

# INTERNATIONAL THE NEWS



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## Enrolment matters

The prevalence of child labour in Pakistan is very high, with up to 22 percent of children between the ages of 5 and 14 years in some provinces engaged in the worst form of child labour, including bonded labour in agriculture and brick kilns, and forced domestic work. Many child labourers work under conditions of debt bondage and forced labour, and suffer from extreme physical abuse and sexual assault.

Families substitute schooling with child work to escape poverty, and in some cases, parents work with their children as bonded labourers. Consequently, almost 23 million children between the ages of 5 and 16 years in Pakistan are out of school. According to the United Nations International Children's Emergency Fund (Unicef), this translates to about 44 percent of the total population within this age group. Thus, Pakistan has one of the highest rates of out-of-school children in the world. Elimination of child labour and the achievement of universal education are interconnected goals.

Poverty or financial constraint is an important reason behind child labour and the deprivation of potential educational attainment. The government of Pakistan has been launching multiple social protection programmes to reduce poverty specifically for the last two decades. The Benazir Income Support Program (BISP) is one of the largest cash transfer programmes, targeting the ultra-poor segment of society. The BISP cash

transfer provides additional income to the beneficiaries, which is assumed to influence household decisions regarding whether they should let their children work or send them for educational attainment.

It is generally observed that school enrolment and attendance decline in ultra-poor households as the child labour supply increases. Thus, to fully understand the dynamics of child outcomes, it is essential to also focus on school enrolment and attendance. Such outcomes are very critical in formulating policy for any social protection policy like the BISP cash transfers.

The PIDE Policy Viewpoint shows that BISP cash transfer helps increase school enrolment among ultra-poor. It also helps promote grade promotion among the target group in the medium to long run. However, the BISP cash transfers have no effect on dropout in the short run. The additional income from cash transfers induces investment in education. But the effect of cash transfers on enrolment wanes over time.

Gender-wise analysis has shown that the BISP cash transfers are equally important for boys and girls to improve education outcomes. However, the impact is relatively higher among boys compared to girls. In the short term, BISP cash transfers are associated with a widening of the gender gap in enrolment; however, this narrows in the medium to long term.

It is noticed that the BISP intervention substantially reduces the dropout rate among boys in the short term but increases dropout among girls. This implies that differences in parental preferences and altruism towards boys and girls can influence the dynamics around child labour and human capital development. The BISP intervention significantly induces grade promotion among boys but not among girls. This finding can also be linked to the cultural environment that engenders greater altruism towards men than women. Thus, girls and women tend to engage in other household activities, leaving less time for school activities, consequently influencing grade promotion.

These findings tie in with results on educational outcomes in the medium to long term. Over time, the findings suggest that BISP beneficiaries change their preferences from

sending children to the labour market to school. Comparing the gender results to those on educational outcomes, it can be inferred that, while child labour has been reduced among girls in the medium to long run, their educational attainment has not improved significantly. This suggests that though beneficiaries prefer to reduce child labour among girls, they may still be engaged in other activities. Thus, the educational outcomes of girls, mainly those aged 12–14 years, do not improve.

The evidence has shown the beneficial influence of the BISP cash transfer on educational attainment and negative impacts on child labour in the long run. In light of these findings, the following are some policy recommendations.

The BISP unconditional cash transfers (UCTs) programme is effective in promoting schooling. However, the BISP experience also suggests that the effects of UCTs wane over time. Thus, it is likely that UCTs can have a non-linear relationship with education and child labour outcomes over a sufficiently long period.

We recommend adopting potential hybrid cash transfer programmes that minimise the extensive costs involved in maintaining and enforcing conditions associated with conditional cash transfers (CCTs) but put across sufficient conditions intermittently to ensure that the impact of UCTs extends over longer periods. For instance, even in the absence of binding conditions, UCTs are linked with very strong short-term effects. Thus, conditions can be introduced much later in the programme when the effectiveness of the transfers begins to wane.

The government can introduce a new cash transfers programme with a focus on education. The programme includes free education for all children in the family up until their graduation. The educational expense, along with a stipend amount for each student, would be paid directly to educational institutions. Key beneficiaries of the programme will be children and youth. Overall, priority will be given to girl students.

Child labour is a critical challenge for Pakistan due to massive unemployment and poverty. Designing social protection programmes, which are child-sensitive, and in particular child labour sensitive, is needed to transition from work to education.

Ensuring a social protection system which directly targets the highly exposed group of children including orphaned children, children from marginalized ethnic and economically and socially excluded groups.

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