Small Hands

A Survey Report on Child Labour in China

www.clb.org.hk
September 2007
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I. INTRODUCTION

WHEN foreigners hear that compulsory education is free in China, they might think everything is fine here, but that is not the case. “Free” means tuition fees, miscellaneous fees and a whole gamut of other fees. In reality the burden on the peasants is very great...

Discrimination against rural students who fail to keep up at school is commonplace and many never make it beyond their second year at middle school. That is when they start to drift away and go to Beijing and Guangzhou looking for work.

— Yao Lifa, activist and former local legislator from Qianjiang, Hubei Province.

When news of the Shanxi brickyard slavery scandal broke in early June 2007, Chinese media reports claimed nearly a thousand children had been abducted into forced labour. Following a massive police crackdown and the rescue of hundreds of slave labourers, the number of rescued children was put at between 51 and 109. Shanxi provincial government officials subsequently claimed the actual figure was 12, and, after a month-long investigation, on 16 July, stated without further explanation that only six of the rescued workers were actually children. At the same time, many parents of missing children asserted that the worst brickyards were still open.

We will probably never know how many children were abducted into slavery at the Shanxi brickyards. We will probably never know how many children are working across the whole of China today, partly because “undisclosed information and data on the handling of child labour cases nationwide” is classified by the Chinese government as “highly secret” (jimi). Apart from in exceptional cases, like the Shanxi brick-kiln scandal, the Chinese government does not issue statistics on child labour, either at local or at national level; indeed it is unclear as to whether the authorities are even monitoring and documenting the problem. The official response to questions about child labour tends to be that China has passed laws prohibiting such activities – with the implication that this constitutes a sufficient response to the challenge of child labour in a developing country. Until recently, in other words, the government has largely been in denial over this issue.

The Shanxi brickyard scandal temporarily disturbed this state of official complacency, but as yet, the incident does not seem to have prompted any more systematic government investigation of, or measures to counteract, the increasingly serious problem of child labour

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in China. The few academic studies of child labour that have been published in China, and the increasingly frequent press exposés of child labour scandals,\(^5\) indicate the government has no grounds for complacency. Furthermore, based on the research conducted in this report, China Labour Bulletin (CLB) is confident that, in the specific areas surveyed, child labour is once again on the rise.

The present report is an initial attempt by CLB to address the information deficit surrounding this whole topic. Although necessarily limited in scope and depth, it is nonetheless based on first-person interviews that we conducted with numerous informed sources, including child labourers themselves, in selected rural areas of three different Chinese provinces in 2005. We believe that it provides a useful and accurate general profile of the child labour situation in the particular areas studied. Rather than seeking either to amass quantities of specific case material or to demonstrate the overall extent of demand for child labour within the country’s economy, our principal concern has been twofold. First, to shed light on the harsh living and working conditions faced by many child workers in China today. And second, to identify the chief social causes of child labour, and to propose viable measures by which the government could begin to address and resolve these issues.

Child labour in any society poses a complex challenge, one simultaneously ethical, legal and economic in nature, and China is no exception to this rule. The income generated by underage workers is often critical to a family’s overall livelihood, especially in the poorer rural areas from where most such workers originate, and so identifying “culprits” who can be suitably punished under the law is not always the best way to proceed. Indeed, except in the most egregious of cases,\(^6\) the sternly punitive approach may even be counterproductive, both by forcing this sector of the economy further underground and by pushing underprivileged families – and hence the children themselves – deeper into hardship and poverty.

This report examines both supply and demand in the child labour market in China. There is a demand for low-cost, low-skilled labour, which many employers seek to meet with child labour in place of more expensive, less malleable, adult labour. There is also clearly an ample supply of child labour, created by children in the compulsory stages of education dropping out of school. And the report analyses in detail the reasons why children drop out of school early: poverty, excessive school fees, the lack of educational resources in the countryside, the government’s chronic underinvestment in rural education, and the low value attributed to education by many rural parents. We point out that while poverty is a necessary condition for the creation of child labour, it is by no means the only condition. In other words, poverty can give rise to child labour, but not all child labour is attributable to poverty. As the report seeks to show, the reduction and elimination of child labour in China does not necessarily require the prior elimination of poverty.

\(^5\) For example, *Jiangnan Dushi Bao* (Jiangnan Metro Post) reported on June 9, 2007 that a 15-year-old boy was dragged into a cotton gin and crushed to death in a factory in Nanchang after working a succession of 20-hour shifts. On September 22, 2006, *Fali yu Shenghuo Banyuekan* (Law and Life Fortnightly) reported that a teacher from rural Henan brought 84 middle school students aged 12 to 15 to a grape processing plant in Ningbo where their hands bled after working 15-hour shifts each day.

\(^6\) Clearly, abducting children into forced labour is an egregious offence, deserving of severe criminal sanction, as is causing children physical or mental harm. However, employing a child from an impoverished family as a nanny, provided the conditions of employment are not otherwise abusive, is not necessarily deserving of punishment. Indeed, more effective would be a social welfare based approach involving both education of the parents and continuing monitoring of the employer.
The report is divided into five sections. The first is a brief introduction to the problem of child labour in China, and the laws and policy measures adopted by the government to prohibit it. The second section uses interview records from the CLB’s surveys to describe the living and working conditions of child labourers. The third and fourth sections form the crux of the report, illuminating through detailed personal interviews the causes of the supply of child labour in China. The final section summarises the report’s main findings and presents CLB’s policy recommendations. (For an outline of the research methodology used, and for details of the various survey sites, see Appendix I.)

II. THE PRINCIPAL CHARACTERISTICS AND LEGAL PROHIBITION OF CHILD LABOUR IN CHINA

1. Defining child labour

Convention No. 138 of the International Labour Organisation (ILO), the Minimum Age Convention, stipulates that the minimum legal working age should be no lower than the age of completion of compulsory education, and under no circumstances lower than 15 years of age. In December 1998, the National People’s Congress Standing Committee ratified the Minimum Age Convention and, at the same time, reaffirmed that the minimum age of employment or work within the territory of the People’s Republic of China, or on transport vessels registered under the PRC, is 16 years of age. All persons employed between the ages of 16 and 18 are classified as juvenile workers (weichengnian gong) and are subject to specific legal protections, for example, being prohibited from working in mines or in other heavy industrial jobs. Moreover, in August 2002, China ratified ILO Convention No. 182 on the Worst Forms of Child Labour.

However, within China, and particularly in rural areas, there are large numbers of legal minors or children engaged in some form of work after dropping out of school early. They can be classified under six main categories:

Regular workers (zhengshi de gugong): Children under 16 years old employed by small enterprises in towns and villages, including small coal mines, brick factories, and weaving and clothing factories. These children have a stable job, a fixed income, and may even have signed a “labour contract” with the employer. They are primarily engaged in simple, dull and repetitive work, and clearly fall within even the limited scope of China’s legal definition of child labour.

Casual workers (waichu banggong): Some children who drop out of school early are taken by parents, older siblings or relatives and fellow villagers to engage in irregular paid work away from home. For example, they may join an itinerant construction crew, or work as a household servant (nanny) in the city, or do odd jobs in restaurants, hair salons and shops. Employers typically provide room and board, but little pay. The work environment does not usually present serious occupational hazards, and the work is not too arduous. Often a relative or an older sibling will be on hand offering protection. Although these cases do not precisely meet the PRC legal definition of child labour, they still fall within the remit of those government agencies responsible for monitoring the use of child labour.

**Household helpers (jiating banggong):** The majority of rural children are engaged in some kind of work within or for their own family. Many assist adults in the household with farming and animal husbandry chores. Others, however, accompany adults into cities and towns to engage in commercial and trade activities, assisting parents and older siblings in operating small factories, workshops, grocery shops, restaurants, and so on. Often, they receive no fixed compensation for their labour, as well as losing all chance of a formal education. There is as yet no clear provision in Chinese law that classifies these household helpers as child labourers, nor are there any reliable statistics on the total number of children engaged in this kind of work.

**Apprentices (xuetu):** In China, as elsewhere, apprenticeship is a traditional method of learning work skills. It declined with the rise of occupational and technical education in China in the late 1970s, but there has been a recent resurgence in apprentices working in small workshops in rural areas or among the migrant population in the cities. Some children under the age of 16 are sent by their parents to learn a trade from, and be an assistant to, a craftsman or workshop owner. Apprentices typically do not receive a wage and are simply provided with room and board by their employer. Sometimes they receive a small amount of spending money or occasional travel funds to return home. Since China’s existing labour laws do not prohibit the hiring of under-16s as apprentices, such people effectively fall outside the official definition of child labour.

**Work-study students (qingong jianxue):** “Work-study” is a well-established school programme designed to give students limited work experience and vocational training. It clearly has some value for rural students if carried out correctly. However, over the last decade or so there has been widespread abuse of the system, and in many cases it is now impossible to distinguish work-study from child labour. For example, in recent years, during each summer vacation, large groups of 11 to 15-year-old students from mountainous areas in Hunan, Guangxi, Guangdong, and other provinces have been sent to toy and handicraft factories in the coastal regions to engage in so-called “work-study” activities. In many cases they have had to work even longer hours than adult workers. According to the owners of these factories, the schools initiated contact with them, and the students were able to earn enough to pay their tuition fees for the following year.

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8 Wen Zhichuan, “Tonggong de chulu zaiyu duixian yiwu jiaoyu de quanli” (Hope for child workers lies in realising their right to compulsory education), Zhongguo Qingnian Bao (China Youth Daily), Sept 29, 2005.
11 For example, Qingshan Primary School in Qingshan township, Luoshan county, Xinyang, Henan Province, arranged for their students to go to a local tea farm to pick tea. Participating students, from the first through sixth grades, earned nearly 10,000 yuan in income for the school. The principal stated that Luoshan is classified by the state as an impoverished county, that it was difficult to meet operating costs, and that the government did not allow them to charge the students tuition. Therefore they had obtained income from the students by conducting what was called an “internship class.” See “Dushulang weihe caicha mang” (Why are students busy picking tea?), Yangshi Xinwen Pindao (CCTV News Channel)
Again, there is no clear provision under current Chinese law defining this type of activity as child labour.

**Forced labourers (nugong):** This is a small but crucial category of child labour. While it is currently impossible to quantify with any accuracy the number of children being held as forced or slave labourers in China, children are clearly the group most vulnerable to being abducted or lured into such labour. Particularly at risk is a growing group of children known as “those left behind”: a direct product of the growth of migrant labour in China. Most workers from poor rural areas have no option but to travel long distances to seek work in towns and cities, leaving their children in the care of grandparents or other relatives. When the latter are either unable or unwilling to look after them properly, these children often end up on the streets, eventually drifting into petty crime or being exploited by ruthless adults. Du Chengfei, the founder of the XinXing Aid Street Kids Project in Baoji, Shaanxi Province estimates there are as many as 600,000 runaway children in China today.\(^\text{12}\)

2. The regional, gender and economic characteristics of child labour

The origins of child labour in China and the overall hiring trends have clear regional characteristics. Child workers primarily migrate from economically disadvantaged areas to economically developed areas, from comparatively isolated villages to the more open cities, and from the central and western parts of the country to the southeastern coastal areas. Child labour is most common in economically developed southeastern areas like Guangdong, Zhejiang, and Fujian. Nearly all child labourers are from rural households and only rarely from poor urban households, again indicating that poverty alone is not the root cause of child labour.

As regards gender, some data demonstrate that the number of female child workers is clearly higher than the number of males. According to *Women of China* magazine, for example, a 1996 survey by government agencies in Guangdong, Shandong, Liaoning and Hebei found that 73.5 percent of 1,217 child workers were female.\(^\text{13}\) In our surveys, we also found that, whether on the factory floors or in the streets and markets, one encounters more female than male child workers. It is often assumed that first, the gender makeup of child labour mirrors the gender makeup of school drop-outs; and second, that more girls drop out than boys because, in poor households, parents are more willing to let their daughters leave school early. During CLB’s limited surveys, however, we did not find any significant difference in the drop-out rates of boys and girls. Officials and teachers from government education agencies (interviewees #6, #8, #31, #38, #42, and #45)\(^\text{14}\) all indicated that there is not a large difference between the number of male and female school drop-outs. A possible alternative explanation for the higher number of female child workers is simply that the demand for girls in the labour market is higher. If this is the case, it is clearly an issue meriting the close attention of the Chinese authorities.

