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# TRADE AND ECONOMIC POLICY COMMENTARY No. 18

The Right Tool for the Job?
Child Labour and Trade Sanctions

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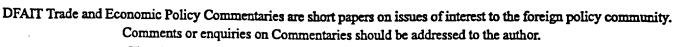
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Robert T. Stranks

Trade and Economic Analysis (EET)

(June 1997)



The views expressed are not necessarily those of the Government of Canada.

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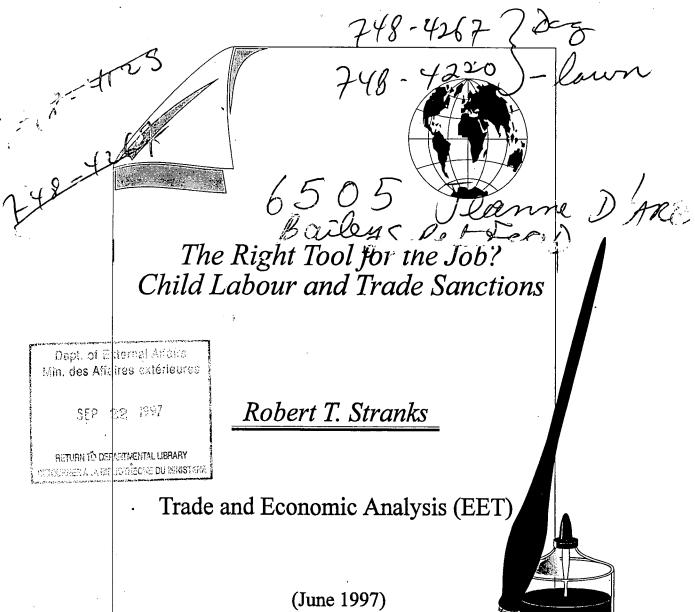


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# The Right Tool for the Job? Child Labour and Trade Sanctions

This Commentary focuses on one part of the trade and labour nexus.<sup>1</sup> It considers the use of trade sanctions, i.e., a trade instrument, as a response to certain child labour practices. Public pressure to react to child labour practices in foreign countries with which Canada trades, often expressed by advocating trade sanctions, is strong and persistent. For the good of all concerned, however, there is a need to avoid hasty responses. This Commentary sets out some of the characteristics of child labour and suggests that trade sanctions are an ineffective means of addressing the root causes of child labour. The paper highlights that there are many facets to consider in evaluating whether a child's work is either developmental or exploitative in nature, and that the nature of each requires different policy responses. The Canadian public needs to distinguish between these two broad types. While the Canadian government in the formation of its foreign policy needs to take account of both types of child labour, policy responses to the exploitation of children are the most pressing.

## **Human Rights for Children**

The prohibition of the exploitation of children, rather than the abolition of child labour, is the emphasis of the most widely-ratified relevant international instruments.

In September, 1990, the United Nations Convention on the Rights of the Child entered into force, and since that time has received almost universal ratification. The Convention, which defines children as people under the age of 18, sets out that children's "best interests" must be taken into account at all times. It recognizes the right of children to be protected from economic exploitation and from performing work harmful to the child's development, and requires states to take measures to ensure this protection. While there is no formal complaint mechanism under the Convention on the Rights of the Child, a United Nations Committee on the Rights of the Child has

¹ For broader works on international labour standards and trade see: G. Schoepfle and K. Swinnerton, (eds.), International Labor Standards and Global Integration: Proceedings of a Symposium, U.S. Department of Labor, Washington, D.C., 1994; OECD, Trade, Employment and Labour Standards: A study of core worker's rights and international trade, 1996; and, Robert T. Stranks, The New Jerusalem: Globalization, and Some Implications for Canadian Labour Policy, Foreign Affairs and International Trade, Policy Staff Paper No. 94/02, February 1994. The international labour and trade interface is in turn part of the wider question of how economic growth and development may contribute to social development, for example, to the quality of life of children.

been established to monitor the compliance of parties. The Committee reviews the reports submitted regularly by each party with a view to identifying areas for improvement.

Several other international declarations, while not specifically addressing children, set out fundamental human rights for all persons. These include: the Universal Declaration of Human Rights, the International Covenant on Social, Economic and Cultural Rights, the International Covenant on Civil and Political Rights (ICCPR), the Slavery Convention and the Supplementary Convention concerning Slavery. Together, these international instruments prohibit the holding of anyone, including children, in servitude or in slavery.

