COVID-19 and Child Labour in India: Challenges and Way Forward

Policy brief
**Introduction**

The rapid spread of the novel Coronavirus (COVID-19) across the developed countries of the Global North and the low and middle-income countries of the Global South attested to the fact that the this pandemic is one of the greatest levelers. It has led to a rise in death tolls, disrupted trade, mobility and livelihood of millions of workers across the world. It has exposed the strengths and weaknesses of health infrastructure as well as social security systems of both developed and developing countries. However, the pandemic has disproportionately affected low and middle income countries, and even more so when it comes to the poor. As compared to developed countries, the multi-layered vulnerability and deprivation of poorer households, with the least financial capacity, without access to work, income and food has induced distress in developing countries like India (ILO 2020). As a result, the economic and labour market shocks have had a huge impact on people’s lives and livelihoods.

As families from poor and vulnerable groups fall deeper into poverty and illness, with limited access to employment opportunities and social security measures, the likelihood of their children assuming economic roles has increased. Estimations suggest that one percentage point rise in poverty leads to at least a 0.7 percentage point increase in child labour\(^i\). Thus, there are strong chances of more children entering the labour force, and increased risk of exploitation for the ones that are already working. According to ILO (2020) there are an estimated 152 million children in child labour, 72 million of which are in hazardous work\(^ii\). These children are now at even greater risk of facing circumstances that are even more difficult and working longer hours.

**The Indian context**

According to Census 2011, the total number of child labourers in India between 5-14 years is 4.35 million (main workers) and 5.76 million (marginal workers), which comes to a total of 10.11 million. Unfortunately only main workers are considered as child labour in government reports. Furthermore, the total number of adolescent labourers in India is 22.87 million, bringing the total figures for child and adolescent labour (5-18 years) to 33 million. 56% of the working adolescents are no longer studying (Census 2011). The next round of census in India is due for 2021, and with the impact the COVID-19 pandemic has had on the economy, these numbers are likely to see a sharp rise, unless concerted efforts are made to improve not only the public health system, but also social security, education and child protection measures.

As the fifth largest economy, India has recorded over 72 lakh confirmed cases with more than 1 lakh deceased (MoHFW 2020)\(^iv\). The promulgation of the national lockdown, though important for containment of virus spread, has negatively affected the economy that was already registering a slower growth rate, increased unemployment rates and decline in consumption expenditure. Estimates reveal that by the end of September 2020 the unemployment rate in India was 6.67% with urban areas having greater unemployment rates (8.45%) as compared to rural areas (5.86%) (CMIE, 2020)\(^v\). The initial months of the pandemic saw a massive movement of migrant workers across the country. The worst have been daily wage workers and those employed by small businesses. Livelihoods of more than 40 million internal migrants have been affected due to COVID-19 (World Bank, 2020)\(^vi\). The condition of children between 15-18 years, who migrated for employment, is likely to be even more deplorable; employers are seeming to either hide or desert them without giving any financial dues. The children working under hazardous conditions are at extreme risk as employers due to the illegal nature of act cannot disclose their identities, and hence it is challenging to rescue them or feed them due to the current movement restrictions.

In urban areas, the loss of livelihood opportunities resulted in millions of footloose workers heading back to their source states. The children, who migrated with their parents, faced several hardships en route their destination along with hunger. In all likelihood, these children are deprived of immunisation, basic health and education needs. The massive reverse migration of workers created a deficit in labour supply in destination cities.
Recent labour law changes and its impact on child labour

With a view to boost production, states such as Rajasthan, Gujarat, Punjab, Himachal Pradesh, Uttar Pradesh, Maharashtra, Karnataka, Andhra Pradesh, Madhya Pradesh, Odisha and Assam have amended the Factories Act, 1948 through an ordinance that would allow companies to extend a factory worker’s daily shift to 12 hours per day and six days a week (72 hours) from the existing eight hours per day, six days a week (48 hours). Most of these states also have a high burden of child and adolescent labour. On 14th May 2020, The International Labour Organization (ILO) expressed “deep concern” over the labour law amendments and exemptions initiated by these states. It has appealed to the Government of India to intervene as these amendments are not in keeping with global labour standards and violate ILO convention No 144 which calls for tripartite consultations among government, employers and workers before arriving at a decision. Nonetheless, the changes in labour laws are continuing across many states (Live Mint, 2020). In these difficult times, when poorer households need more fiscal stimuli and relief, these relaxations to the existing labour laws will have a strong bearing on child labour even if the child labour legislation remains unchanged.

