

ERADICATING CHILD LABOR THROUGH IMPLEMENTING SUSTAINABLE
PROCUREMENT PRACTICE.

By

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(BIGD), in partial fulfillment of the requirements for the degree of
Masters in Procurement and Supply Management

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3. The thesis does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
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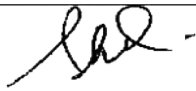
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Ethics Statement

Hereby, I Sayeda Niger Sultana, consciously assure that for the research of Eradicating Child labor through implementing sustainable procurement practice the following is maintained:

1. The paper is author's own original work which is not published or showed anywhere else.
2. The paper represents author's perspective and research work on the topic in a complete and truthful manner.
3. The result of interviews and questionnaire are shown as it came out. There is no misrepresentation of information.
4. The paper properly acknowledged all meaningful contribution from different sources.
5. The Paper properly acknowledged all literary work from various authors and organizations.

The author is fully aware of the consequence of violating ethical statement rules and followed accordingly.



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Abstract

Though primitive form of slavery was abolished with act in 19th century, it is still there in new form of “modern slavery”. Report says 25% of the modern slavery comprises child labor practice which not only destroys children’s right to live a carefree, safe, healthy life but also destroys future prospect of having better workforce with mental and physical ability which would yield the corporate and overall country’s productivity even more. However, corporate world cannot deny the responsibility for its society. As “supply chain” is the core of an organization and “procurement” plays a vital role in overall supply chain which has great impact on the organization and its stakeholders it has greater responsibility. Moreover, “sustainable procurement practice” can implement the general guideline of child labor through introducing the “guideline in their RFQ/RFP” to be followed by the bidders. Systematic approach to selecting and awarding the qualified supplier shall not be only from economic point of view but also include social and environmental aspect as well. The study were conducted with a hypothesis of having strong correlation between procurement practice and presence of child labor in a particular supply chain which can be minimized through implementing sustainable procurement process which found to be factual through the research. The research result followed by rigorous interviews, surveys, analyzing reports and documents, reviewing journal and literature etc. Researcher, social activist, supply chain practitioner, lawyer, academician, business and social science students can get benefited through the study output and work further using this study’s outcome as secondary data.

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Sayeda Niger Sultana

Table of Contents

Declaration	ii
Approval.....	iii
Ethics Statement.....	iv
Abstract/ Executive Summary	v
Acknowledgement	vii
Table of Contents	viii
List of Tables	x
List of Figures.....	xi
List of Acronyms.....	xi
Chapter One: Introduction.....	1
General Introduction	1
Objective of the Study.....	1
Research Type	2
Research Hypothesis	2
Research Methodology	3
Scope of the Study	3
Limitation of the Study	3
Significance of the Study	4
Structure of the Study.....	4

Chapter Two: Theoretical Framework- Procurement and Child Labor

2.1 Procurement.....	6
2.2 Sustainable Procurement	8
2.3 Child Labor	11
2.4. History of Child Labor	13
Chapter Three: Worldwide Child Labor.....	13
3.1 Child Labor in United States of America	13
3.2 Child Labor in Russia.....	14
3.3 Child Labor in Europe.....	14
3.4 Child Labor in Africa.....	15
3.5 Child Labor in Asia.....	16
Chapter Four: Child Labor in Bangladesh.....	17
Chapter Five: Building Construction Supply Chain.....	21
Chapter Six: Brief Analysis of Survey on Child Labor.....	24
6.1 Sample Selection and Determination of size	24
6.2 Demographic Information of Child Labor.....	24
6.3 Corporate Social Responsibility.....	31
6.4 Corporate Clients involvement/ Regulation on Child labor.....	32
Chapter Seven: Finding on the Basis of Primary Data.....	33
Chapter Eight: Logic in Support and Against Child Labor.....	34

8.1 Logic Supporting Child Labor.....	34
8.2 Counter Argument	34
Chapter Nine: Findings, Recommendation and Conclusion.....	35
9.1 Findings.....	35
9.2 Recommendation.....	36
9.3 Conclusion.....	37
References.....	39

List of Tables

Table 1: Statistics on Children's Work and Education.....	1Error! Bookmark not defined.
Table 2: Overview of Children's Work by Sector and Activity.....	18
Table 3: Age group of the total respondent.....	25
Table 4: Education Level of the Respondent.....	27
Table 5: Minimum Age Requirement for Hiring.....	28
Table 6: Child labor's working hour practiced.....	30
Table 7: Minimum Wage for child labors.....	31

