Statement of the Sugar Alliance of the Philippines
Submitted to the U.S. Department of Labor
Office of Child Labor, Forced Labor, and Human Trafficking
Bureau of International Labor Affairs
June 11, 2010

The Sugar Alliance of the Philippines submits this statement in response to Federal Register Document 2010-8642, published April 15, 2010, requesting information on business practices to reduce the likelihood of forced labor or child labor in the production of goods.

The Sugar Alliance of the Philippines submitted the information in this statement in substantially the same form to the U.S. Department of Agriculture's Consultative Group to Eliminate the Use of Child Labor and Forced Labor in Imported Agricultural Products, on April 28, 2010.

The Sugar Alliance of the Philippines is an association of sugarcane planters, sugar millers, and sugar refiners, representing over ninety percent of the sugar produced in the Philippines.

Sugarcane from the Philippines was included in the Department of Labor's 2009 list of goods produced by child labor. That list was complied by the Bureau of International Labor Affairs and published pursuant to the Trafficking Victims Protection Reauthorization Act (TVPRA) of 2005 and 2008. Child labor, for the purpose of the list and of this statement, tracks the international standards established by the International Labor Organization, which define child labor as all work performed by a person under the age of fifteen.

The Philippine sugar industry works diligently to curb child labor, which under Philippine law (Republic Act 9231 of 2003) means the employment of persons below fifteen years of age, or in the case of work performed in hazardous conditions, below eighteen years of age. Cutting sugarcane is hazardous work.

The problem of child labor in the production of sugarcane in the Philippines has its roots in the poverty of the country and the structure of the industry. Per capita national income is under $1,900 per year (World Bank Atlas method, current US dollars, 2008), placing the country near the bottom of the World Bank list of lower middle income countries. Population growth is the most rapid in southeast Asia, and economic growth for most of the past decade has been well below the regional average.

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The ownership structure of sugarcane farms compounds the problems associated with general poverty. Most sugarcane farms are small, family-owned operations (see table).

Land reform policies and inheritance patterns tend to encourage the break-up of large holdings into smaller ones. The average farm size is about six hectares, far too small for optimally efficient cultivation of sugarcane. Sugar cooperatives in Sao Paulo, Brazil, generally acknowledged to be the world's most efficient producers, are often 12,000 hectares or more. Under such circumstances, some owners of family farms find themselves induced or compelled by the economics of their land to send their teenaged children into the fields to meet what is a seasonal need for labor.

Sugarcane Farms in the Philippines

Farm size (hectares)	Number of farms	Percent of farms	Percent of production
0.1 to 5.0	47,000	76	21
5.1 to 10.0	6,000	10	10
10.1 to 25.0	4,000	7	16
25.1 to 50.0	2,000	3	16
50.0 to 100.0	1,000	1	21
Over 100.0	less than 1,000	1	21
TOTAL	61,000	100	100

Source: Philippine Sugar Regulatory Administration, 2005-2006

The Philippine institutions concerned with child labor try to provide additional income for the families of sugar workers and small farmers and tillers to mitigate the temptation to make minors work in the farms. Similarly, educational assistance programs work to provide children with the skills that can lead to sources of income outside the farms.

Many of these programs are maintained by the sugar industry itself. The sugar industry is well aware of the challenge of child labor and works diligently both to curb the practice and to provide schooling for children of poor sugar farmers and sugar workers, and a path to alternate sources of income. The industry, through the Social Amelioration Act (RA 6982), imposes a lien on every

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bag of sugar produced to pay cash bonuses to sugar workers and to fund socio-economic projects carried out by the following institutions, among others:

1. The **Sugar Industry Foundation, Inc. (SIFI)** conducts a number of social, educational, and health programs for sugar workers and their families. SIFI has had success with a number of programs aimed at raising the income level of parents and opening opportunities for children. One such program is "How to Generate a Business Idea," a six-day course for parents of child laborers, supplemented with vocational training and microfinance. SIFI also provides tuition subsidies and scholarships for academic and vocational training, including courses in welding, carpentry, automotive maintenance, operation of tractors and other equipment, handicrafts, and jewelry-making. SIFI and the Departments of Education and Social Welfare and Development work with local governments to collect data and measure change in child labor in the various sugar milling districts. SIFI teaches local (barangay) health care providers to include orientation and advocacy on children's rights in the monthly medical and dental visits that the foundation supports in the sugar-growing regions.
2. The **National Federation of Sugarcane Planters (NFSP), Inc.**, established the **NFSP Sugar Workers Foundation** in September, 2002. The Foundation operates a training center for livelihood and technical skills in the fields of food processing and preservation and electrical, welding, and automotive vocational courses accredited by the Technical Education and Skills Development Authority (TESDA), as well as training in personal computer operations and computer hardware repair. The Foundation provides subsidized transportation for sugar workers enrolled at the center. The Foundation's training center has graduated more than 4,000 people, the vast majority of whom found work in the Philippines or overseas. The Foundation's Educational Assistance Program (EDAP) subsidizes high school and college students and provides funds for vocational courses for those who cannot attend at the Foundation's training center in Bacolod City,

   These benefits are provided to sugar workers and their dependents, including small sugar farmers/tillers themselves. These programs bring young adults out of the fields into more skilled and remunerative work, again relieving the economic pressure on families that puts children in the fields.

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3. The **Sugar Tripartite Council**, a national level inter-agency body composed of the Department of Labor and Employment (DOLE) and representatives of workers, owners, and millers, passed a resolution in September 2009 to support DOLE's anti-child-labor program with projects aimed at increasing the incomes of the families of sugar workers. The Sugar Tripartite Council will also fund an in-depth study to measure the scope of the problem of child labor in the sugar industry.
4. The **Employers Confederation (ECOP)** works in partnership with the Sugar Industry Foundation, Inc. and the Technical Education and Skills Development Authority in Negros Occidental to provide vocational skills training to child workers. The project aims to remove children from hazardous work and provide an alternative those who are allowed by law to work. Training activities are designed to match the needs of the sugar industry for skilled workers.
5. The **Trade Union Congress of the Philippines** trained union child labor monitors or U-CLAMORS, whose work resulted in the withdrawal of many children from labor in three big sugar plantations in the Western Visayas.
6. The **National Coalition Against Child Labor in Commercial Agriculture** led by the Kamalayan Development Foundation, Inc., a non-governmental organization focusing on the campaign against child labor, shares ideas and experiences and builds capacity among its target beneficiaries; provides moral and technical support for organization and mobilization, including facilitation and coordination of campaigns; and networking.
7. The **Laura Vicuña Foundation, Inc.**, runs the Community Mobilization towards Education (COME) Project, which includes advocacy and practical measures against child labor in sugarcane industry. The foundation has provided alternative opportunities to more than 588 working children and those at risk from selected target communities. In 2006, the foundation hosted a National Policy Conference for the Protection and Development of Child Laborers in the Sugar Industry. The conference launched ongoing efforts to intensify educational assistance to child laborers particularly by hacienda owners and to organize the formation of parents' groups to ensure regular attendance of children in school.

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These efforts have been ongoing for the past several years, a testimony to stakeholders' concern for the plight of the minors.

In addition to the non-governmental organizations listed above, the Philippine sugar industry and its stakeholders also cooperate with government is its efforts to eliminate child labor. There is an on-going effort by the DOLE to strengthen the Barangay Council (which is composed of the chairman, day care worker, health worker, Sanguniang Kabataan and other village level representatives) to assist in monitoring and prevention of child labor in their area of jurisdiction.

Farmers who engage labor subcontractors are well aware of the legal statutes on child labor and have specifically imposed requirements on the subcontractors not to employ minors. A bill (HB no. 6532) proposed in the Lower House in the last Congress, would clearly place the responsibility for the use of child labor on farmer, even if it a subcontractor recruits the laborers. Effectively, the farm owner becomes the "watchdog" over the recruitment practices of the subcontractor.

The Sugar Alliance of the Philippines recognizes that elimination of child labor in the cultivation of sugarcane remains a serious challenge in much of the Philippines. Through the efforts of the industry and the national and foreign nongovernmental organizations that partner with it, the Alliance expects to see progressive improvement in the conditions of children of sugar workers and small farmers, and a resulting reduction in, and eventual elimination of, child labor in the production of sugarcane.

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