Relaxations in labour laws will informalise the formal sector in the sense that multiple labour market securities like employment, health and safety, skills, income risk being weakened or destroyed (Shyam Sundar and Sapkal, 2020). This will pose two sets of challenges first for those workers who are presently employed and will likely be unregulated after the changes in labour laws. Secondly, to those workers who are returning home, and will exert an undue upward pressure on the supply of labour, pushing down the wages and will open a space for exploitative practices. In other words, these changes have dispossessed workers from their legal rights and would create exploitative and inhumane conditions of work, inadequate means of livelihood and discrimination. Additionally, in order to encourage new firms and to attract foreign direct investment, the dilution of labour laws also has led to weakening of labour market institutions that regulate the entry and exit of firms. This is likely to reduce the effectiveness of monitoring standards of the working conditions of hazardous industries including those laid down in the Environment Protection Act of 1986 (u/s 2F) (i.e. moving towards the online clearance).

According to the Sixth Economic Census, 97.39 million (45%) work in establishments without any hired worker; whereas, 118 million (55%) of workers are employed in establishments with at least one hired worker. Broadly, the former category falls under the Shops and Establishment Act and the latter under the Factories Act, 1948. As per the annual report of Directorate General Factory Advice Service, there are 31,602 factory units registered under the hazardous industry category employing 1.97 million workers in 2013. This increased to 32,956 units employing 2.32 million in 2014 u/s 2(CB) of Factories Act, 1948. Due to the employee threshold criteria of the Factories Act, 1948, 169.3 millions of workers who legally may not be working in the scheduled hazardous industries but are engaged in hazardous processes are completely excluded from the purview of occupational safety and health laws.
Since children and adolescents are more vulnerable and have lesser bargaining power compared to adults, these labour law relaxations may lead to increase in hazardous work and other worst forms of child labour, including forced labour, debt bondage and human trafficking. It is estimated that 2.7 million adolescent labourers are engaged into these industries (Samantroy, Sekar and Pradhan, 2016). The inspection rate carried out under the Factories Act 1948 has declined from 63.1 % in 1985 to 8.1 % in 2014 (See Figure 1), indicating that there has been a gradual defacto flexibility due to lapses in enforcement.

Therefore, the further relaxations in mechanisms for monitoring and oversight might accelerate economic recovery in light of the COVID-19 pandemic, but it might also prevent workers from reclaiming their labour rights, which could lead to increase in hazardous work and other worst forms of child labour, including forced labour and human trafficking.

As per the Child and Adolescent Labour Prohibition and Regulation Act 1986, the District Magistrate / Nodal Officer is responsible to ensure the implementation of the Act at the District level, including supervision and monitoring to ensure no child is employed in hazardous occupations and processes as well as the working condition of adolescent workers. However, this enforcement mechanism is weak due to several factors such as absence of updated state rules after the amendment of the child labour legislation, inadequate investment of financial resources in prevention, rescue and rehabilitation efforts for child and adolescent labour and so on.

**Unpacking the process of listing hazardous occupations and processes of child labour**

Since the legislative amendment of 2016, CRY and other civil society organisations are continuously providing suggestions to concerned Ministries and Departments for revisiting the Schedule to the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 containing the list of hazardous occupations and processes. The Economic Survey Report 2019-20 shows that nearly 80% of the work force in India comes from the unorganised sector with limited access to social security measures and employment benefits. With increasing economic crisis caused by COVID-19, there are strong chances of an increase in working children across all sectors and age categories. In such a scenario, it becomes even more important to pay attention to the plight of child labourers in India and move for legal and policy reforms to safeguard these vulnerable children.