Child workers are most typically found in low-level service positions or in labour-intensive industries such as textiles, clothing, shoe, luggage and toy manufacturing, and the food and

\(^\text{12}\) XinXing Aid Street Kids Project official website <www.xinxingaid.org.cn>


\(^\text{14}\) See Appendix II for details of all interviewees.
beverage industry. Most employers are either individual workshop owners or the owners of small private enterprises.

3. Laws and government measures prohibiting the use of child labour

The Chinese government primarily relies on coercive law-enforcement measures to tackle the problem of child labour. It has promulgated laws and regulations prohibiting employers from using child labour, and government labour agencies rely on these to fine employers and force them to dismiss and return child workers home.

**Legal Prohibitions on Child Labour**

In 1991, the State Council promulgated *Regulations Prohibiting the Use of Child Labour*, and these were subsequently revised in October 2002. According to Article 2 of the regulations, no employer may hire minors under the age of 16. The regulations also prohibit any entity or individual from arranging employment for a legal minor. Moreover, all employers must verify the age and identity of applicants when recruiting personnel. Labour bureaus at all levels of government, from the county level up, have the primary responsibility for enforcing these regulations, while the public security, industry and commerce, education, and health agencies, as well as civic organisations such as trade unions, the Communist Youth League, and the Women’s Federation, also have legal obligations in this area.

The *Regulations Prohibiting the Use of Child Labour* stipulate strict penalties for those arranging employment for minors or hiring child workers. Those arranging employment for minors are to be fined 5,000 yuan per person for whom employment is arranged. Those employing child workers are to be fined 5,000 yuan per child worker per month employed. If, after receiving notice from a government labour bureau ordering compliance, an employer does not return the child worker to his or her parents or other guardian within the specified time, they are to be fined an additional 100 percent of the above amount and their operating licence is to be revoked. In the case of employers who abduct child workers; force child workers into labour; make child workers engage in hard physical labour, work at high altitude or underground, or work with radioactive, toxic, flammable or explosive materials; use child workers under the age of 14; or cause the death or serious injury of child workers, the judicial agencies are charged with enforcing the criminal law provisions on child trafficking, forced labour and other applicable crimes.

However, the current provisions of the Criminal Law on the punishment of those who force others into labour are very lenient. According to Article 244 of the revised Criminal Law, only “those who force minors to engage in excessive labour” are liable to imprisonment (up to a maximum of seven years). CLB recommends the law be amended to specify that any form of forced labour, not just “excessive” forced labour, be liable to criminal punishment.

Moreover, Article 13 of the *Regulations Prohibiting the Use of Child Labour* stipulates that minors may be employed under special circumstances, such as in sports or in the arts, or if their “occupational training” and “educational labour” does not adversely affect their personal health and safety. The regulations do not, however, provide a clear definition of the acceptable types, intensity, or time period for this special category of work, nor do they

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15 In Chinese, these regulations are colloquially referred to as “law,” and because they are promulgated by the State Council, they effectively are a law.
establish clear provisions regarding to whom the income of students doing such work belongs or any limitations on the amount of income that can be earned in any one period. This lack of a clear legal definition has allowed widespread abuse of “summer employment” and “work-study” programmes by both employers and schools – sometimes even in collaboration with criminal gangs – and has hindered effective investigation and control of the child labour problem.

Government agencies’ monitoring of child labour

Along with enacting legislation prohibiting child labour, Beijing has placed the child labour problem within the remit of labour bureaus at all levels of local government. Working in conjunction with agencies in charge of public security and industry and commerce, as well as labour unions, labour bureaus can conduct a “concentrated attack” (jizhong daji) on labour-intensive factories and workshops. If the use of child labour is discovered, the employer is required to dismiss the child workers immediately, return them to their parents or guardian, and pay a fine. In addition, in the practice known as “handling on demand,” (suishi chuli) labour bureaus can act on media reports or tip-offs from the public to inspect a business without prior warning, and if the use of child labour is confirmed, fine the employer according to the provisions of the law.

The bustling township of Baigou - a mere two-hour drive south of Beijing - is known as the “luggage production centre of China.” We visited a local labour bureau official there (#26), who described that agency’s monitoring of the child labour problem:

Q: Do factories use child labour now?
A: This phenomenon does occur in a very few factories, which is unavoidable. Why do we make inspections? To put an end to the use of child labour.
Q: How do you make your inspections? Once per week or once a month?
A: We make inspections every day. There are several thousand enterprises in Baigou, and we inspect both large and small ones.
Q: Do you visit under cover, or openly?
A: We visit openly - under cover would be impossible. That would not be realistic. They wouldn’t let you in the factory door.
Q: Can you keep up with inspecting that many factories?
A: We inspect each factory at least once per year, and focus on more visits to those factories where workers have made complaints. We have now established a ratings system for factories: A, B, and C. We don’t need to visit the honest, law-abiding factories.
Q: If you discover child workers, do you immediately send them home?
A: Yes, immediately.
Q: Do you take them yourselves?
A: We don’t take them. It is the boss’ responsibility to do this. This is done under supervision. We give them a time limit to comply, and we can also punish them.
Q: How do you typically punish them?
A: Based on state regulations, a fine of 5,000 yuan per month for every child worker used.

According to the provisions of the Regulations Prohibiting the Use of Child Labour, other government agencies such as public security, industry and commerce, education and health should cooperate with the labour bureaus and carry out their own dedicated factory
inspections in order to enforce the law. However, when interviewing officials from other
government agencies, we discovered that they were largely unaware of their responsibilities
in this area. We asked one public security official (#12):

Q: Does the Public Security Bureau address the child labour problem?
A: We don’t address it. First, we don’t have that problem here. Second, if we did, we
still would not handle it. Employers all recruit workers through the labour bureau, and
fines are issued by the labour bureau. We only check residence cards.
Q: Do you know the provisions of the laws regarding child labour?
A: I’m not clear on those provisions.

The results of government labour bureaus’ monitoring of child labour.

The legal enforcement methods used by the labour bureaus have curtailed the problem of
child labour to some extent, but they have also forced many employers to actively conceal
their child labourers and erect barriers to inspection. In Baigou township, for example, we
discovered during our survey that its several thousand luggage factories and workshops employed a large number of child workers. The front doors of these factories and workshops were locked during the day. We asked a local resident (#20):

Q: Are there very young people among those working at this factory?
A: There are 14- and 15-year-olds.
Q: Are there any younger than that?
A: It’s not good if they are too young. There are inspections for child labour. I often
see the inspectors’ car come by here. If they see young girls coming out of the factory,
there’s trouble.
Q: Do the factories here usually not let the workers out?
A: Usually they don’t because they are afraid of being caught by an inspection.
Q: If the labour agency finds child workers during an inspection, will they issue a
fine?
A: They fine the boss. Sometimes the boss will hide the child workers during the
inspection. The people from the labour bureau use an inspection vehicle, very openly.
So, the factory people can see them coming.
Q: What time do the workers in those factories usually come out?
A: In the morning. Do you see the market over there? The workers all come out in the
morning to eat breakfast. Many of them can’t stand the breakfast in the factory and
come out to buy their own breakfast.

Child labour is not the only responsibility of the labour bureaus, and due to limitations in
personnel and budget, bureau staff often struggle to control the problem. And faced with the
defensive measures adopted by employers to conceal their child labourers, the labour bureaus have typically adopted a policy of “if people don’t report it, we won’t investigate it.”

If child workers from the locality are employed outside their jurisdiction, officials are even
less concerned, figuring “this isn’t our problem.” In the Shunping County Employment
Bureau in Baoding, Hebei, an official (#17) confirmed that when exporting surplus rural
labour to other areas they do not attempt to verify the workers’ age.

Q: To whom does the Employment Bureau primarily offer employment opportunities?
A: Opportunities are mainly given to surplus rural labourers.  

Q: If someone wants to go through the Employment Bureau to find a job, what basic qualifications must they meet?  

A: They don’t need to meet any qualifications. They only need to bring their identification card and school diploma with them and register their name and telephone number, and so on, and that’s enough.  

Q: Do you inspect their identification card?  

A: We don’t inspect it. The employers do it themselves. Of course, if an enterprise asks us to do an inspection for them, we will do so.  

Q: If someone uses false identification or a false diploma, can you detect it?  

A: No, we can’t. We’d only discover it if there is something clearly wrong with the ID, like the name or date of birth has been changed. We wouldn’t be able to detect a good forgery. Also, this is for going away elsewhere to work, isn’t it, so it doesn’t really matter.  

Q: So, if the person is under 16 it’s not your concern?  

A: We don’t address it. Those employers all know they can’t hire people under 16, because that is child labour. If they hire them and are caught, they will have to pay a fine.  

Q: If a child who has not completed middle school goes out to work, is there nothing the labour bureau will do about it?  

A: A child of that age typically goes out to be a nanny or something like that, and we don’t arrange employment for nannies, so it’s not something we deal with. Also, although being a nanny is considered child labour, it doesn’t have a big impact on the child, and there won’t be many occupational accidents. Some of them falsely report their age, and it is really easy to arrange for a middle school diploma – they only need to have a word with their teacher and they can get a diploma. This is something we can do nothing about.  

Q: Does the labour bureau also do nothing about those who go to work on construction sites?  

A: No, we don’t. There is basically nothing we can do there. The labour inspection team only inspects those with operating licences, but some construction crews don’t have operating licences. If we fine them, they just say they have no money, and we can’t get it from them. We can only make an inspection when someone reports something. Most of the children these days either find this kind of work on their own or are recruited by someone else in the village.  

This official also indicated that after the Chinese government repealed the rural labour “migrant employment identity card management” system in 2004, labour bureaus in labour-exporting areas were no longer able to control the outward flow of child labour in any systematic way:16  

Q: Was this kind of thing controllable in the past?  

A: In the past we were able to handle it. Previously, in Hebei, we used the employment card system (laodong jiu ye ka). If you wanted to leave the province to work, you had to go to a labour agency to get an employment card, and then when you arrived at the employer you also had to get an employment certificate (jiuye  

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16 For details of this now defunct regulation, see Article 12 of the Provisional Regulations on Trans-provincial Mobility of Rural Labour for Work, issued by the Ministry of Labour (now the Ministry of Labour and Social Security) on November 17, 1994.
zheng) and paste the card on the back of it. That was the so-called “combined card and certificate” (ka-zheng heyi).

Q: In other words, one could only obtain this “employment certificate” after finding a job?
A: Yes. At that time, we could exert a little control over labour mobility. We can’t monitor it now, with the card and certificate both abolished. It’s too free and easy now. We couldn’t manage it if we tried.

It is clear from the above interviews that local governments have been struggling to effectively implement laws and regulations relating to child labour. Moreover, their efforts at enforcement have often been counterproductive, creating other serious social problems in their wake. For example, an exclusively coercive approach can give rise to a situation in which employers fear being caught for using child labour, and child workers fear being caught and losing their jobs. And so the employer and employees gradually become “allies” in an increasingly covert atmosphere. As a result of this complicity, wages, working conditions, work shifts and so forth can be significantly worse than the lowest standards stipulated by the labour laws. All the child workers we interviewed received wages substantially lower than their adult co-workers. And the employers defied the law and paid low wages precisely because they had hired a group of illegal workers. Child workers are generally less assertive than adults and, in order to hold onto their jobs and meager wages, will not report illegal behaviour to the authorities. Those child workers who are returned home and cannot find new employment may, within a relatively short period of time, end up in the streets and eventually drift into a life of crime, or indeed become victims of crime like the children lured or abducted into slave labour in Shanxi.