#### **ILO** Instruments

The International Labour Organization (ILO) has approached child labour not as an explicit set of human rights or violation of rights, but as an age threshold issue. Through ILO Convention 138, concerning Minimum Age for Admission to Employment, an effort was made to prohibit child labour below the age of fifteen (with some exceptions for thirteen and fourteen year olds). But a large number of countries have not ratified Convention 138 because it is considered too complex to fully apply and does not distinguish between exploitative and non-exploitative child labour. Canada has not ratified it because some provinces allow employment that is beneficial to children below the ILO age threshold.

In the ILO, generally countries that have not ratified a convention are not subject to review, with the exception of periodic surveys on general topics.<sup>2</sup> This, however, is changing and the ILO is currently embarking upon a complex process of identifying options and considering proposals on a range of monitoring and supervisory mechanisms for ILO conventions and other ILO instruments. A good first step is that the ILO Governing Body has adopted a proposal to apply a "fast track" version of its constitution's article 19 reporting procedures to several conventions, including Convention 138. Under the fast track, starting in 1997, the ILO, on a rotational basis, will require nonratifying members to submit reports on the implementation of, and

<sup>&</sup>lt;sup>2</sup> An important exception to this is that the Constitution of the ILO requires that all members accept the principle that the freedom of expression and of association are essential to sustained progress. In addition to the regular supervision, a special body, the tripartite Committee of Freedom of Association of the Governing Body, examines complaints on alleged violations of the ILO freedom of association Conventions. Complaints, and the subsequent examination, may be raised against countries that have not ratified the freedom of association Conventions.

obstacles to, ratification of selected ILO conventions. In the year 2000, Convention 138 is scheduled for reporting. Yet while this has the potential to be an important step for furthering management of the issue and understanding concerns relating to child labour, there is much more to child labour than compliance with Convention 138.

The limitation of Convention 138, with its focus on age, has been internationally recognized. There is currently no ILO convention that defines and seeks to eradicate the worst abuses associated with child labour practices. There is growing support to negotiate a new convention on child labour that would be operationally more effective. Such a convention would address exploitation of child workers, rather than age in-and-of-itself. A new ILO convention, which to be effective would need to take real steps toward the elimination of the most intolerable forms of child labour, could be adopted by the ILO as early as 1999. During 1998 and 1999, Canada will play a lead role in seeking a strong, simple and ratifiable convention which can apply to countries with different levels of development. As always in this context, individual countries would be free to make their own decisions on ratification.

The ILO has been active in addressing aspects of child labour aside from Convention 138. In recognition of the several dimensions of the problem, the ILO Labour Office has established an International Program for the Elimination of Child Labour (IPEC).<sup>4</sup> This program is action rather than rules-based oriented. Launched in 1991, the IPEC works with NGOs and government partners in many developing countries. The IPEC seeks to mobilize understanding and action among social partners in addressing child labour, and seeks to remove children from exploitative working conditions by providing alternative options such as access to educational institutions.

#### Characteristics of Child Labour

Child labour encompasses a very broad range of actual work experiences. As noted earlier, there is a critical need to distinguish between exploitative and non-exploitative child labour. Work experience may have to varying degrees positive or negative impacts on a child's development and future opportunities. An initial step for

<sup>&</sup>lt;sup>3</sup> At the March 1996 session of the ILO's Governing Body, a decision was made to place child labour on the agenda of the 1998 International Labour Conference with a view to the adoption of new international labour standards, particularly with a priority on action to halt the most intolerable forms of child labour. This decision was subsequently endorsed by a resolution adopted at the June 1996 International Labour Conference.

<sup>&</sup>lt;sup>4</sup> Canada has provided financial assistance for this program.

understanding this issue is having some idea of the size and distribution of the child labour workforce.

The actual number of children working, defined as working in either the formal or informal sectors of the economy by persons under 18 years of age, is unknown. It is particularly difficult to obtain reliable estimates on the number of children engaged in domestic labour and the conditions under which the work is performed. But this in no way diminishes the importance or distorts the fundamental problems embodied in the child labour issue. Best estimates are that between 250-350 million children are working in some capacity. The most populous region, Asia, is thought to account for the majority of child labourers. However, Africa may have the highest number of children working as a percentage of the total child population. Millions of children also work in Latin America, Central and Eastern Europe, and the developed OECD countries. Child labour appears to a global phenomenon.