In 2016, The Child Labour (Prohibition and Regulation) Amendment Act imposed a prohibition on employment
of child labour (i.e. a person below the age of 14 years) in any establishment whether hazardous or not. This was done to ensure that children below the age of 14 are able to exercise their right to free and compulsory education under the Right of Children to Free and Compulsory Education Act of 2009. Under the amended Act, a child is permitted to work only to help family, in family enterprise or as child artist after school hours or during vacations. The amendment has also inserted a new section that prohibits the employment of adolescents – children in the age group of 14-18 years. However, it prohibits employment of children and adolescents only in 1) mines, 2) in the production of inflammable substances or explosives and 3) the hazardous processes assigned with it in clause of the Factories Act, 1948. Thus, it gives a legal sanction for the employment of adolescents in all other sectors.

In the first version of the Child Labour (Prohibition and Regulation) Act 1986, the prohibition was only limited to 5 notified occupations and 48 notified process, which was extended to 13 occupation in Part A and 51 notified processes in Part B on 29th March 1994. Later, the notified occupations were increased to 15 in Part A and 57 notified processes in Part B with vide order dated 27th January 1999. Subsequently, the notified occupations were further increased to 18 in Part A and 65 hazardous processes in Part B on 25th September 2008. The amendment to the child labour act in 2016 prohibited employment of child and adolescent labour in the combined list of 38 hazardous occupations and process in the Part A of Schedule.

In Part B of the Schedule, a total 15 occupations and 54 processes are restrained from employing child labour. However, Part B permits the employment of adolescents under regulated work conditions. As a result, one can infer that the earlier appended list in Part A and B combined to (18 occupations and 65 hazardous process) 83 occupations and processes amended until 2008 was reduced to only 38 hazardous processes in after the amendment to the child labour legislation in 2016. This gradual reduction in the number of occupations and hazardous processes from Part A and B of the said Act is likely to pose serious problem on identifying the production processes that employ child labourers. Additionally, new industries and firms which use hazardous process will also be able to escape from the purview of Child Labour Act, which could lead to an increase in overall numbers of child and adolescent labourers.

Amendments in the list of Occupations and Processes identified under the Child Labour Act-

<table>
<thead>
<tr>
<th>Year</th>
<th>Amendments in Part A (Occupations)</th>
<th>Amendments in Part B (Occupations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>5</td>
<td>48</td>
</tr>
<tr>
<td>1994</td>
<td>31</td>
<td>51</td>
</tr>
<tr>
<td>1997</td>
<td>15</td>
<td>57</td>
</tr>
<tr>
<td>2008</td>
<td>18</td>
<td>65</td>
</tr>
</tbody>
</table>

Source: Malik (2017)
or effluents thereof would- (i) cause material impairment to the health of the persons engaged in or connected therewith, or (ii) result in the pollution of the general environment. The list of the Factories Act, 1948 contained 29 “hazardous processes”. The Environmental Protection Act of 1986, expanded the definition of hazardous process to include resultant pollution of the general environment, and its appended list contained 104 processes that were deemed to be perilous and unsafe for working environment. The notification for the same was issued on 10th February, 1986. This list continued as a principal list for granting industrial licenses and identifying the hazardous process for ensuring Work and Safety Standards at the workplace.