The Chinese government has recently adopted various policy measures to limit the supply of child labour. These include reducing the economic hardships faced by poor rural households, encouraging poor households to send their children to school; adopting measures to strengthen the compulsory education system; encouraging children who have dropped out to return to school; and implementing a “two waivers and one subsidy” (liang mian yi bu) policy in poor areas, whereby miscellaneous fees and textbook fees are waived and the living expenses of boarding students are subsidised. However, due to the financial constraints of local governments, these measures have been only partially implemented at best.

### III. LABOUR MARKET DEMAND FOR CHILD LABOUR

Labour supply generally exceeds demand in the Chinese labour market, and so the current demand for child labour can best be explained by the relatively low cost of child labour. The State Council Research Office indicated in its April 2006 Survey Report on Rural Migrant Workers in China that about one third of migrant workers earned less than 500 yuan a month. The majority, about 40 per cent, earned between 500 and 800 yuan, with less than a third

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17 On February 18, 2005, the General Office of the State Council issued the Opinion Regarding Speeding Up the Implementation of “Two Waivers and One Subsidy” in State-designated Key Counties for Poverty Alleviation, drafted by the Ministry of Finance and Ministry of Education. This document indicated that from the spring semester of 2005, the central government would issue free textbooks to all students from poor rural households in compulsory education in state-designated key counties for poverty alleviation, and that local governments were responsible for implementing waivers for miscellaneous fees, and gradually introducing subsidies for the living expenses of boarding students. The targets of the “two waivers and one subsidy” policy are primarily students in compulsory education from poor rural households.
earning more than 800 yuan a month. In our surveys, the wages of the child workers we interviewed were roughly between 300 and 600 yuan per month. Even more noteworthy is the fact that - compared to adult workers - child workers tend to be more docile and compliant, submit more readily to their employers’ arbitrary extension of work hours and do not demand overtime pay. Moreover, because hiring child workers is illegal, employers can avoid paying various legally-mandated social security fees on their behalf, making the cost of employing child labour even lower. In addition, some of the physiological characteristics of child workers meet employers’ specific needs in terms of production and management. For example, their fingers are nimble, their eyesight is good, and, in some types of work, they can be more productive than adults.

1. Trends in the employment of child labour

Media reports indicate that child labour in China is currently concentrated primarily in electronics, plastics, garment, shoe and toy manufacturing, as well as the food and beverage industry. Within these industries, underage workers primarily engage in tasks that are highly repetitive and time-consuming, but that do not require a high level of physical strength, for example, putting beads on clothing, assembling electronic components, applying glue in the manufacture of luggage, and preparing and serving dishes in restaurants.

One of the more infamous centres of child labour in China is Qi county in Shanxi. The county is probably the nation’s largest centre of hand-blown glassware, and among the 160-plus glass utensil factories in the county, over 20 have been cited for illegally employing child labour. In 2004 alone, the county authorities removed and returned home 115 child workers. And in August 2005, a shop-floor manager at the county’s Baocheng Glass Utensils Factory threw a pair of pliers at, and fatally wounded, a 15-year-old worker named Duan Huidong.

In Shunping county in the neighbouring province of Hebei, a Communist Party cadre (#9) explained just how easy it was for children to find employment:

Q: Where do some of the children who haven’t finished middle school go to work?
A: They mainly work in local town or village factories, in shoe manufacturing, producing sausage skins, or making luggage. There are also some who work in bigger

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18 According to this survey report, the monthly wages of most rural migrant workers (nongmingong, or mingong for short) were between 500 and 800 yuan. 3.58 percent received monthly wages of less than 300 yuan; 29.26 percent saw wages of between 300 and 500 yuan; 39.26 percent of 500 to 800 yuan; and 27.9 percent of 800 yuan and above. See “Guowuyuan yanjiushi diaocha xianshi, nongmingong yuexin 500 dao 800” (A State Council research office survey indicates rural migrant workers earn 500-800 monthly), Beijing Chenbao (Beijing Morning News), April 17, 2006. Taken from Zhongguo Zhengfu Xinwen Wang (China Government News) <http://gov.people.com.cn/GB/46742/4304300.html>.


factories as security guards, or go to cities to work on construction sites or work as sales clerks and the like.\footnote{\textit{Shunping} county is China’s largest sausage-skin processing and distribution centre and has the world’s largest sausage-skin processing company. The county processes over 80,000 sausage skins per year, which are exported to dozens of countries and regions including the United States, Japan, Europe, and Southeast Asia, and constitute 20 percent of the national export volume.}

Q: Do the enterprises accept them if they are under working age?
A: Usually there is no problem. Town and village enterprises are not like state-owned enterprises - they don’t pay much attention to age. When we say child workers, we mean children under the age of 16 who go to work at 14 or 15. If the company owner asks them their age, they’ll say 17. The owner usually just accepts that he or she is 17 and won’t look into it any further.

During our surveys, the parents of child workers said that if the child were really young, they would only allow them to work near the family home. If they went to work relatively far away or in another province, they would want an adult relative or friend to go with them. In a village in Taiyu township, near Baoding, Hebei, the parent (#2) of a 15-year-old girl told us:

Q: Where does she work and what does she do?
A: She works in Baoding, packaging napkins.
Q: How much can she earn in a month?
A: She just started, so we don’t know yet. They give her room and board there.
Q: Don’t you worry about her being all alone so far from home?
A: There are two people from the village who went with her, also young girls, but both older than her, so they can keep an eye on her.
Q: With a child that young, didn’t the factory check her ID when she was recruited?
A: Small factories don’t check that closely. Also, our daughter is very tall, so you can’t really tell.

A village resident (#30) in Gucheng township, Longyao county in Xingtai, Hebei, also confirmed this point. In a tragic and widely reported incident, his daughter and two other underage workers died of gas poisoning while working away from home:\footnote{The daughter of our interviewee worked at the Lihua Canvas Factory in Xixuying village, Loudi township, Luancheng county, Hebei. On 23 December 2004, she died of gas poisoning in the dormitory during the early morning hours. Five workers in total died, one aged 15 and two aged only 14. See Chai Huiqun, “\textit{‘Laoban mensi nütonggong’ chuanyan suyuan}’ (The origins of the rumour of a boss smothering girl workers to death), \textit{Nanfang Zhoumo} (Southern Weekend), March 17, 2005; available in \textit{Nanfang Baoye Wang} (Nanfang Daily Online) \texttt{<http://www.nanfangdaily.com.cn/southnews/zmzg/200503170964.asp>}.}

Q: How old was your daughter when she went out to work?
A: She started working when she was 14.
Q: Did you feel at ease with her out working so young?
A: Yes. She went with people we knew, and there was nothing to be concerned about.
Q: Do factories want children this young?
A: Yes. Places like the instant noodle factory and a lot of clothing factories, are short of workers. Many factories recruit these kinds of workers.
Q: Where do the children from the village usually go to work?
A: They usually go to work in Shijiazhuang, and also a few places near Xingtai. There are also some who go far away, but not many.
In the southeastern coastal areas of China, the poor wages paid by factory owners have in recent years led to protests from workers and a subsequent shortage of labour in the region. Since child workers can do simple tasks requiring relatively little skill, and because they rarely make any demands regarding wages and working conditions, they are viewed by factory owners in these areas mainly as a type of “replacement labour” (tidai laodongli). Some small and medium-sized private enterprises employ large numbers of child workers from the poor, mountainous areas of Hunan, Guangxi and Guangdong. During the long summer vacation, school students are taken by teachers to work in these factories, where they can earn about 600 yuan per month. If these same factories hired adult workers they would have to pay a monthly wage of up to 1,500 yuan.

23 Tang Jianguang, “Xing’ang xiechang gongren saoluan diaocha” (Investigating the disturbance at the Xing’ang shoe factory), Zhongguo Xinwen Zhoukan (China Newsweek) <http://www.chinanewsweek.com.cn/2004-10-29/1/4512.html>, October 25, 2004. See also CLB research report Falling through the Floor: Migrant Women Workers’ Quest for Decent Work in Dongguan, China (2006), section 4 of which deals with the labour shortage in the region.


2. The working conditions of child workers

Reports in the media have indicated that the working conditions of child workers are generally much worse than those of adult workers – and CLB’s field survey confirmed this point. They perform low-skilled, highly repetitive work every day, their working hours are long, and their wages are low. Their health often suffers significantly because they dare not complain to their employer about the adverse effects of their working conditions. Below is an official media report on the working conditions of child labourers in a clothing factory in the Haizhu district of Guangdong:

There are two tables crammed into the tiny workshop, along with two electric fans and a VCD player. The children start work at eight in the evening, and when there is a lot of work, the shift may be extended. After midnight, when the children get very sleepy, they turn on the music, and everyone nods their heads while singing along.... While sewing on the beads, the children’s hands are stuck by the needle dozens of times each day and their hands are full of calluses. Because their eyes cannot leave the needle and the bead, the children have all developed “panda eyes” – they cannot open their eyes wide, and are always complaining that their eyes hurt. There is a small first-aid kit in the factory, full of the painkiller analgin. After long periods of night work, many of the children suffer headaches, to the point that they cannot work. 13-old Liu Yiyi takes analgin two or three times each evening.

Because child workers lack basic legal knowledge and an awareness of their rights, they are unable to make demands on their own behalf regarding wages and working conditions. In our surveys, we found that child workers in small processing factories or workshops had essentially no concept of legally-mandated work times or local minimum wage standards. They believed that the hours set by the employer was the schedule they were required to work every day; that the wage paid by the employer was the compensation they should be
receiving for their labour; and they accepted their employer’s crude and sometimes cruel management style as a fait accompli.

The child workers we interviewed were mostly in the city of Xingtai, the town of Baigou, and Xisanzhuang township and Gaozhu village in the city of Shijiazhuang, all located in Hebei. Child workers from factories and workshops in these areas told CLB their monthly wages were about 300-400 yuan. Hebei’s minimum wage at the time was 520 yuan per month. These factories and workshops typically calculated wages by the piece, and shifts often surpassed the legally-mandated work period, sometimes extending to 14 hours per day. There was, however, no overtime pay.26 We talked to one 15-year-old girl (#21) on the shop floor of a luggage manufacturer in Baigou:27

Q: Where are you from?
A: [unclear place name] Henan.
Q: How did you start to work for this company?
A: A relative introduced me.
Q: How old are you?
A: Fifteen.
Q: How many people in this shop are your age?
A: Four or five.
Q: How long have you been here?
A: Four months.
Q: How much does the boss pay you each month?
A: They’ve not paid me yet. They said they pay us once a year, and that I will get 400 yuan a month.
Q: How late do you work each evening?
A: Until 11 or 12 o’clock.

On the streets of Gaozhu, a worker (#33) also told us that her factory paid by the piece, that there were no additional wages for overtime, and that the younger workers had to work overtime too. In fact, the “regular” working day was at least 15 to 16 hours, and “overtime” meant anything beyond that. Moreover, this so-called overtime was still only paid at the regular rate:

Q: How old are you?
Q: How long have you been working?
A: Five years.
Q: Are there workers younger than you in the factory?
A: Yes, some are only 14 or 15.
Q: What time do you start work in the morning and what time do you stop?
A: We start at eight in the morning and work until midnight.

26 According to the provisions of China’s Labour Law, a work shift cannot exceed eight hours, and the average weekly work period cannot exceed 40 hours (Article 36). When employers extend the work shift to meet particular production requirements, they usually cannot extend it by more than one hour and, under special circumstances, cannot extend it by more than three hours. Moreover, they cannot increase the working month by more than 36 hours (Article 41). Under Article 44, when employers extend the work shift, they must pay wages at overtime rates.

27 Our interviewers gained access to the factory through introductions by local government officials, and were taken to the shop floor by a factory employee. The shop manager was not present at the interview.
Q: Are there times for meals and breaks?
A: There are no rest breaks, and we get half an hour for meals.

Q: Do you stop work at midnight every day?
A: Not necessarily. Sometimes, when business is good, we have to work overtime, and sometimes, when business is not good, we get off a bit earlier.

Q: How long do you work overtime? What time do you quit if you get off early?
A: Overtime is sometimes until 3 a.m., and getting off early is 11 p.m.