Absolute numbers say nothing of the type of employment or the working conditions of child labourers. While child labour occurs in both developed and developing countries, the characteristics of the work experience significantly differ. By-and-large, child workers in the developed countries face less onerous working conditions. Child workers in the developed countries are also most often considered to be working by choice rather than by necessity. Conversely, it is widely thought that children in the developing countries work primarily because they are poor and/or lack educational alternatives. Though normally paid less than adults, or in the informal sector possibly not paid at all<sup>6</sup>, child labourers in developing countries are often important contributors to the household's welfare.<sup>7</sup>

<sup>&</sup>lt;sup>5</sup> The most authoritative source is the ILO. In a recent International Labour Office report of the ILO, Child Labour: Targeting the Intolerable, it is estimated that some 250 million children between the ages of 5 and 14 are working in developing countries. Of this total, 120 million children are full-time workers, and 130 million work part-time.

<sup>&</sup>lt;sup>6</sup> In this paper, references to child workers in the informal sector refers to children who are self-employed, work for their parents in a domestic or agricultural capacity, partake in casual and irregular wage work, or are employed in small-scale enterprises in manufacturing or services. By contrast, work in the formal sector refers to larger-scale enterprises with more regulation of work conditions. See David Wield, "Unemployment and Making a Living," in Tim Allen, Alan Thomas, (eds.), Poverty and Development in the 1990's, Oxford University Press, Oxford, 1995, p.65.

<sup>&</sup>lt;sup>7</sup> Surveys in selected areas of Ghana, India, Indonesia, and Senegal revealed that many working children under 15, often 70-80%, are unpaid family workers. See International Labour Office, <u>Child Labour Surveys</u>, <u>Results of methodological experiments in four countries 1992-93</u>, Geneva, 1996.

An erroneous public perception is that most child labourers in the developing countries are employed in export sectors in the formal economy. The vast majority of workers, on the contrary, are in domestic sectors, particularly agriculture and services. The evidence suggests that in developing countries child labour is particularly prevalent in rural areas. Current data suggests that as little as 5-10 percent of child workers are employed in export sectors.<sup>8</sup> Thus, only a small percentage of products and services produced by children enter world markets.

In regard to exploitative labour, as opposed to labour more broadly, there are additional uncertainties. There is only anecdotal evidence on the extent of such exploitation, and by its very nature information on exploitation is difficult to obtain and to verify. The most spectacular media attention has tended to report on conditions in the developing countries, such as children in the rug-making industry. This reporting is factual but needs to be seen in context, as exploitation also occurs in the developed countries. While like child labour, child exploitation is a global phenomenon, the information available indicates that exploitation is more widespread in developing countries than the OECD countries.

### The Traffic Light Approach

As an analytical tool to simplify the understanding of child labour characteristics and possible policy responses, a "traffic light" approach has been developed. Along a conceptual line of child labour practices three nondiscrete categories are placed: (1) exploitation (2) potential detrimental labour and (3) positive labour. This conceptualization may be thought of as a traffic light: red for exploitation that must be stopped; yellow for potentially detrimental practices that require caution; and green for positive labour experiences and practices for children that might even be encouraged under certain circumstances. The traffic light in essence attempts to capture the impact of labour, in both the informal and formal sectors, upon a child's development. It is, however, a conceptual device. Governments and international organizations need to undertake the difficult task of defining the key characteristics of each of the "lights" and identifying how many children fall into each category.

<sup>&</sup>lt;sup>8</sup> Arne Melchior, "Child labour and trade policy," in Grimsrud B. and Melchoir A. (eds.), "Child labour and international trade policy", a paper prepared for the OECD-DNMEs Workshop, Paris, 3-4 October 1996, p.7. The paper states that "the available evidence suggests, as an uncertain estimate, that 5-7 per cent of child labour in developing countries is related to the export sector."

Child Labour "Traffic Light"

Exploitation (RED)

Virtualslave-like employment, e,g., domestic helpers in abusive work conditions, prostitution, child soldiers.

