *impact*, in order to identify good practices from the large number of child labour initiatives undertaken in the country, and, following from this, approaches with the most potential for broader scale implementation. More evidence is also needed, *inter alia*, on the worst forms of child labour, recognizing that “the effective elimination of the worst forms of child labour requires immediate and comprehensive action”.²²

Addressing child labour: adolescents aged 15-17 years

27. Even though young people aged 15-17 years are over the minimum working age they are still considered “child labourers” under ILO Conventions Nos. 138 and 182 and national legislation if the work they do is hazardous. The updated list of hazardous work for adolescents aged 15-17 years, required by ILO Convention No. 182 (Worst Forms) (Art. 4.1), has not yet been released in the Philippines, hampering efforts to identify and address hazardous work in this age range. A key first step in removing adolescents from hazardous work, therefore, is the finalization of the hazardous work list and amending Department Order No. 4 of 1999 accordingly. Identifying which trades are and are not appropriate for apprenticeships for adolescent workers will be important as part of this process.

28. In instances in which adolescents in the 15-17 years age range are working in sectors or occupations that are designated as hazardous or where there is no scope for improving working conditions, the policy requirement is clear – they must be removed from the hazardous job. In these instances, it is imperative that there is an effective inspection and monitoring system for identifying the adolescents involved and a strategy in place for providing withdrawn adolescents with adequate support services and opportunities for social reintegration. Community-based mechanisms, including the HELP ME programme and the Rescue the Child Labourers *Sagip Batang Manggagawa* Quick Action Teams initiative discussed in the previous section are particularly relevant in this regard.

29. Risk mitigation is a strategic option in instances where adolescents are exposed to hazards in sectors or occupations that are *not designated as hazardous in national hazardous work lists* and where scope for changing work conditions exists. Such a strategy involves measures to remove the hazard, to separate the child sufficiently from the hazard so as not to be exposed, or minimise the risk associated with that hazard. The ILO speaks of this as “identifying hazards and reducing risks”. Strategies aimed at improving the working conditions of adolescent workers include various

²² Preamble, Convention 182 - Worst Forms of Child Labour Convention, International Labour Organization, 1999.

types of protective measures: hours of work can be reduced; work at night, or travel to and from work at night, can be prohibited; workplace policies against harassment can be established and enforced; adolescents can be barred from using dangerous substances, tools or equipment; and adequate rest periods can be provided.

Addressing the decent work deficit: young persons aged 15-24 years

30. The numerous challenges facing young people entering the labour market in the Philippines point to the need for active labour market policies²³ aimed at improving youth labour market outcomes, building on the knowledge foundation acquired during childhood through improved basic education and preventing child labour. It is again important to point out that these active labour market policy priorities are not new and indeed are reflected in large part in the national Labour and Employment Plan (2011-2016), Philippine Youth Development Plan (2012-2016)²⁴ and other related planning documents.²⁵ As with child labour, therefore, the key challenge is less the articulation of a policy framework for youth employment, and more the operationalisation of existing frameworks, and effectively integrating, coordinating and extending current programming efforts.

31. Ensuring political commitment will be essential to operationalization. Neither the Philippine Youth Development Plan (PYDP) 2012-2016 nor the National Action Plan for Youth Employment in this context have been fully adopted by presidential decree or departmental ordinance, calling into question the degree of commitment to their implementation. A new planning cycle for youth begins in 2016 and it will be essential that the new action plans emerging from this process are officially adopted and adequately resourced. Without full transparent commitment to these plans, national efforts are unlikely to succeed in securing decent work for millions of youth.

32. Promoting the active engagement of youth in the policies and programmes affecting them will also be vital to the success of efforts moving forward. Youth councils “*sangguniang kabataan*” have a critical role to play in ensuring youth participation in governance. The councils, currently on hold, should be reconstituted based on legislation ensuring their effectively functioning, transparency and accountability, to provide young persons with a voice in efforts aimed at providing them with smooth transition to adult life and decent work.

- *Skills development and second chance learning opportunities.* The Government has placed a major emphasis on improving youth employability through technical and vocational education and training

²³ Active labour market policies are designed to improve labour market outcomes for young people within existing institutional and macro-economic constraints; the broader structural economic reforms needed to reduce youth unemployment in the long run are beyond the scope of this Report.