Q: If you work overtime until 3, do you start at the usual time the next day?
A: Yes.

Q: Is there overtime pay?
A: No.

Q: How much is your wage every month?
A: It’s calculated by the piece, and adds up to around 400 or 500 yuan, but we don’t get it every month. It’s paid at the end of the year. Usually the boss will give us 100 yuan a month for spending money.

Q: Do the young workers also have to work such long hours?
A: Yes, but sometimes if the hours are too long, they can’t take it.

The problem of grossly excessive overtime was further confirmed during an interview with a luggage factory manager in Baigou (#24):

Q: How many workers do you have?
A: There are 50 or 60 workers here.

Q: What time do the workers stop work in the afternoon, and are there overtime shifts?
A: They stop at 6:30 for half an hour for dinner, then start again at 7, and work until 10 or 11 o’clock in the evening.

Q: Can the workers take such long hours?
A: Some factories in Baigou work overtime until midnight or 1 o’clock, and then workers have to get up at 6 the next morning. This kind of situation is common here. In our factory we have a two-hour break at noon.

According to the provisions of China’s Labour Law, wages must be paid to workers in person each month in legal tender. However, this manager confirmed that, in his factory at least, wages are withheld until the end of the year:

A: The basic wage is 400 per person, with a bonus for good work. We pay the wages in a lump sum at the end of the year. Usually we give them something to get by on. They are young, and if we gave it all to them at once they would go and spend it all. Usually if they want to buy something they can get a portion of their wages in advance.

Q: How old are the workers here? Where do they come from?
A: There are some who are 17 or 18, and quite a few who are 20. Most of them are from Henan, and there are also some from Sichuan and Shaanxi.

Even if we take this manager’s words at face value, and the workers in this factory were indeed 17 or 18 or older, he still clearly considered them to be too young to handle their own finances.

A government labour agency official in Baigou (#26) blamed the children’s parents for the problem of withholding wages until the end of the year:
Q: We have learned that some factories here pay workers only once per year.
A: This does happen, and we are just now announcing that workers must be paid their wages every month. When workers first come to a factory, the longest they can accumulate unpaid wages is two months. We have had meetings with the factories about paying monthly wages. Often when the bosses go out on recruiting trips, parents ask them to send the wages directly to them at the end of the year, claiming their children would spend it all otherwise. We are now actively giving guidance on the monthly payment of wages. The failure to pay monthly wages both violates the Labour Law, and it is not good for our local economic development. When young girls go out to work in the south, you can’t tell they are piece workers. They are almost the same as the salaried class – they can spend money, go to bars, and go out to have fun. Why can’t this happen here in the north? Look, the ones dressed like beggars here are all workers. Why don’t they wear nice clothes? If you don’t pay them, the local economy suffers. Their entire yearly earnings go back home.

The above comments suggested that this official was more concerned with the promotion of the local economy than with the welfare of the children concerned.

3. The living conditions of child workers

Enterprises that hire child workers typically promise to provide room and board. In our surveys, a minority of children from poor areas were relatively satisfied with their living conditions. In Gaozhu village, a girl from Hubei (#37) told us that she had been working in a printing workshop for three years. In this small workshop employing only six, the youngest was 15 years old and already had two years of work experience. She also told us that the workshop was operated by someone from her hometown. When she first arrived, one year’s wage was 3,000 yuan (equivalent to just 250 yuan a month), the second year’s was 6,000, and the third year’s reached 7,000. There was also a bonus at the end of the year. The boss provided room and board, as well as medicine when employees got sick. She was therefore quite satisfied with her current situation. We discovered, however, that most of the child workers we interviewed were not this “fortunate.”

In Gaozhu, clothing factory and workshop owners typically rent local residents’ homes as production facilities. These small factories usually employ just a few dozen workers and utilise a two-storey house. The downstairs serves as a workshop, and the upstairs serves as a dormitory. The smaller workshops only employ two or three workers, and only rent one storey of a home. The processing equipment is set up in the middle of the room, while boards are used to screen off a corner of the room, about the size of a double bed, to serve as the workers’ sleeping area. To evade inspections by labour agencies, the child employees are shut inside the house during the day. Outside the gate of one cluster of workshops called “Gaozhu Courtyard,” a guard prevented our interview team from entering. He claimed: “The employees inside can only come out with written permission from the boss.”

On the streets of Gaozhu, a girl who did not want to reveal her name or age (#34) described the so-called “room and board” provided. She said that there were twelve girls sharing one room, and it was “really crowded.” Every day they, “get up early, sleep little, and are very tired.” The boss was “very mean” to them, but she believed that “he is the boss, and he is supposed to be mean.” In a market plaza in Xisanzhuang, we talked to two girls who worked at a local clothing factory (#36) about their living conditions and their hopes for the future:
Q: Do you have room and board provided at your factory?
A: (#1) Yes, over 30 people live together. It’s really crowded.
Q: How is the food?
A: (#1) Breakfast is rice porridge and pickled vegetables, and we get one dish at lunch and at dinner.
Q: Do you get enough to eat?
A: (#1) It’s OK. It’s simple home cooking; it’s what other workers get.
Q: Do you think it’s okay for the boss to be giving you poor food and accommodation?
A: (#1) Yeah.
Q: Do you feel tired when you are working?
A: (#2) We feel really tired. The work shift is too long. (#1) I reckon I should have stayed in school. Now I really want to go back home and go to school. We want to go back home in about six months’ time.

In these crowded working and living conditions, child workers also sometimes suffered beatings at the hands of their employers. In Baigou, a middle-aged woman (#27) told us:

Q: Are there very young people working here?
A: Yes, they even want 12- or 13-year-olds.
Q: We hear that some have to work in extremely hard conditions.
A: Many, and they are beaten if they don’t work well. Some bosses are really terrible. They beat them when they don’t work well, like the bosses from Jiangxi – who are very mean.

Aside from the assault on their physical health, the long-term isolation of many child labourers also inflicts great psychological damage. On a wall near a polypropylene factory in Baigou, we discovered the following graffiti, scrawled in childish handwriting:

“It’s a good thing to grow up in the warm embrace of your family. I really want to go home.”
“I will love you forever, Mum and Dad.”
“This place is death.”

IV. THE BASIC ELEMENTS OF CHILD LABOUR SUPPLY: THE “SUPPLY AGE RANGE” AND THE SCHOOL DROP-OUT RATE

Research on child labour in China has in the past tended to focus on the demand for child labourers, and on their living and working conditions. Current government policy too is focused on controlling labour market demand for child labour and punishing employers who use underaged workers. However, simply cracking down on the demand for child labour does not strike at the root of the problem. If measures are not taken to cut off the supply of child labour, given increasing demands in the market, the problem will not be curtailed - indeed it will probably worsen. It is essential therefore that we try to understand how the supply of child labour is generated in the first place.
1. The “supply age range” of child labour

An important focus of our surveys was to better understand the supply age range of child labour in China, in other words, the time between dropping out of compulsory education and becoming a potential source of child labour to the minimum legal working age of 16. The vast majority of children enter primary school at the age of six (or seven in a minority of remote areas), and after nine years of compulsory education (six years of primary school and three years of junior middle school), they should graduate at the age of 15 or 16.28 According to the official record, in the 22 years that China has continuously implemented a compulsory education system, the proportion of children who have never attended school has gradually decreased, and the average age at which children drop out before completing their compulsory nine years has gradually increased. In the survey interviews, CLB tried to establish the general age range of those who drop out of school early.

In a village in Gucheng, one resident (#30) was asked:

Q: When do children in the village mostly drop out of school?
A: Usually after they have completed primary school, around the second year of middle school.
Q: Why do so many students drop out in the second year of middle school?
A: If the students are not doing so well in their second year and are unlikely to get into high school, the teachers tell them to go home and come back to pick up their graduation certificate later.
Q: Why do they issue graduation certificates when they have not finished school?
A: Mostly because when the government inspectors arrive the teachers can tell them all the students have graduated.

A teacher from a middle school in Suiping county, Zhumadian, Henan (#40) described his experience with students dropping out during the three years of middle school:

Q: In which year of middle school do students drop out the most?
A: There are some in the first year, not many, but more when they get to the second semester of the second year and into the first semester of the third year of middle school. By the second semester of the third year, there aren’t any students dropping out. The majority of those students that have not dropped out want to get into high school. A minority of them don’t think they can get into high school, and just go another half year until they graduate.

28 The revised Constitution of the People's Republic of China, issued in 1982, provides that “The state runs schools of various types, makes primary education compulsory and universal.” This was the first time since its founding that the People's Republic of China legally defined “compulsory education.” In May 1985, the Central Committee of the Chinese Communist Party issued the Decision Regarding the Reform of the Educational System. This document further indicated that a “nine-year system of compulsory education” would be implemented nationwide. On April 12, 1986, the Fourth Meeting of the National People's Congress passed the Compulsory Education Law of the People's Republic of China. This law stipulated the division of compulsory education into two stages: primary school and junior middle school (Article 6). On June 29, 2006, the 22nd Meeting of the Tenth Standing Committee of the National People’s Congress revised and issued a new Compulsory Education Law. That stipulates that “Compulsory education is education that all children and youth at the appropriate age must receive and that is implemented uniformly throughout the nation. It is a public welfare undertaking that must be guaranteed by the state” (Article 2).
Most of the workers we interviewed said they dropped out in their second or third year of middle school, at the age of 14 or 15, or even 13. The main reasons they gave for dropping out were that their marks were poor, they didn’t want to go to school, or that there were problems at home. We also discovered during interviews with students’ parents, school teachers and education officials that the decision to withdraw children from school is usually made by the parents. The parents’ decision to remove their children in the second or third year of middle school was based on their assessment of the costs of continuing an education as compared with the benefits of going to work. Interviewee #30 acknowledged that he made the decision to remove his 14-year-old daughter from school because:

Her marks were not good in school. I felt that our family was paying so much money and the marks were no good, so it was better for her just not to go to school, and earn a little money to share the family burden. Her marks were not good and also she didn’t want to go to school anyway.

A third year middle school teacher from Yi county, Hebei, (#15) described this parental comparison of costs and benefits as follows:

The problem is mainly with the students and their parents. Many of the students in our school have a poor basic education. The good students are all scooped up by key middle schools or private schools in the county seat, and those students left in our school are the ones that lack basic education and are not that bright. The students don’t work very hard and the parents don’t manage their education well. When parents see some students dropping out and going out to work, bringing money home, how can they not be influenced? They feel there is no point in their children continuing at middle school if they are not going on to high school, so they withdraw before they complete middle school.

An education bureau official in Longyao county, Hebei, (#31) further explained that:

Rural parents believe that students attend school in order to get into university, and that going to university is the only way out. If their child is not doing well and is unlikely to get into university, there is a good chance they will drop out in middle school. Because if their child cannot get into university, why should they attend high school? Why should they spend that money? Then, if they don’t need to attend high school, why should they stay in middle school until graduation? Add to that the child’s poor marks, and their own reluctance to carry on in middle school, the parents feel that since they can’t get into university anyway, they might as well drop out and go to work to earn some money.

Our interviews with child workers, parents, teachers and education officials suggest that the supply age range for child labour is mainly 13 to 15 years, with most school drop-outs occurring in the second year of middle school.

2. An estimated drop-out rate for middle school students

On 1 March, 2005 the Ministry of Education issued a Report on Educational Development in China - 2004, which claimed the national average primary school drop-out rate that year was 0.59 percent, and the middle school drop-out rate averaged 2.49 percent. The report indicated
that “the middle school drop-out rate was higher in certain regions.” These official figures are suspiciously close to the State Education Commission’s guidelines established in the 1994 Provisional Management Methods for Evaluating the Delivery of Universal Compulsory Education, which state that primary and middle school drop-out rates must be kept below a target of 1 percent and 3 percent respectively. The Ministry report could therefore be seen more as a propaganda exercise designed to demonstrate the success of compulsory education in China than as a genuine reflection of the situation on the ground.