Therefore, when it comes to child and adolescent labour, it is imperative to take into account the definition of hazardous process under Environmental Protection Act, 1986 rather than Factories Act of 1948 as it covers range of hazardous process which was not updated in the Schedule 1 of Factories Act. The Schedule to the child labour legislation must be revisited keeping in mind aspects such as resultant pollution to the environment, and ensuring work and safety standards as per the Environmental Protection Act, 1986. The very fact that the current Schedule to the child labour law misses out on several peripheral activities identified under Environment Protection Act as well as the Factories Act, 1948, makes a case of having a child-centric definition of what constitutes as a ‘hazardous’ activity in the context of children and adolescents and having stricter processes for ensuring standards for industrial safety. Another critical aspect to consider is India’s commitment to the UN Convention on the Rights of the Child (UNCRC) which ensures protection of all rights of all children, especially those from vulnerable communities. Thus, revisiting the child labour legislation using a ‘child –centric’ approach is indispensable to address the issue of child and adolescent labour in India.

Child helping family and in family enterprises

The 2016 amendment to the Child Labour Act permits children to ‘help’ after school hours or during vacations. Family or family enterprises, of which agriculture and its allied sectors is a large part, will fall under the category of self-employment and therefore children ‘helping’ family in agriculture is legally allowed.

Coming to family enterprises, the current economic slowdown caused by the COVID-19 will allow employment opportunities to be open for child and adolescent labourers in the domestic as well as high value export intensive low-wage-low-productive sectors which are typically run as small family enterprises. According to Periodic Labour Force Survey (2017-18), among the rural male, 95.1 per cent (in age group of 5-14 years) are attending the school and remaining are working as helpers in the family enterprises. In the age group of 15-18 years, 68 per cent are attending school and remaining are working as helpers or looking for employment. Among them 8.2 per cent of workers belonging to 15-18 years of age are engaged into the agriculture, forest and fishing industry and 5.3 per cent of workers engaged into the Manufacture of pharmaceuticals, medicinal chemical and botanical products industry. Similarly for the rural female, 94.1 per cent (in age group of 5-14 years) are attending the school and remaining is working as helper in the family enterprise. In the age group of 15 to 18 years, 53 per cent are attending the school and remaining working as helper in the family enterprise and casual labourers. In the same age group, approximately, 9 per cent of women workers are engaged into manufacture of tobacco products and textiles and the manufacture of pharmaceuticals, medicinal chemical and botanical products industry.

In the urban areas among male, 96 per cent and 69 per cent of workers in the age group of 5-14 and 15-18 years of age are attending school and higher secondary respectively. Among them 6.1 per cent of workers belonging to 15-18 are engaged into the upcoming trade service, furniture and construction sector. Among urban females, 96 per cent in the age group of 5-14 years and 71 per cent in the age group of 15-18 years are reported to be attending the schools and higher secondary. In the same age group 3.8 per cent of women workers report that they work as unpaid family workers and 1.2 per cent reports that they work as regular wage/salary workers in the urban areas.
Overall, the incidence of child and adolescent labour in family and family enterprise is quite high. With the Child labour legislation allowing children to help there is a strong chance of children being engaged as a key source to manage family enterprises or to help families. Some of these activities are also ‘hazardous’, but remain as ‘peripheral’ activities which are not monitored under the current Child and Adolescent Labour (Prohibition and Regulation Act), 1986 and are also beyond the purview of Factories Act, 1948 or the Environment Protection Act, 1986. As industries reopen with labour law relaxations and economic stimulus from the government, small family enterprises are likely to be critical contributors in the supply chain, thereby expanding the scope for employment of children.

As discussed earlier, with movement restrictions and school closures, there are strong chances of increased involvement of children as well as adolescents to ‘help’ family as well as in family enterprises. This risks not only the discontinuation of schooling for children, but also has the potential to impact their overall growth and well-being, as well as vulnerability to all forms of violence and abuse. Therefore, more evidence is needed on the nature and impact of children helping family and in family enterprises, in order to correspondingly strengthen legal provisions to protect children.