Potentially Detrimental (YELLOW)

Positive work experience that if undertaken excessively can hinder a child's development, e.g., family agricultural work, work on a plantation that seriously affects school attendance.

Positive (GREEN)

Positive impact on a child's mental, physical, or social development, e.g., work in newspaper delivery.

Exploitation. In a world of relatives, there are nevertheless some absolutes. One is that the exploitation of children is unacceptable. There is no argument in support of the exploitation of children. The immediate focus of international attention is increasingly on the eradication of child exploitation, i.e., child prostitution, de facto slave labour, and children working in unambiguously dangerous conditions. Nor is child exploitation necessarily a conceptual grey area. There are a number of cases of child exploitation that are fairly well known and documented. These include such cases as children being forced to labour on construction projects in Myanmar, and children being supplied to brothels in Thailand. Nonetheless, in some countries, the existence of what amounts to child slavery is officially denied.

Potentially Detrimental. The potentially detrimental category is difficult to describe along neat lines. This obscurity arises from the nature of the category; it encompasses trade-offs and subjective valuations. It is a category that is a continuum from clear exploitative labour abuse to uncontested positive work experiences. It raises the question of balance, of when a child labourer moves from a positive experience to a more abusive condition that is not in the child's interest. Because of this, simplistic labels on the types of jobs performed by children are not very helpful. A youngster employed in childcare could include the positive experience of part-time baby sitting or it could refer to near slave-like conditions. The question of alternatives to a given work experience, such as access to schools or to alternative employment, also arises.

UNICEF's State of the World's Children 1997, for example, reports that in

<sup>&</sup>lt;sup>9</sup> It is worth emphasising that this statement refers to the child's interest, not the interest of the child's parents or guardians. This is itself a subjective point, as it may be debated who best determines the child's interest.

Malaysia children may work up to seventeen-hour days on rubber plantations. Is this a potentially detrimental labour practice? Several factors need to be considered. First, the time involved. In this example, few objective observers would argue that seventeen hour days are not excessive and are detrimental to a child's development. But even if the work hours were significantly shorter, such labour could still be detrimental. Specifically, the age of the worker is as important as is the precise nature of the work involved. Heavy labour for small children may well be exploitative in nature. This leads to the possibility of subdividing the category on the basis of age. For example, for the youngest children, perhaps under twelve, anything beyond domestic chores could be considered candidates of detrimental labour practices. For slightly older children, in the twelve-fifteen group, the question of work in a location that removes a child from his or her social support network arises. In both cases, there is a need to consider child labour in more specific terms than currently addressed by ILO Convention 138.

Yet the degree to which specific work conditions is undesirable is subjective and often contextually defined (such as the general level of economic development or a family's need for a child's income to provide for basic necessities). Indeed, certain high paying jobs performed by children in either developed or developing countries, such as acting or modelling, could in specific circumstances have adverse effects on the child workers. The element of subjectivity is a reason that the ILO Convention on Minimum age is unacceptable to many countries. It is considered a blunt and often inappropriate instrument. The age of a child worker should not in itself suggest that a work experience is detrimental to the child. This points to a need for an international consensus on specific conditions of work and employment that would be considered not only exploitative but also potentially detrimental, a not insignificant task, but a necessary one if the negative elements of child labour are to be effectively addressed.

Positive Labour. As with the yellow category, what types of work and the specific conditions of the work needed to be considered a positive labour experience are debatable. The intent of the category is to recognize work experiences that would enhance a child's development. Such work could be physically, mentally or spiritually rewarding. An important element to consider is health and safety factors. A child may be unaware of health or safety risks involved in a specific type of work. If a child is put at risk, even if the child is unaware of the risk, such work could not be considered beneficial for the child. The principle of choice is relevant here. Positive work experiences are most likely to occur when a child understands the nature of the work to be performed, and can accept or reject the work without suffering adverse

conditions by choosing not to work.<sup>10</sup> Informal as well as formal types of work may be beneficial for children. This is not always recognized by various levels of government authority, where informal workers are regarded often as delinquents rather than as workers.<sup>11</sup>

### **Sanctions**

With this analysis before us, what can be said of the trade-child labour linkage. First, the public's apparent confidence that trade policy, specifically the use of trade sanctions, is a panacea for child labour problems is misplaced. For sanctions to effectively achieve a foreign policy objective, as opposed to the domestic political objective that "something is being done," there must be a special set of circumstances. The effectiveness of trade sanctions addressing the root causes of exploitative child labour are highly questionable. As noted above, while data on child labour are less than satisfactory, the figures available appear to indicate that only a very small part of child labour is related to internationally- traded goods.