²⁴ Formerly known as the Medium-Term Youth Development Plan.

²⁵ Including the 2012 National Action Plan for Youth Employment and Migration, the 2013 Convergent Programme Strategy for Youth Employment and the National Technical Education and Skills Development Plan (2011-2016).

(TVET). A wide variety of TVET programmes and activities are present in the country, but ensuring training opportunities extend to vulnerable youth with limited levels of formal education, remains a major challenge facing the TVET system. This group of vulnerable youth includes those whose education was compromised by involvement in child labour. There are already a number of second chance learning initiatives underway, offering useful models for expanded efforts in this regard moving forward.²⁶ Effectively coordinating these wide-ranging efforts, and successfully extending them based on needs-based criteria to ensure they reach all unserved groups of vulnerable youth, however, remain key priorities. Additional investment is also needed in evaluating the impact of existing efforts and in tracing labour market outcomes of participants, in order to identify the approaches with most potential for expansion.

- *Job search support.* The high levels of skills mismatch among Filipino youth is suggestive of a need for further investment in job search skills and in formal mechanisms linking young job seekers with appropriate job openings. It is again especially important to ensure that at-risk youth are able to access these employment services programmes. This can be difficult because most at-risk youth live in marginal urban or rural areas, while most employment services are offered in locations that are more central. One criticism of employment services programmes elsewhere has been that those who benefit from the programmes are typically more qualified and connected to begin with and therefore more likely to become employed. This points to the importance of targeting job search support to disadvantaged young people most in need. Public Employment Service Offices (PESOs) hold particular potential as local clearinghouses for labour market information and for facilitating the matching of jobs with available skills, including through Phil-JobNet, the computer-based job information system.²⁷ Local PESO officers, Alternative Learning System coordinators and youth organization members have an important role to play in identifying and reaching out to vulnerable youth in need of job search support and making them aware of the services available.
- *Public works programmes.* The high percentage of youth who are not in education, employment or training (NEET) and who are in the labour market but unable to find points to the need for demand-side measures aimed at improving employment opportunities for young people. Labour-intensive public works programmes targeting young persons represent one important policy option in this context. Such programmes can provide both qualified and unqualified young people with an entry point

²⁶ The list of such initiatives includes Community-based lifelong learning for Out of School Children and Out of School Youth through the Alternative Learning System, Instructional Management by Parents, Communities, and Teachers (IMPACT), Modified In-School Off-School Approach, the Open High School Programme, and Abot Alam 'No child left behind'.

²⁷ There is now a Public Employment Service Offices (PESOs) starter kit (i.e., *Guide to understanding the Public Employment Service Office*), developed with the Bureau of Local Employment, to assist local government units operationalize and institutionalize PESOs across the country.

into the labour market within broader efforts to reduce poverty and develop rural services infrastructure. There are a range of public works programmes already in place in the Philippines, but these programmes do not generally explicitly target youth and specific opportunities for youth participation in employment creation programmes are limited. This discussion underscores the need to effectively “mainstream” vulnerable youth into public works programmes as part of broader strategy promoting youth employment. Experience from public works programmes targeting youth outside the Philippines indicate that adding mandatory technical, behavioural skills, financial literacy, or job search training to the public works initiatives can further increase their impact in terms of improving youth employment outcomes.

- *Youth* entrepreneurship. Promoting youth entrepreneurship represents another important demand-side strategy for expanding youth employment opportunities. Entrepreneurship is a priority policy area for the Government and two Republic Acts were passed in the last two years to strengthen legislative support for entrepreneurship. The two Acts provide a framework for a range of policy measures needed to expand entrepreneurial opportunities for young people in the Philippines, although their effectiveness will require close coordination among the Government agencies responsible for their implementation. Other priorities include supporting an entrepreneurial culture by including entrepreneurship education and training in school. Easing access to finance, including by guaranteeing loans and supporting micro-credit initiatives, is also critical, as a major obstacle for young entrepreneurs is the lack of access to credit and seed funding. Expanding access to effective business advisory and support services, and the capacity to deliver them, is another key element in promoting youth entrepreneurship, as isolation and lack of support prevent many potential young entrepreneurs experience from gaining a foothold in the business world. The formation of self-help groups, including cooperatives, by young people would also allow for better access to supplies, credit and market information.