**Child labour and education**

The amendment to the labour laws as well as the demands of labour in agriculture and family enterprises will directly impact the situation of child and adolescent labour in India. Schools, globally, have been temporarily closed to reduce the spread of COVID-19. In India, school closures have affected 320 million students (UNESCO, 2020). The closure will disproportionately affect children who already experience barriers in accessing education, or who are at higher risk of exclusion such as child and adolescent labourers. Many schools have moved online with distance learning. Only 37.6 million children across 16 states are continuing education through various education initiatives such as online classrooms and radio programmes etc. (CRY-CBGA, 2020)\(^{xiv}\). It therefore is likely that for financial relief families may cut down on school fees, specially adolescents and specially girls. Since children are observing the struggle of their families related to the health and economic insecurities and the problems their families faced during reverse migration, they might choose to not return to the school and prefer working to contribute to the livelihood earning of the family.

**The National Child Labour Project**

The NCLP is running in 312 Districts across 21 States. According to the National Plan of Action for Children (2016) the target for ‘percentage of children in the age group of 5-14 employed as child labour’ was set at 0% which implies that the aim is to completely eradicate child labour. The Standard Operating Procedures for the Child and Adolescent Labour Prohibition and Regulation Act, 1986 clearly lays down the process for registering complaint, identification, rescue and rehabilitation of child and adolescent labour in India. Currently there are 620 District Nodal Officers for child labour\(^{xv}\).
As per data reflected by the PENCIL Portal, only 1.86 lakh child labourers have been identified and close to 94000 children have been mainstreamed since the launch of the PENCIL portal while census 2011 show much higher numbers. The Allocations towards the NCLP Scheme have been reflected below-

<table>
<thead>
<tr>
<th>Year</th>
<th>Allocation (in Rs. crore)</th>
<th>Expenditure (in Rs. Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>175</td>
<td>102</td>
</tr>
<tr>
<td>2015-16</td>
<td>250</td>
<td>93</td>
</tr>
<tr>
<td>2016-17</td>
<td>140</td>
<td>107</td>
</tr>
<tr>
<td>2017-18</td>
<td>160</td>
<td>102</td>
</tr>
<tr>
<td>2018-19</td>
<td>120</td>
<td>93</td>
</tr>
<tr>
<td>2019-20</td>
<td>100</td>
<td>79</td>
</tr>
<tr>
<td>2020-21</td>
<td>120</td>
<td>79</td>
</tr>
</tbody>
</table>

Source: Statement 12 and Union Budget Statements of various years

Allocations for strengthening implementation of the child labour legislation as well the National Child Labour Project would have to be increased to address the needs of all working children up to the age of 18 years. It would be beneficial to expand the coverage under the NCLP to remaining districts as there are several out of school children in India who are at imminent risk of entering the labour market, especially during crises such as COVID-19. The expansion of the NCLP Scheme may be done in a phased manner, with first phase targeting COVID-19 hotspot districts since the vulnerabilities of children, and risk of increase in child and adolescent labour are high.

The requirement for allocation increase to address the issue of child and adolescent labour in its entirety can only be determined once a complete survey of all working children across age groups is undertaken, including those that are below 14 years and are ‘helping family or family enterprises’.

**Child labour and child protection mechanisms**

The pandemic has revealed the strengths and weaknesses of the child protection system in India. The child helpline number 1098 is one of the key response mechanisms for child protection. There is a need to strengthen the same and ensure that it is functional in all NCLP Districts as well as those which have a high burden of COVID-19 confirmed cases. Latest data reveals that despite the existence of punitive measures under the child labour legislation, only 770 cases were reported (NCRB 2019). Child labourers are also identified as ‘children in need of care and protection’ under section 2(14) of the Juvenile Justice Care and Protection of Children Act, 2015. Therefore, they are liable to receive protection under various schemes and programmes, especially through the Child Protection Services Scheme (erstwhile ICPS) such as sponsorship, foster care and so on.
The way forward