The results of surveys by civic research organisations and media reports over the last few years suggest that the real figure is much higher, and that it is not only in “certain regions” that the middle school drop-out rate exceeds permissible state limits.

In 2004, the Rural Education Research Institute at the Northeastern Teachers’ University surveyed 17 rural middle schools in the provinces of Liaoning, Jilin, Heilongjiang, Henan, Shandong, and Hubei. That survey indicated that the average student drop-out rate was over 40 percent. Even in the so-called “counties reaching the universal nine-year goal”, the middle school drop-out rate was far higher than the official average of 2.49 percent. For example, in one such county, Wei county, Hebei, a representative from the education bureau explained that the number of new students entering middle school each year was around ten thousand, but only about four thousand took the high school entrance exams three years later. Most of the other six thousand students, he said, had already dropped out of school. A spokesperson for the county’s Heyeing Middle School said that students were divided into three classes on entering the first year of middle school, but only half of one class was left by the third year. Most of the students dropped out during the second year. In 2005, the three-year overall drop-out rate for middle-school students at this school reached almost 90 percent.

During CLB’s interviews with government officials on this issue, there were huge differences between their estimates of the drop-out rate. A deputy secretary of the Communist Youth League County Standing Committee in Shunping county, Baoding, Hebei (#10) very confidently told us:

The drop-out rate is not high. I currently live in a rural area, near the county seat, and from what I gather from the rural people I meet, I think the drop-out rate is very low. Here, usually they help the children from poor families to graduate. I can’t say 100 percent graduate for sure, but the vast majority can get to this point. I’ll give you an

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30 Several Chinese media reports over the last few years have claimed that 27 million children drop out of school each year, but this figure cannot be verified and is clearly at variance with official figures from the Ministry of Education’s 2006 Statistical Report on National Educational Development. That states that 20.7 million students graduated from middle school in 2006, while 19.3 million new students were enrolled in the same year. However, it is impossible to say how reliable these statistics are given the endemic false reporting from all levels of the school system.
32 Li Junyi and Ma Shuping, “Hebei mou chuzhong chuauxuelü jin 90%, xin ’dushu wuyong lun’ taitou” (Drop-out rate nears 90 percent in a Hebei middle school, new attitude of ‘school is useless’ rears its head), Xinhua Wang (Xinhua Net) <http://news.xinhuanet.com/focus/2005-11/09/content_3747776.htm>, November 9, 2005.
example: this year UNESCO provided educational relief funds to support 50 children from poor local families. But, because our county has done very good work over the years with waivers of text book fees and tuition and miscellaneous fees, not all of those UNESCO funds were needed. There are basically no families in need here, and our county does not have any poor children deprived of an education. It is mostly a mountainous area around here, and the mountainous areas are much better now. Not many children drop out, and they usually graduate from middle school.

An official at the Shunping County Education Bureau (#8), however, described a completely different drop-out scenario:

A: Our drop-out rate for primary school students is not very high here, but when they get to middle school, especially in the mountainous areas, the drop-out rate is frightening.
Q: A teacher from ** Middle School told us that their drop-out rate had reached 30 percent. Are there rates this high?
A: Yes! The schools that report to us claim the drop-out rate is 20 percent, but you can actually double it to 40 percent.

Estimates of other middle school teachers (#15, #40) and middle school representatives (#38, #45) suggest that the rural middle school drop-out rate in the areas studied is generally around 30 to 40 percent.

3. Poverty: One factor engendering child labour

Based on the government’s official definition of poverty, there are presently 65 million impoverished people in China’s rural areas. In cases where parents simply cannot afford to provide an education many children voluntarily go out to work as soon as possible in order to share the household burden.

Child worker Duan Huidong, who was attacked and fatally wounded at the Baocheng Glass Utensils Factory, came from one of these poor rural families. His father had died of leukemia and left the family 70 thousand yuan in debt from medical expenses. His elder brother had got into a polytechnic high school in 2004, the tuition, room and board for which cost at least four thousand yuan a year. To help his elder brother through school, Duan Huidong dropped out of school in August 2005. He found work at the glass factory five kilometers away and left home at 4.30 each morning to get there. He died seven days later.33

We came across a similar story in Laishui county, Baoding, Hebei. The male head of one household had been bedridden for many years. He was too ill to work, but his medical expenses still had to be met. There were two boys in the family, one in his sixth year of primary school who was getting excellent marks, and one who had dropped out in his second year of middle school to go to work. His parents were unsure of the exact location of his place of work, but after a patient search, we found the boy (#18) working in the dining room of a hotel near a reservoir in Yi county.

Q: When did you leave home?
A: Half-way through middle school.
Q: Do you regret it now? Would you like to go back home and continue school?
A: No!
Q: How much money do you make here each month?
A: 430 yuan, plus room and board.
Q: How do you spend your wages when you get them?
A: I take all the money home.
Q: What is it used for at home?
A: My father’s medicine costs money, and it costs money for my little brother to go to school. My brother is doing very well in school.

It is not uncommon in developing countries for poor rural households to decide which children to withdraw from school on the basis of age and gender - for example, having the eldest son or daughter go to work, and letting the other children get an education. During CLB’s surveys, however, we discovered no such clear gender/age pattern. Moreover, few parents considered their relative poverty to be a significant factor in whether or not their children dropped out of school.

In Longyao county, the father (#30) whose daughter had died at work told us that due to their lack of cultivable land and the low grain prices, farming alone could not sustain the whole family. Sometimes he joined an itinerant construction crew, or did garbage recycling locally. Despite his low income, he said that if his children wanted to go to school and their marks were good, he would send them to school even if it made him poorer. One of his two sons had just graduated from university, and one had just got into university. He said that if his daughter had wanted to go to school at the time, he would have supported her:

Q: Do you typically send girls out to work and let boys go to school?
A: No, we mainly look at whether the child’s marks are good or not and whether they actually want to study.
Q: If the child wants to go to school, do you pay for them to go?
A: Usually we let them go to school.

There is no shortage of children dropping out of school even in better-off rural households. In these households, the comparison of the cost of education versus the benefits of dropping out is still the primary factor in the parents’ decision making process. We interviewed a family in a village in Baisha, Hepu county, in Guangxi. The male head of the household worked away from home as a construction contractor, and the female head of the household stayed at home raising pigs. They had four children: two sons were working away from home, the elder daughter had dropped out of middle school in the first semester of her third year to go away to work, and the younger daughter had dropped out after her first year of middle school. We asked the female head of the household (#44):

Q: How do you feel about your two daughters not being in school?
A: My eldest son graduated from high school, and we spent over 20,000 yuan for his three years of high school – it’s really using money to buy a diploma. The school he went to charged us 1,000 yuan more in tuition each semester than the other students,
which added up to 6,000 yuan for the three years of high school.\textsuperscript{34} We also had to pay 250 yuan in meal expenses each month, which went up to 300 while he was in his third year of high school. And the money for the school uniform is not included in these costs. And what was the result? He did not pass the university entrance exam and went to work after graduating from high school. So, my second son did not go to high school. After finishing his third year of middle school, he went to work. If my two daughters don’t want to go to school, they won’t go – it’s no use trying to force them. If there is suitable work somewhere near Baisha, I let my older daughter do it. I’m not comfortable with her going far away to work. I don’t count on her earning money for the family. She can spend the little money she earns. My younger daughter doesn’t want to study either. I let her stay at home now. My family can get by. When I’m not at home, she helps by feeding the pigs. Usually she is at home watching television.

The evidence available to CLB suggests that while poverty is an important factor, it cannot completely explain why children in rural areas drop out of school early and go into work. Parents obviously play a key role in the decision making process, but by far the most important factor is the failure of China’s education system to keep children in school until the end of the nine-year compulsory period.

V. SHORTCOMINGS OF THE EDUCATION SYSTEM: THE ROOT CAUSE OF THE CHILD LABOUR SUPPLY

The \textit{Compulsory Education Law of the PRC}, mandates nine years of education for all children. This should in principle largely eliminate the supply of child labour, since the average age at middle school graduation is 15 or 16. However, as United Nations Special Rapporteur, Katarina Tomaševski noted in her 2003 report on the right to education in China, PRC law “does not yet conform to the international legal framework defining the right to education… China’s international obligations include ensuring free education for all school-age children through the elimination of all financial obstacles. However, the private cost of public education precludes access to school and is the most important reason for non-attendance and school abandonment”

1. \textbf{Grossly inadequate state expenditure on education}

For more than twenty years, China’s economy has maintained a rapid rate of growth, with GDP increasing at an annual rate of 7 to 9 percent. Government spending on education, however, has grown at a far lower rate than that of the economy. In the \textit{Compendium of China’s Education Reform and Development}, published in 1993, the State Council pledged that by the year 2000, state expenditure on education would reach 4 percent of GDP. By 2004, China’s GDP had reached nearly 16 trillion yuan, but state expenditure on education accounted for only 2.79 percent of GDP,\textsuperscript{35} a mere half a percent higher than in 1978. In 2003, UN Special Rapporteur Tomaševski had already recommended that China’s “budgetary

\textsuperscript{34} If middle school graduates with poor exam marks wish to attend a good high school with a high university entrance rate, they usually have to pay significantly more in fees than students with good exam marks.

allocation for education be increased to the internationally recommended minimum of 6 per cent of GDP, that is, doubled from 3 to 6 per cent.”

The costs of compulsory education are borne mainly by the county, township and village levels of government. Counties are responsible for high schools, townships are responsible for middle schools and villages are responsible for primary schools. Prior to the rural tax reforms in 2000, only 12 percent of total government investment in compulsory education came from the central and provincial treasuries; 9.8 percent came from county treasuries; and the remaining 78.2 percent came from the township and village levels. Since 2000, however, two of the four sources of funds that the township governments relied on to finance local schools – “supplementary rural education fees” (nongcun jiaoyufei fujiafei) and “education funds,” (jiaoyu jizikuan) – have been abolished, and a third source, the collection of “school fees” (xuexiao shoufei), has been curtailed nationally, leaving government treasury appropriations as the main source of funding. Meanwhile, county governments have begun to bear the primary responsibility for investing in rural compulsory education, and this has added greatly to the financial burden of many impoverished counties. According to a survey by the State Council’s research agency, expenditure on rural primary and middle schools in these impoverished counties went mainly towards teachers’ salaries. Actual day-to-day operations in these schools could only be funded by means of miscellaneous fees collected from students. These miscellaneous fees were also used for outlays such as salaries for substitute teachers and the repayment of debt for school equipment purchases and construction of dormitories.

Moreover, according to the director of the National Education Inspection Team, at the end of 2004 there were primary schools in 163 counties across China that received nothing at all from their allocated government budget. Likewise, in 142 counties some middle schools received no government funding and had to rely on miscellaneous fees simply to keep going. Over 85 percent of these counties were located in the poorer central and western parts of the country. But the situation in the more prosperous eastern region gave little cause for optimism, either. In 2004, Shandong Province was ranked second nationally in terms of GDP, but the provincial Education Inspection Team discovered that one-third of township governments provided no funding for primary and secondary education, and two-thirds of the county and township governments provided middle and primary schools with less funding than the provincial mandatory minimum standard.

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37 Substitute teachers are not considered regular staff, and their salaries are funded by their schools.

38 For example, in 2004 the government of Langxi county in Anhui Province allocated 41.76 million yuan for primary and secondary education, 30.92 million yuan of which was used for teacher salaries; the government of the city of Ningguo, Anhui, spent 57.47 million yuan, of which 54.60 was for teacher salaries; Bixiao Middle School in Langxi collected a total of 1.45 million yuan in miscellaneous fees in 2004, 40,000 of which was used to repay debt. The accumulated debt of that school had reached 470,000 yuan. See Han Jun and Jiang Wentao, “Nongcun shuifei gaige hou Anhuisheng yiwu jiaoyu touru tizhi diaocha yanjiu” (A survey of investment in compulsory education in Anhui province after rural tax reform), Diaocha Yanjiu Baogao (Survey Research Report), Volume 205, State Council Development Research Centre, December 5, 2005.