If the policy objective is to lessen or eliminate the exploitation of children in certain sectors, there is no assurance trade sanctions will accomplish or contribute to this more limited goal. Simply seeking to abolish certain child labour practices lacking viable alternatives could make the situation worse by forcing working children into the worst forms of exploitation. This is reportedly the outcome of the Harkin Bill, which was introduced into the US Congress in 1992. While the bill, which would prohibit the import of products made by children under 15, has not been passed, the threat of such legislation has already driven children into more exploitative and vulnerable

<sup>&</sup>lt;sup>10</sup> Obviously, many factors, such as economic need, would influence the degree to which a child could accept or reject any specific form of employment.

<sup>&</sup>lt;sup>11</sup> Michel Bonnet, "Child Labour in Africa," <u>International Labour Review</u>, Vol.132, No.3, 1993, p. 389.

Two key points to consider when considering the imposition of sanctions are the characteristics of the sanctioner or sanctioner group, and the characteristics, i.e., vulnerability, of the target country or countries. The fundamental question is: are there some characteristics, economic but also political and social, that improve or decrease the prospects for the successful use of sanctions? In instances where third country "sanction busters" exist, it would likely be more difficult for sanctioner countries to achieve their policy objectives. See Robert T. Stranks, "Economic Sanctions: Foreign Policy Foil or Folly? Policy Staff Commentary No. 4, Department of Foreign Affairs and International Trade, May 1994.

positions.<sup>13</sup> Some US Congress representatives have also proposed that investment and development assistance be curtailed on the basis of child labour practices. Again, it is questionable whether reducing investment and restricting work opportunities will make child workers directly, or indirectly through their parents, any better off.

Secondly, the international instruments defining child labour and child exploitation are not precise. There are currently no guidelines for identifying detrimental child labour practices. This lack of rules could prove particularly dangerous for highly trade-reliant countries including Canada. Clear rules are required to set out what practices fall within the potentially detrimental category. In the absence of multilateral agreement on a rules-based approach, sanctions might be used selectively by major trading powers. Each trading partner could define, unilaterally and on the basis of domestic political sensitivities, what practices were or were not detrimental or exploitative. Such actions could be motivated by protectionism, would undermine predictability in the international trading system, and could ultimately prove harmful for the system. One could also question why some countries would pursue trade sanctions against others when their domestic record on child labour is less than sterling.

Effective solutions to child labour must be based on the reduction of chronic poverty through broad-based economic and social development, with a strong emphasis on human resource development. Multifaceted and complex, managing the child labour issue will require a wide-arranging multi-dimensional and multi-institutional approach. In this regard, Canada should continue to actively participate, if not strengthen its participation, in the ILO, with its tripartite membership of government, business and labour representatives, and encourage the ILO's membership to negotiate an effective new convention on child exploitation. To be effective, a convention or an accompanying ILO recommendation would also need to address guidelines for identifying detrimental practices as well as outright exploitation. This raises a

<sup>&</sup>lt;sup>13</sup> UNICEF, State of the World's Children 1997, Final version of 19/9/96, Chapter 2, p.3.

<sup>&</sup>lt;sup>14</sup> At the Conference on Child Labour, Amsterdam, February 1997, the Director-General of the ILO, Mr. Michel Hansenne, in his address entitled "Combating the Most Intolerable Form's of Child Labour: A Global Challenge" set out the ILO's thinking on a new convention. The new convention would focus on the most intolerable forms of child labour; would apply to all children under the age of 18; and, would oblige ILO member States to suppress immediately all extreme forms of child labour. This would include all forms of slavery or practices similar to slavery; the sale and trafficking of children; forced or compulsory labour, including debt mortgage and serfdom; the use of children for prostitution or in pornographic activities; and, the engagement of children in any kind of dangerous work.

significant challenge for the ILO, as past conventions have tended to be general in nature as noted above. Equally challenging, and again not the normal ILO practice, an exploitation convention would require a comprehensive monitoring mechanism. Such a mechanism would need to be more than governments reporting on their practices, and would likely require an enhanced investigative capacity within the ILO.