The macro effects of the COVID-19 induced lockdown are being exacerbated by pro-market labour law reforms, rising unemployment rate and economic shock at the household level. It is further aggravated by reverse migration from urban to rural areas. Among many vulnerable groups, the children will be the first to be exposed to the adverse impact of these shocks due to their multilayered vulnerabilities and lack of voice, as many states are attempting to dilute the regulatory framework and slash down the protective rights entrusted to workers. It is therefore imperative to relook at the proposed changes in labour laws from the child rights perspective as well also. Further, there is an urgent need to revisit the definition of hazardous occupations and processes so that the system is more resilient and responsive towards the issue. Suggestive recommendations to address child labour include-

- Consideration for the indivisibility of children’s right to survival, development, protection and participation as enshrined in the UNCRC while developing interventions for them.
- Annual data collection on child and adolescent labour across hazardous occupations and processes mentioned in part A of the Schedule as well as those included Part B where adolescents are permitted to work.
- Gathering of data on embedded labour processes to identify involvement of children at each step and the dangers vis-à-vis their physical, psychosocial and cognitive development. This should include collecting data on nature of work and impact of children helping family and in family enterprises. This evidence will provide information on children and adolescents employed across all occupations and processes across sectors and support while defining hazards in the context of children.
- Conducting a headcount / census of migrant children and their families. This will enable developing a comprehensive plan for their rehabilitation using the Child Protection Services (CPS) Scheme and other mechanisms available through the NCLP and Child labour legislation.
- Generating awareness regarding child labour and ensuring effective functioning of Childline, especially in NCLP Districts. Expansion of NCLP programme to all Districts, with special focus on districts with high burden of COVID-19 cases and districts with high burden of reverse migration.
- Ensuring convergence between the Child Labour Prohibition and Regulation Act, 1986 and provisions of the National Education Policy, 2020 which proposes universal access to quality education for children between 3-18 years.
- Prioritising distribution of learning materials to children from vulnerable groups and ensure free access to digital technology such as providing free phones, laptops, data-packs to enable uninterrupted learning through remote means during school closures.
- Developing accelerated learning programmes so that children may recover learning loss when schools reopen and are able to complete schooling.
- Take substantive steps to improve social assistance in ways that diminish child labour and mitigate the COVID-19 crisis for children. Past evidence illustrates that cash transfers to poor households reduce child labour are especially valuable in helping households.
- Increase budgetary allocations for children so as to create more resilient education, health and protection systems.

The COVID-19 pandemic has revealed several areas for improvement when it comes for protecting the rights of children, especially those from vulnerable communities. Thus, the learning from this crisis must be translated into strengthening government policies and programmes so as to mitigate the loss caused by the pandemic and re-strategise in a way that India is able to meet the targets set forth in the Sustainable Development Goal 2030.
CRY efforts towards addressing child labour during COVID-19

**Addressing Child Labour During COVID Times**

**The Challenge**

33 million child labourers in India!

- **Closure of schools**
- **Loss of livelihoods**
- **Financial pressure**

Question of survival

Children forced to work to support family income

**Impact of Child Labour**

- Vulnerable to abuse & exploitation
- Working in hazardous conditions
- No opportunity to learn and play
- Unable to realise skills & true potential
- Trapped in the cycle of poverty

Number of child labour cases estimated to rise during the ongoing crisis

**The Solution**

- Identifying child labour cases
- Conducting awareness drives with parents on negative impact of child labour

- Ensuring children are able to go back to school post the lockdown
- Connect families to livelihood schemes to help reduce financial burden
End notes


v Unemployment Rate in India, CMIE 2020 https://unemploymentinindia.cmie.com/ (accessed on 14th October 2020)


xi The Child Labour (Prohibition and Regulation) Amendment Act, 2016. §5.

xii The Child Labour (Prohibition and Regulation) Amendment Act, 2016. §5.


xv https://pencil.gov.in/ accessed on 7th October 2020 at 4.26pm

xvi Ibid
CRY - Child Rights and You is an Indian NGO that believes in every child’s right to a happy, healthy and creative childhood - to live, learn, grow and play. For the last four decades, CRY and its 200 partner NGOs have worked with parents and communities to ensure lasting change in the lives of more than 2,000,000 underprivileged children, across 19 states in India.