40 Zhang Xiaojing, “Shandongsheng jiaoyu dudao pinggutuan riqian fabu jiegou, sanfenzhiyi xiangzhen dui xuexiao lingtouri” (Results of evaluation by the Shandong education inspection and evaluation team published:
The severe and chronic under-investment in rural education means that many schools struggle just to keep going, let alone improve their already inadequate facilities. According to a survey of 174 cities and counties nationwide by China Education News, for example, over 50 percent of rural primary and secondary schools “have difficulty guaranteeing funding for basic operations,” 58 percent of rural schools have no money to repair or shore up buildings in danger of collapse, 40 percent of the primary schools are still using buildings in danger of collapse, chalk is in limited supply in over 30 percent of the rural primary schools, and 40 percent of primary schools don’t turn on the lights because they are unable to pay their electricity bills. According to a report in the Gansu Economic Daily, primary and secondary schools across Gansu (one of the poorest provinces in China) have a shortage of two million total square meters of dormitory space, and lack 141,000 sets of desks and chairs; most schools have no laboratory equipment; there is hardly any library or gymnasium equipment; there are fewer than three books per primary school student and fewer than five per middle school student; and some schools have reached the point where they cannot even afford to buy chalk.

2. “Compulsory education” is really education for a fee

According to Article 10 of China’s Compulsory Education Law, tuition fees should not be charged for students in compulsory education. But this law contains no provision or prohibition regarding “miscellaneous fees,” such as textbook, dormitory, school uniform and equipment use fees. In September 1989, moreover, the State Education Commission, the State Planning Commission, the Ministry of Finance, and the Ministry of Labour and Personnel jointly issued an Opinion Regarding Certain Issues in the Implementation of the Compulsory Education Law. This document, while emphasizing that no tuition fees should be charged for compulsory education, suggested that under certain conditions schools could collect “miscellaneous fees.” In March, 1992, the State Education Commission issued another document, Detailed Regulations on the Implementation of the Compulsory Education Law, which specified that “schools implementing compulsory education may collect miscellaneous fees” (Article 17). Provincial level regulations related to the Compulsory Education Law also clearly allow the collection of such fees. However, because these various documents fail to draw a clear distinction between “tuition” and “miscellaneous” fees, many people now simply lump the two together in the phrase “tuition and miscellaneous fees” (xuezaifei), thus further blurring the boundary.

The central and local government provisions outlined above essentially negate the principle of free education and turn the compulsory education system into education for a fee. When local governments are unable to provide sufficient funding for compulsory education, schools
have little option but to charge, just to cover their basic operating costs. Although the central government implemented a uniform “single-fee system” in schools across the nation in 2004, the main objective was to control the “random collection of fees” (luanshou zafei) rather than eliminate the collection of “miscellaneous fees” altogether. In other words, miscellaneous fees still exist, albeit under a different name.

During our interviews with representatives of various government education agencies and middle schools (#31, #32, #38, #39, #45), the respondents all confirmed that the “miscellaneous fees” collected from students formed the schools’ primary source of income. Indeed, a middle school vice-principal (#38) from Ren county, Xingtai, Hebei, who did not want to reveal his school’s name, claimed that “one hundred percent of school funding comes from fees paid by students.” The vice-principal of a middle school in Suiping county, Zhumadian, Henan (#39), also stated that, for the last few years, his school had not received any government funding, and it therefore had to rely solely on the collection of miscellaneous fees:

Q: Does the funding from your school come from government appropriations?
A: For the last few years, none of the school’s funding has come from the state. The school has relied entirely on collecting miscellaneous fees. The government is still not providing any appropriation. But since the “two waivers and one subsidy” were implemented, the government compensates the school for that portion of the miscellaneous fees that was waived for the students.

Q: How about teachers’ salaries?
A: Teachers’ salaries are paid by the government, although normally the salary is only paid once per year. My salary is seven or eight hundred [yuan] a month, but I actually only get two or three hundred. The government here has no money, and the school doesn’t have any money, so they have to owe it. Also, our housing and utilities subsidies, which are guaranteed by the state, have never been paid.

The widespread incidence of collective protests by rural teachers in China in recent years indicates that the problem of severe under-payment or non-payment of rural school salaries is now virtually endemic.45

Given that local governments cannot support the school system in its entirety, how much are students’ families being charged to make up the shortfall? We asked the middle school vice-principal (#38) from Ren county:

Q: Is education completely free for middle school students? Or, if tuition fees are waived and parents only pay certain fees, how much does that amount to each year?
A: It is not free. There are some expenses that have to be paid by the families. The fees each year are around 500 yuan.

44 The “single-fee system” establishes a total fee based on miscellaneous fees and textbook and workbook fees, which is collected from students as a single payment. After a pilot, the “single-fee system” was implemented across all schools providing compulsory education in 2004. See Song Liyun, “Jiaoyubu guanyuan jiu ‘yifeizhi’ shoufei banfa da jizhewen” (A ministry of education official responds to a reporter’s questions about how fees are collected under the ‘one-fee system’), Renming Wang (People Net) <http://www.people.com.cn/GB/jiaoyu/1053/2533254.html>, May 31, 2004.

Q: Based on your calculations, how much would it cost for a local family to put one of their children through middle school? How much would they have to pay for the whole three years?
A: About 1,500 to 2,000 yuan.

According to an education bureau official (#31) from Longyao county, also in Xingtai, Hebei, however, the total fees required are much higher:

Q: Is education completely free for middle school students? Or, if tuition fees are waived and parents only pay certain fees, how much does that amount to each year?
A: It is not possible for it to be completely free, but it does not all come from the fees paid by the parents. Government funding does not cover all expenses. A portion is borne by the parents - about a thousand yuan or more each year.
Q: For a local family to pay for a middle school student for the three years to graduation, how much would it cost in total?
A: When you add up all three years, about 4,000 to 5,000 yuan.

Longyao county’s annual rural per-capita net income was 3,520 yuan in 2005. If 4,500 yuan in fees is required for three years of middle school, the student’s parents must pay 1,500 yuan per year, which if both parents were working would constitute 21.3 percent of their combined income.

3. The gulf between the school curriculum and students’ actual needs

China’s educational goals, especially in middle and high school, have long been shaped by a heavily exam-oriented system in which the educational needs of the majority take second place to those of an aspiring elite. The chief objective of the middle school and even primary school curriculum is to get pupils into high school, and thence into university. Designed to foster an “elite”, the curriculum overlooks broader requirements of social and economic development, and fails to meet the educational needs of the majority of children. A teacher of first-year mathematics (#6) in a middle school in Shunping county explained how curriculum changes in his subject had lowered students’ academic performance and reduced their desire to stay in school:

Q: Why don’t children today want to go to school?
A: One reason is that they truly cannot keep up. The teaching materials for middle school are becoming more and more difficult. Before, we taught mathematical functions in the third year of middle school, and many students could not get it even then. Now functions have been put in the first year, and because many students’ primary school education was not that good, they just don’t understand it. If you ask them what part of the problem they don’t understand, they say they have not really understood the subject since their third year of primary school. What is a teacher supposed to do then? Maybe, if they couldn’t cope in their final year of primary school, we could do some remedial work, but how can we go all the way back to their third year?

The design of certain curricula also fails to take into account urban and rural differences. For example, the Ministry of Education requires all primary schools in the country (except those at village level) to conduct foreign-language and computer classes, but many rural schools have neither the teaching resources nor the equipment to offer these two classes. Thus when
the students concerned enter middle school, they are immediately at a disadvantage and many begin to lose confidence and interest in their studies, and eventually drop out.\footnote{Sheng Lianxi and Xue Kang weiyuan: Qie buke ba nongcun jichu jiaoyu de wenti zhi kanzuo jingfei touru buzhu” (Committee members Sheng Lianxi and Xue Kang: We cannot view the problems of rural basic education only in terms of insufficient expenditures), Zhongguo Wang (China Net) <http://www.china.org.cn/chinese/zhuanti/293583.htm>, March 4, 2003.}

Moreover, in order to meet local government high school entrance targets, some middle schools encourage students with poor marks, those unlikely to pass the high school entrance examination, to “apply to withdraw.” For example, the Shengang Middle School, near Conghua in Guangdong, reportedly encouraged about 160 third-year students with relatively poor marks to “submit a written request” asking not to participate in the high school entrance examination. To avoid liability, the school required parents to countersign the written application, indicating that they “understand and agree with this application.”\footnote{“Zhuiqiu shengxuelü, xuesheng fangqi zhongkao cai gei biyezheng” (In pursuit of high school entrance targets, students issued diplomas only after giving up high school exam), Zhongguo Rizhao Wang (Rizhao China website) <http://www.rz.gov.cn/kjjy/jyzx/zxjy/20040605161511.htm>, June 5, 2004.} Similarly, in order to increase its proportion of students going on to high school, a middle school in Shijiazhuang, encouraged the teachers of its third-year classes to persuade those students with poor marks, and little hope of going to high school, to withdraw. For every student who withdrew, the teachers received a bonus of 150 yuan. As a result, in order to receive the bonus, the teachers did everything they could to find “flaws” in students with poor marks, and then “kindly” persuaded them that, since they were not going to be able to get into high school anyway, they might as well quit middle school early and stay at home.\footnote{“Quantui yiming chasheng jiang laoshi 150 yuan” (Teachers get 150 bonus per poor student persuaded to withdraw), published in Sichuan Zaixian – Huaxidushi Bao (Sichuan Online – Western China Capital Daily), April 1, 2004; republished in Dagang Xinxi Wang (Dagang Information Online) <http://www.dgnet.gov.cn/news/show.asp?url=NewsNews/c/2004-04-01/06562193703s.shtml>.

Most of the teachers and school representatives we questioned about this practice denied it occurred in their school. However one teacher (#32) said:

> The school has to consider the question of the high school entrance rate. Also, teachers all want to work with good students - they are obedient and do well. No-one wants to work with poor students. A few teachers are bound to encourage students to drop out early, but this would never happen openly.

### 4. The high cost and limited benefit of a university education

Thus far, we have only considered the costs and benefits of middle school education in China. If students continue their studies beyond middle school and opt for a further seven years of high school and university, the financial burden on the parents will be much greater. According to one report, if a child from Hebei gets into a public high school, tuition alone is 1,000 yuan per year. With other miscellaneous fees, a year’s education costs roughly 3,000 yuan, or 10,000 yuan for the three-year programme. If a student chooses to attend a more prestigious high school, it will cost at least 40,000 yuan for the three years. If they then go on to university, the expenditure over four years will amount to at least 50,000 yuan.\footnote{Li Junyi and Ma Shuping, “Xinsuan de ‘dushu wuyong’ lun: moudi chuoxuelu jin 90% de beihou” (A bitter ‘school is useless’ attitude: the background behind the near-90 percent drop-out rate in a certain location), Zhonghua Xinwen Wang (China News website) <http://news.china.com/zh_cn/domestic/945/20051109/12832342.html >, November 19, 2005.} To a rural household with only a few thousand yuan in annual income, these numbers are quite
overwhelming. On the other hand, if such a family chooses to send their child out to work, they can in some cases earn as much as 50,000 yuan during the same seven-year period.

For many years, a university education was seen by poor rural families as a key way of overcoming the huge urban-rural income gap. If children completed their high school education at home and then attended an urban university, they would often be allocated employment in the city. On starting work, the children would receive an urban residence permit and could establish a household in the city, leaving the countryside permanently behind. In recent years, however, following the reform of the urban residence permit system and the lowering of the entry standards for the urban labour market, there are more and more ways for rural labourers to get into the cities. Many people coming into the cities have a middle school education or less, but they can still find a job and establish a residence. Some even become successful entrepreneurs.