Nonetheless, multilateral initiatives have limits. Most importantly, it must be recognized that the real instruments to combat child labour are within national/domestic jurisdiction. Multilateral efforts can support national efforts but it is domestic policy choices that will in the end determine how children are employed. As long as there are strong economic incentives, or the need to work for survival, even the most progressive domestic legislation that seeks to regulate child labour is unlikely to prove effective. The history of the developed countries has been one of economic and social development, paralleled by fewer onerous child labour practices. A recent case in Taiwan suggests that developing countries may follow a similar development pattern, legislation is not enough, and trade sanctions may bring more harm than good. A study focusing on Taiwan concluded that the "success of Chinese Taipei in eliminating child labour has not only been through legislation, but also more importantly through a free education system and decentralized industrial development." <sup>15</sup>

Of the non-domestic instruments available, multilateral and unilateral development assistance offer the greatest promise in addressing the negative aspects of child labour. Canada's aid policy, set out in the 1995 foreign policy review Canada in the World is based on the understanding that an effective development assistance program begins with the recognition that development is a complex process and that a number of conditions must be met before it takes permanent root. Canada's aid objective is to support sustainable development in developing countries, in order to reduce poverty and to contribute to a more secure, equitable and

<sup>&</sup>lt;sup>15</sup> Ping-Lung Hsin, "Elimination of Child Labour in Chinese Taipei" Chung-Hua Institution for Economic Research, Chinese Taipei, in a paper prepared for the OECD-DNMEs Workshop 3-4 October 1996. p.7.

<sup>&</sup>lt;sup>16</sup> In respect to child labour, other multilateral or international (bilateral or unilateral) instruments that may influence trade and investment include: product-labelling mechanisms that identify items as being free of child labour; codes of conduct on investment and working conditions for multinational enterprises; and codes of conduct for commercial imports.

<sup>&</sup>lt;sup>17</sup> Government of Canada, Canada in the World, 1995.

prosperous world."<sup>18</sup> Looking below the surface, this objective recognizes the challenges inherent to certain types of child labour. But aid programs must be more explicit in how they address child labour and exploitation.

A child labour impact assessment as part of a broader social assessment could help to clarify priorities and the impact of development assistance. Such an assessment would identify possible red, yellow, and green outcomes with respect to child labour if the above analysis were to be accepted. In turn, the social assessment would be a constituent part of a sustainable development assessment that would consider the three pillars of sustainable development (i.e., economic, social, and environmental) and the relationships and linkages between and amongst the pillars. Canada should also encourage the World Bank and other international financial institutions (IFIs) in their efforts to become more sensitive in their policy framework and operational project development to child labour.<sup>19</sup>

Implicit to the strategy that an effective solution to child labour problems is found in broad-based economic development and social reform is the recognition of the value of education for both the parent and the child. Education of children may well be the most important factor in reducing child exploitation and detrimental work experiences. Universal availability of education is a wise investment for developing countries. Numerous studies suggest that there is a link between education and labour productivity. Economies with better educated workers have higher income levels.<sup>20</sup> Education is part of a complex social phenomenon. Education can break a vicious cycle of child exploitation, as parents would have more income and arguably less interest in having their child work. Moreover, the parents would also see education as a means for higher income for their children, and, if self-interested, possibly as income for themselves in later years.

All of this, however, assumes that there is a sound educational system in place or one that can be established. Cramped classrooms in dilapidated buildings with few teaching resources are unlikely to provide what most people would consider to be a

<sup>&</sup>lt;sup>18</sup> Ibid., p.42.

<sup>&</sup>lt;sup>19</sup> For example, Canada has called for the African Development Bank to factor labour standards and rights, including child labour, into the country analysis provided in Country Strategy Papers, the main planning documents guiding the Bank's lending operations in regional member countries.

<sup>&</sup>lt;sup>20</sup> George Psacharopolous, "Return to Investment in Education: A Global Update," World Bank Policy Research Working Paper No. 1067, Washington, D.C.: World Bank, 1993.

basic education. Nor are such schools likely to provide vocational qualifications that will prove to be assets in the formal employment market. This in turn will discourage attendance at such institutions.<sup>21</sup> Consequently, development assistance and domestic resources for the establishment of an effective education system should have a consistently high policy priority.