Moreover, in recent years university graduates have had increasing difficulty in finding employment, and this has further eroded the perceived benefits of a university education. According to a Ministry of Labour survey on the employment of university students, published in March 2006, the proportion of employment contracts signed by employers with university students prior to graduation declined from 68.2 percent in 2003 to 40 percent in 2005. This wide-ranging survey further indicated that the demand for 2006 university graduates declined at a rate of 22 percent. The majority of university graduates are finding it increasingly hard to find a job, and graduates from poor rural families even more so. A Communist Party official (#9) in Shunping county confirmed to CLB that, in recent years, the high cost of a university education and the poor employment prospects for rural university graduates had significantly influenced families’ thinking on their children’s education:

A. If the family sends a student to university, it severely affects their ability to build a house and pay for a wedding, so the parents don’t want to let their children continue their studies. Here, every year, we have students who pass the university entrance exam but don’t go on to university.

Q: Why don’t they go?

A: They can only get into mediocre universities. The good universities give all kinds of tuition assistance and scholarships, but the mediocre schools don’t have any of that, and there is very little financial assistance from industry or society. If the family can’t afford it, they don’t let the child go. Even the better-off families are not sending their children to university. For example, some families operate small handicraft workshops, and their annual income can reach tens of thousands of yuan. Even if their children get into university, they usually can’t find a good job after graduation, or make even a thousand yuan per month. So, the parents can’t see the point of going to university, and the children just come back to help at home after graduating from middle school.

50 Lei Jia, “Daxuesheng jiuyelü gongke zuigao, biyesheng xuqi jinnian jiang 22%” (University graduate employment highest in engineering; this year demand for graduates drops 22 percent), Beijing Chenbao (Beijing Morning Post), March 25, 2006.

51 A Beijing University survey indicates that the proportion of students whose fathers are government officials finding an employer while still at university is 14 percent higher than that of the children of farmers. See “Xuefei angguji jiuye jiannan, nongcun daxuesheng bili yuelaiyueshao” (With high tuition and difficulty finding a job, the proportion of rural university students diminishes), taken from Zhongguo Wang (China.Net) <http://edu.china.com/zh_cn/1055/20051104/12817833.html>, November 4, 2005.
One parent, a resident (#27) of a village in Baigou, explained succinctly why she would not send her daughter to university:

A: It depends on how she does in her studies, but what use is there in going to university these days? Not long ago there was a university student who returned here to work.
Q: A university graduate making luggage?
A: Right, working and making only 400 yuan a month.

Given the highly competitive graduate job market in China, most rural parents cannot see a better future for their children if they go to university. For this reason, more and more of them are withdrawing their children from school early and encouraging them to learn skills with which to earn a living.

VI. CONCLUSIONS AND RECOMMENDATIONS

In April 2006, the ILO published the report *The End of Child Labour: Within Reach*. The report indicated that there had been an 11 percent decrease in child labour worldwide over the previous four years. However, because of the failure of the Chinese government to publish any meaningful statistics on child labour, it is impossible to know whether or not there has been a similar trend in China. CLB’s research indicates however that child labour, in our surveyed areas at least, has not been reduced to any significant degree, on the contrary, it has now become an increasingly serious social problem in urgent need of redress. The high drop-out rates in Chinese middle schools (especially in the second year) create a continual supply of potential child labour, and one which is being exploited by employers seeking to cut labour costs and recruit a more compliant and malleable workforce. If government policies remain unchanged, there seems little chance that the growing problem of child labour in China can be checked, let alone resolved, in the near future. The results of the CLB survey can be summarised in these five main points:

1. Child workers do not adversely affect political power and social stability to the same extent as other disadvantaged groups in China, such as the unemployed and rural migrant workers, and as such their needs have not been addressed to anything like the same extent by either government or social organisations. Moreover, the government’s law enforcement methods have not only failed to control the problem of child labour, but have created additional social problems. Illegality has kept child labour underground, and this results in wages and working conditions far lower than the lowest legal labour standards.

2. The student drop-out rate during their nine-year compulsory education is clearly far higher than the figure of under 2.5 percent claimed in the Ministry of Education’s 2005 report. Moreover, high drop-out rates are not just confined to poor areas. Relatively wealthy provinces also have worryingly high rates, indicating that poverty alone cannot explain why students drop out of school early. The vast majority of students drop out during middle school, especially during their second year, about the age of 14, and may become child labourers at any point prior to the age of 16.

3. The so-called “nine years of compulsory education” are in practice not free. Tuition and miscellaneous fees collected from parents have become the primary source of funding for

52 See ILO website <http://www.ilo.org/dyn/declaris/DECLARATIONWEB.INDEXPAGE>
many schools. These fees create a huge burden for countless rural households who can just about afford food and shelter, but have little money left over for their children’s education. Such households are forced to make a cost-benefit analysis between continuing education and dropping out, and parents often make the difficult but understandable decision to withdraw their children from school.

4. The key criterion for government audits of middle schools is their high school entrance exam pass rate, and as a result, the curricula for primary and middle schools are geared mainly towards that examination. As a result, the needs of ordinary workers’ families are often neglected and many students from poor rural families fail to keep up. Students with poor marks and little hope of going to high school are often either forced by the school to withdraw, or drop out of their own volition.

5. Many barriers to rural-urban migration have been lifted, and it is now relatively easy for rural workers to find employment in the cities. At the same time, the high cost of a university education and the difficulties university graduates encounter in finding employment greatly reduce the attractiveness for rural families of going on to university.

CLB recommends that the Chinese government moves away from its sole reliance on legal enforcement measures, and adopts a broader and more flexible approach to the problem of child labour. The legal enforcement system must be reformed, while government and social organisations should initiate a wide range of new measures aimed at eradicating the supply of child labour at its source.

**Legal enforcement measures:** The *Regulations Prohibiting the Use of Child Labour* need to be revised to include a clearer and unequivocal definition of child labour, one covering all forms of child labour seen in China today. Thus far, government agencies have failed to address satisfactorily the problem of child labour. Apart from “special investigations” every other year or so, the agencies in charge of overseeing labour and social security have essentially demonstrated an attitude of “if people don’t report it, we won’t investigate it.” This attitude has allowed the unchecked spread of child labour, and clearly enabled the establishment and continued operation of the slave labour brickyards in Shanxi. The key question here is do government officials have sufficient desire and motivation to eradicate child labour? When a local government prioritises economic development above all else, it can easily ignore serious social problems like child labour. It is essential, therefore, that the government clarifies the responsibilities of its labour bureaus at all levels, particularly the county level, with regard to controlling child labour, so that officials know precisely what their duties and responsibilities are.

**Government policy measures:** Government investment in education must be greatly increased so that compulsory education in China is truly free and universal. Second, county level governments should take over the primary responsibility for funding rural education from the township level, and ensure that government expenditures on education at all levels are properly allocated. Third, the objectives of the nine-year compulsory education in the rural areas need to be completely overhauled. In particular, the curriculum needs to reflect the needs of ordinary rural families and not just the minority of students who will go on to university. Where appropriate, rural middle schools should be permitted to eliminate some irrelevant classes and add skills training courses so that the students who would benefit from such training can gain one to two basic work skills whilst at school. In addition, the government should provide employment training for rural workers both in the cities and in
their home towns, and encourage the participation of non-government agencies. Training classes could also be held in areas with relatively concentrated work forces, thereby reducing transportation and lodging costs and cutting training expenses. Finally, where impoverished families have had no option but to send their children out to work, local governments should provide direct welfare subsidies aimed at keeping these children in school until they complete their nine years of compulsory education.

**Social and non-governmental measures:** In order to erode the social foundations of child labour and restrict the potential supply, it is necessary to encourage both public debate and the active participation of non-governmental organisations (NGOs).

Public awareness of the problem of child labour needs to be heightened. And in this regard, government controls over the media need to be liberalised, so that journalists can report on the problems of child labour without fear of retribution. The veil of secrecy needs to be lifted, and every level of government should publish accurate statistics on its investment in education, drop-out rates, and the many difficulties faced by schools. Only then can there be a thorough understanding of, and moves to tackle, the chronic problems of the rural education system.

The eradication of child labour should be the shared responsibility of all members of a civilised society. Trade union organisations, children’s rights organisations, youth organisations, employers, and other non-governmental organisations should work together to create a network that both condemns and helps to eradicate child labour. The government has taken certain steps to address the child labour problem, but due to flaws in the system and bureaucratic attitudes, these efforts have not yielded significant results. Indeed, the current efforts of government labour and social security agencies are largely limited to punishing those employers of child labour uncovered in special investigations. The government has singularly failed to address the question of child labour supply, and that requires a greater role for NGOs.

First, NGOs should establish direct relationships with school drop-outs, child workers, and their parents, but also with employers and other groups who are reluctant to talk to government officials. Their aim would be to address issues through persuasion, explanation and assistance, rather than via more coercive legal or administrative means. Moreover NGOs could give direct assistance to child workers, drop-outs and runaways, providing them with shelter, protection and financial assistance. 53

Second, NGOs can play an important intermediary role by conducting social surveys and compiling research reports on the difficulties faced by families in poverty. If NGOs are encouraged to develop in this way, they can help educate both the public and the government, or at the very least, provide the government with a more reliable statistical basis for its decision-making.

53 A good example of progressive social intervention by NGOs is the XinXing Aid for Street Kids project in Baoji, Shaanxi Province, the first NGO in China set up specifically to deal with run-away children. The organisation’s founder, Du Chengfei, says children coming to Xinxing have often suffered abuse, been abandoned, kidnapped, mistreated or driven away from home. He says a growing number are “the left behind children,” a new social phenomenon generated by China’s sustained economic boom. In an interview with city weekend magazine, Du added; “This is a huge problem – and one or two centres cannot solve it. One of the goals of XinXing is to make the public aware of this problem. This project is like a torch of hope which will help more and more people to see, and help solve the street children problem.” For more information about XinXing, see its official website <http://www.xinxingaid.org.cn/>.
Third, NGOs can serve as an advocate for child workers, school drop-outs, and their parents, so that the specific problems they face can be brought into the open and more effectively addressed.

China Labour Bulletin acknowledges that, in recent years, the central government and local authorities across China have made efforts to eliminate child labour. International treaties and conventions have been signed, and domestic laws improved and to some extent enforced. However the government has thus far failed to encourage the participation of society at large in addressing this increasingly serious problem. We therefore believe that, in addition to reforming and strengthening its legal enforcement measures, the government should encourage all levels of society to join in a wide-ranging collaborative effort aimed at tackling the problem at its root. Most crucially, the government should rapidly overhaul China’s primary and middle school structure, and invest sufficient funds to support an academic and vocational compulsory education system that is appropriate to the needs of the majority of rural families, and in this way reduce the supply of child labour at its source.
Appendix I

Research Methods

China Labour Bulletin undertook a series of surveys in mainland China during May–August 2005 on the child labour issue. The survey sites were: In Hebei province: Shijiazhuang municipality (Gaozhu county and Xisanzhuang county); Baoding municipality (Shunping county, Laishui county, Yi county, and the city of Gaobeidian); and Xingtai municipality (Longyao county). In Henan province: Zhumadian municipality (Suiping county). And in the Guangxi Zhuang Autonomous Region: Beihai municipality (Hepu county).

Questionnaire-based interviews were conducted with a total of 77 people, including 45 workers (among them child workers), eight school drop-outs and their parents, 12 school teachers and administrators, and 12 government officials. A total of 45 interview records were included in this report. For further details on the selected interviewees and interview locations, see Appendix II below.

Basic Information about the Survey Sites

Shijiazhuang is the capital city of Hebei province and has 23 smaller cities, counties, and districts under its jurisdiction. It has an area of 15,800 square kilometres and, at the end of 2004, had a total population of 9,175,000, 2,173,000 of whom lived in Shijiazhuang city itself. The municipality’s total domestic product was 162.3 billion yuan in 2004. Its urban residents had an average per-capita disposable income of 8,622 yuan, and average rural per-capita net income was 3,799 yuan.

Shunping county, Laishui county, Yi county, and the city of Gaobeidian all fall under the jurisdiction of Baoding municipality, Hebei. Shunping county was listed by the state as an impoverished county in 1982, and in 2002 it was designated as a key county for poverty alleviation and development. It has an area of 708 square kilometres and a population of 300,000. In 2004, its total domestic product was 1.35 billion yuan, with an average rural per-capita net income of 2,344 yuan. Laishui county has an area of 1,650.5 square kilometers and a population of 340,000. Its total domestic product was 1.466 billion yuan in 2004, with an average rural per-capita net income of 2,533 yuan. Yi county has an area of 2,538 square kilometres, a population of 560,000, and a domestic product valued at 3.08 billion yuan. Gaobeidian has a total area of 672 square kilometres, and a population of 559,000.

Longyao county falls under the jurisdiction of Xingtai municipality, Hebei, and has an area of 749 square kilometres and a population of 480,000. Its total domestic product was 5.63 billion yuan in 2005, with an average rural per-capita net income of 3,520 yuan.

Suiping county, under the jurisdiction of Zhumadian municipality, Henan, has an area of 1,072.8 square kilometers, a population of 544,500, a total domestic product of 370 million yuan in 2004, and an average rural per-capita net income of 2,372 yuan.

Hepu county falls under the jurisdiction of Beihai municipality, Guangxi, and has an area of 2,380 square kilometers, a population of 929,000, a total domestic product of 6.1 billion yuan in 2004, and an average rural per-capita net income of 2,763 yuan.
Appendix II

Summary Details of Survey Interviews

(Interview period: May-August 2005)

<table>
<thead>
<tr>
<th>Code No.</th>
<th>Interview Date</th>
<th>Interview Location</th>
<th>Interviewee Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>May 1</td>
<td>Residence in ** village, Taiyu township, Shunping county, Baoding, Hebei</td>
<td>Female, grade 6 primary school student</td>
</tr>
<tr>
<td>2</td>
<td>May 1</td>
<td>Residence in ** village, Taiyu township, Shunping county, Baoding, Hebei</td>
<td>Female, mother of 2 children who dropped out of school</td>
</tr>
<tr>
<td>3</td>
<td>May 1</td>
<td>Residence in ** village, Taiyu township, Shunping county, Baoding, Hebei</td>
<td>Male, age 20, went to work after graduating from middle school</td>
</tr>
<tr>
<td>4</td>
<td>May 1</td>
<td>Residence in ** village, Taiyu township, Shunping county, Baoding, Hebei</td>
<td>Female, village resident</td>
</tr>
<tr>
<td>5</td>
<td>May 2</td>
<td>Residence in ** village, Taiyu township, Shunping county, Baoding, Hebei</td>
<td>Male, age 21, first-year university student</td>
</tr>
<tr>
<td>6</td>
<td>May 2</td>
<td>Teachers’ office, ** Middle School, Shunping county, Baoding, Hebei</td>
<td>Male, age not given, first-year teacher</td>
</tr>
<tr>
<td>7</td>
<td>May 2</td>
<td>Athletic field, ** Middle School, Shunping county, Baoding, Hebei</td>
<td>Male, age 14, middle school third-year student</td>
</tr>
<tr>
<td>8</td>
<td>May 3</td>
<td>Education Bureau office, Shunping county, Baoding, Hebei</td>
<td>Male, Education Bureau official</td>
</tr>
<tr>
<td>9</td>
<td>May 3</td>
<td>Office of Shunping County Communist Party Committee, Baoding, Hebei</td>
<td>Male, County Committee official</td>
</tr>
<tr>
<td>10</td>
<td>May 3</td>
<td>Office of Shunping County Communist Youth League Committee, Baoding, Hebei</td>
<td>Female, Youth League Committee official</td>
</tr>
<tr>
<td>11</td>
<td>May 3</td>
<td>** Employment Office, Shunping county, Baoding, Hebei</td>
<td>Male, Employment Office official</td>
</tr>
<tr>
<td>12</td>
<td>May 3</td>
<td>Public Security Bureau office, Shunping county, Baoding, Hebei</td>
<td>Male, police official</td>
</tr>
<tr>
<td>13</td>
<td>May 3</td>
<td>** Plastic Co., Shunping Branch Office, Shunping county, Baoding, Hebei</td>
<td>Male, company office employee</td>
</tr>
<tr>
<td>14</td>
<td>May 3</td>
<td>Factory area of ** Food Products Co., Shunping county, Baoding, Hebei</td>
<td>Female, company accountant</td>
</tr>
<tr>
<td>15</td>
<td>May 3</td>
<td>Campus of ** Middle School, Yi county, Baoding, Hebei</td>
<td>Male, teacher of a third-year class</td>
</tr>
<tr>
<td>16</td>
<td>May 3</td>
<td>Shop floor of ** Woven Plastic Products Co., Yi county, Baoding, Hebei</td>
<td>Female, age 17, from Henan, dropped out in year 3 of middle school, had worked at company for 2 years</td>
</tr>
<tr>
<td>17</td>
<td>May 4</td>
<td>Labour Employment Bureau Office, Shunping county, Baoding, Hebei</td>
<td>Male, Labour Employment Bureau official</td>
</tr>
<tr>
<td>18</td>
<td>May 6</td>
<td>** Hotel, ** Reservoir, Laishui county, Baoding, Hebei</td>
<td>Male, age 16, dropped out in year 2 of middle school, worked in hotel dining room</td>
</tr>
<tr>
<td>19</td>
<td>July 14</td>
<td>Shop floor, ** Luggage Company, Baigou township, Gaobeidian, Baoding, Hebei</td>
<td>Female, age 14, Henan, began work at company after 4 years of primary school</td>
</tr>
</tbody>
</table>

54 In this appendix, proper names have been deleted in order to protect the identities of those interviewed.
<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Location</th>
<th>Gender, Age, Education Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>July 14</td>
<td>A restaurant in Baigou township, Gaobeidian, Baoding, Hebei</td>
<td>Female, local resident</td>
</tr>
<tr>
<td>21</td>
<td>July 15</td>
<td>Shop floor, ** Co. Ltd. (luggage maker) Baigou township, Gaobeidian, Baoding, Hebei</td>
<td>Female, age 15, from Henan, dropped out of middle school in year 2, began work at company 4 months previously</td>
</tr>
<tr>
<td>22</td>
<td>July 15</td>
<td>Shop floor, ** Co. Ltd. (luggage maker) Baigou township, Gaobeidian, Baoding, Hebei</td>
<td>Female, age 16, from Henan, dropped out of middle school in year 3, began work at company 2 months previously</td>
</tr>
<tr>
<td>23</td>
<td>July 15</td>
<td>Shop floor, ** Co. Ltd. (luggage maker) Baigou township, Gaobeidian, Baoding, Hebei</td>
<td>Female, age 22, from Xuchang, Henan, dropped out in year 5 of primary school and went to work. Began work at company 2 months previously</td>
</tr>
<tr>
<td>24</td>
<td>July 15</td>
<td>Shop floor, ** Co. Ltd. (luggage maker) Baigou, Gaobeidian, Baoding, Hebei</td>
<td>Male, company manager</td>
</tr>
<tr>
<td>25</td>
<td>July 15</td>
<td>Shop floor, ** Co. Ltd. (luggage maker) Baigou, Gaobeidian, Baoding, Hebei</td>
<td>Male, company salesman</td>
</tr>
<tr>
<td>26</td>
<td>July 15</td>
<td>Labour Sub-Bureau Office, Baigou township, Gaobeidian, Baoding, Hebei</td>
<td>Male, Labour Bureau employee</td>
</tr>
<tr>
<td>27</td>
<td>July 15</td>
<td>Residence in ** village, Baigou township, Gaobeidian, Baoding, Hebei</td>
<td>Female, moved to Baigou in 1989, husband works at a local luggage manufacturer</td>
</tr>
<tr>
<td>28</td>
<td>July 16</td>
<td>Outside a small restaurant in industrial district, Baigou township, Gaobeidian, Baoding, Hebei</td>
<td>Female, age 18, from Xinyang, Henan, did not attend middle school after graduating from primary school, began working at a local leather products factory at age 15</td>
</tr>
<tr>
<td>29</td>
<td>July 16</td>
<td>In a market plaza in Baigou township, Gaobeidian, Baoding, Hebei</td>
<td>Female, age 15, from Xinyang, Henan, began work at local luggage manufacturer after dropping out of middle school in year 2</td>
</tr>
<tr>
<td>30</td>
<td>July 26</td>
<td>Residence in ** village, Gucheng township, Longyao county, Xingtai, Hebei</td>
<td>Male, age 40. His 14-year-old daughter worked at Lihua Canvas Factory in Xixuying village, Luancheng county, Hebei, and died of gas poisoning in the company dormitory on December 23, 2004</td>
</tr>
<tr>
<td>31</td>
<td>July 26</td>
<td>Education Bureau office, Longyao county, Xingtai, Hebei</td>
<td>Male, Education Bureau employee</td>
</tr>
<tr>
<td>32</td>
<td>July 27</td>
<td>Residence in the city of Xingtai, Hebei</td>
<td>Male, teacher at a middle school in Xingtai</td>
</tr>
<tr>
<td>33</td>
<td>July 27</td>
<td>On the streets of Gaozhu village, Shijiazhuang, Hebei</td>
<td>Female, age 20, from Henan, began work at age 15, first in Beijing, then at a clothing factory in this location</td>
</tr>
<tr>
<td>34</td>
<td>July 27</td>
<td>On the streets of Gaozhu village, Shijiazhuang, Hebei</td>
<td>Female, from Handan, Hebei, dropped out of middle school in year 2, came 1 month previously to work in local clothes factory</td>
</tr>
<tr>
<td>35</td>
<td>July 27</td>
<td>On the streets of Gaozhu village, Shijiazhuang, Hebei</td>
<td>Male, age 16, from Xuzhou, Jiangsu, dropped out of middle school in year 3, was brought by relative 1 month previously to work in local clothing factory</td>
</tr>
<tr>
<td>Date</td>
<td>Location</td>
<td>Details</td>
<td></td>
</tr>
<tr>
<td>-------</td>
<td>-----------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>July 28</td>
<td>In a market plaza in Xisanzhuang, Shijiazhuang, Hebei</td>
<td>Two interviewees, female, from Xingtai, Hebei, dropped out of middle school in year 2 and year 3 respectively, came together 6 months previously to work in a clothing factory</td>
<td></td>
</tr>
<tr>
<td>July 28</td>
<td>In a market plaza in Xisanzhuang, Shijiazhuang, Hebei</td>
<td>Female, age 17, from Hubei, dropped out of middle school in year 2, came 3 years previously to work in a printing workshop</td>
<td></td>
</tr>
<tr>
<td>July 28</td>
<td>Residence in the county seat of Ren county, Xingtai, Hebei</td>
<td>Male, vice-principal of a middle school</td>
<td></td>
</tr>
<tr>
<td>Aug 18</td>
<td>Office of ** Middle School, Suiping county, Zhumadian, Henan</td>
<td>Male, vice-principal of school</td>
<td></td>
</tr>
<tr>
<td>Aug 18</td>
<td>Office of ** Middle School, Suiping county, Zhumadian, Henan</td>
<td>Male, school head teacher</td>
<td></td>
</tr>
<tr>
<td>Aug 22</td>
<td>Township government office, Chezhan township, Suiping county, Zhumadian, Henan</td>
<td>Male, township government and Labour and Social Security office official</td>
<td></td>
</tr>
<tr>
<td>Aug 24</td>
<td>Education Bureau office, Suiping county, Zhumadian, Henan</td>
<td>Male, Education Bureau official</td>
<td></td>
</tr>
<tr>
<td>Aug 25</td>
<td>Residence in ** village, Baisha township, Hepu county, Beihai, Guangxi</td>
<td>Female, age 15, dropped out after year 1 of middle school, now staying at home</td>
<td></td>
</tr>
<tr>
<td>Aug 25</td>
<td>Residence in ** village, Baisha township, Hepu county, Beihai, Guangxi</td>
<td>Mother of above interviewee (#43)</td>
<td></td>
</tr>
<tr>
<td>Aug 31</td>
<td>Office of ** Middle School, Hepu county, Beihai, Guangxi</td>
<td>Male, Party branch official</td>
<td></td>
</tr>
</tbody>
</table>