#### Conclusion

Public interest in Canada and abroad in the issue of labour standards in general and the exploitation of children workers in particular will continue to grow as free trade and economic integration characterize increasingly the world economy. It is essential to engage Canadians in a well-founded discussion on how best to tackle these issues.

This paper makes the point that the trade-child labour issue and debate needs to be fundamentally recast. It should not be seen as an explicit issue with trade rules or trade measures having the potential of addressing child exploitation and labour problems. Child exploitation is not foremost a trade issue, and the eradication of abuse cannot be accomplished through the trading system. In an institutional context, placing overly high expectations on the WTO are misplaced. The WTO cannot effectively address the root problems of child labour or child exploitation. This institutional constraint was recognized at the WTO Ministerial Conference in December, 1996.<sup>22</sup> The trade-child labour nexus is part of a much larger issue, an issue that requires a holistic approach if effective solutions are to be found. An effective response toward child labour requires broad-based multilateral trade liberalization, well-targeted multilateral/unilateral development assistance, domestic social and economic reform, and for the worst forms of child exploitation, a change in social attitudes. Nor should the public consider child labour in a rigid North-South

<sup>&</sup>lt;sup>21</sup> Michel Bonnet, "Child Labour in Africa," <u>International Labour Review</u>, Vol.132, No.3, 1993, pp. 376-79.

<sup>&</sup>lt;sup>22</sup> Paragraph 4 of the Singapore Ministerial Declaration reads: "We renew our commitment to the observance of internationally recognized core labour standards. The International Labour Organization (ILO) is the competent body to set and deal with these standards, and we affirm our support for its work in promoting them. We believe that economic growth and development fostered by increased trade and further trade liberalization contribute to the promotion of these standards. We reject the use of labour standards for protectionist purposes, and agree that the comparative advantage of countries, particularly low-wage developing countries, must in no way be put into question. In this regard, we note that the WTO and ILO Secretariats will continue their existing collaboration."

context as the evidence referred to above suggests it is a global issue. Canadian foreign relations with all countries, developed and developing, need to take into account child exploitation problems.

The scope of the child exploitation and child labour challenge should not be underestimated. Complex social, political, and economic factors need to be taken into account. Emphasis on domestic legislation and a legal approach to child exploitation will likely prove to be inadequate. Labour legislation applies to the formal sector, which constitutes only a small part of child workers and exploited workers. Equal emphasis must be given to the informal sector - domestic household workers or small scale agriculture, where child labour is most common. It may well prove impossible to fully eradicate child exploitation as effective solutions imply significant changes in social attitudes and human behaviour.

Effective action against child labour is difficult because the practice is embedded in the socio-economic and cultural structure of many societies. Positive change is possible, but depends primarily on national and local commitment, supported/complemented by concerted international action. In some countries, certain groups hold far from egalitarian views. In India for example, some segments of society believe that children workers from lower-castes is perfectly acceptable, although the same segments of society would strongly object to, and resist having, their own children employed in substandard conditions. This type of social acceptance makes it difficult to attack child labour, particularly in cases where the political ruling class holds such attitudes.

Economic development is not a panacea for child exploitation. Reductions in poverty will work toward reducing the number of children vulnerable to exploitation, but will not eliminate it. The world as a whole has experienced unprecedented levels of economic growth in the post-war period. Exploitation in developed countries cannot be attributed to lack of economic development or only the options for the poor. Indeed, the whole of the exploitation category cannot be justified on development grounds. Nor is child exploitation a simple question of the distribution of income. It is really a broader question of who holds political and social power and the ends that those in power seek. Children are exploited because the exploiters find it in their best interest to do so. This is greed and selfishness which has at least as much to do with social attitudes as the level of economic development. While written in reference to labour conditions in early nineteenth century England: "For it was not merely bad employers but bad parents living on their children's labours, who required watching,"



the diagnosis and the implied solution is equally appropriate today.23

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<sup>&</sup>lt;sup>23</sup> G. M. Trevelyan, <u>Illustrated English Social History: Volume 4: The Nineteenth Century</u>, Pelican Books, 1964, p.153.