List of Figures

Figure 1: Building construction Supply Chain.....	22
Figure 2: Age group of the respondent	25
Figure 3: percent of child labor and regular labor among respondent.....	26
Figure 4: Education level of the respondent.....	26
Figure 5: Minimum Age Requirement for Hiring.....	28
Figure 6: usual working hour practiced.....	29
Figure 7: Child Labor’s working hour practiced	29
Figure 8: Minimum Wage for child labor.....	31
Figure 9: Child labor restriction from corporate clients.....	32

List of Acronyms

ACCC Australian Competition and Consumer Commission

BS Bureau of Statistics

CIPS Chartered Institute of Procurement and Supply

ILO International Labor Organization

UNESCO The United Nations Educational, Scientific and Cultural Organization

UNICEF The United Nations International Children's Emergency Fund

IPEC International Programme on the Elimination of Child Labour

IJBBER International Journal on Business and Economic Research

IJMBR International Journal of Management and Business Research

IJSCM International Journal of Supply Chain Management

ISM Institute of Supply Management

ISO International Organization for Standardization

NGO Non-Governmental Organisation

OECD Organisation for Economic Co-operation and Development

SPTF Sustainable Procurement Task Force

TBL Triple Bottom-Line

RFQ Request for Quotation

RFP Request for Proposal

Chapter 1

Introduction

1.1 General Introduction

Child labor is an area of discussion since long. Many organization is working for it and searching for ways to minimize the menacing condition and ensure better life for those victim of forced or child labor. Though child labor is more of a social issue than economic, sustainable business says all three aspect (economic, social and environmental) are equally important to endure for the better future. Scholars are emphasizing more on corporate social responsibility, saving energy, guarding nature to make the world better place to live. According to scholars one of the main reason for widely practicing child labor is cheap labor, reduction of cost in product line etc. However sustainability is based on the belief of utilizing present by not harming future prospect. Practice of child labor or forced labor kills the future prospect of mentally and physically strong skilled labor force which might reward better productivity in future.

Here, in Bangladesh we observe vast existence of child labor with poor working condition, not maintaining ILO standard. This study paper is mainly focusing on Child labor practice in the supply chain of real estate and housing construction sector of Bangladesh and how sustainable procurement can ensure eradication of child labor practice through implementing its strategies.

1.2 OBJECTIVE OF THE RESEARCH:

Supply chain management plays one of the vital role in any organization. Procurement is a part of supply chain which is a must part for all type of organization. There might be some parts of Supply chain missing in any organization based on their size, types of works, industry types and etc but procurement will be there regardless those factors. So, procurement decisions / procurement practice can create an important role to implement sustainability issues. In this

research paper we will try to find out how sustainable procurement practice can ensure child labor prohibition which is one of the major social constrain of present industrial development.

Research Question:

Is there any relationship between procurement and child labor?

What is the condition of child labor throughout the world?

What is the scenario of child labor practice in construction sector of Bangladesh?

How private sector can utilize sustainable procurement and application of Analytic hierarchy process to eradicate child labor?

1.3 Research Type:

The study is an investigative one. It would cover reviews of many literature and reports of renowned international and national organization to recognize major factors related to child labor and sustainable procurement. The study will use both qualitative and quantitative data, nevertheless quantitative data from primary sources would be main focus to explore and find out the real scenario of child labor in Bangladesh context, corporate buyer's role and solution to the problem.

1.4 Research Hypothesis:

There is strong correlation between procurement practice and presence of child labor in a particular supply chain which can be minimized through implementing sustainable procurement process.

Which actually indicates the influence of procurement practice over seller or suppliers to provide them guideline to follow to be considered as eligible bidder or supplier.

1.5 Research Methodology:

The proposed study is an experimental one, covering reviews of comprehensive literatures and reports to identify the significant factors associated with child labor and sustainable procurement. The study will use both quantitative and qualitative data. It would depend mainly on primary data as few research were found on the topic where procurement and child labor practice were shown connected. The primary data will be collected through many interviews with different developer & construction organization later with some suppliers of construction equipment and other vital materials suppliers. Some Secondary data also used here to compare and discuss in detail on the topic. As ILO and UNESCO works immensely on child labor issue this study would mention those report on as secondary data many times. However, for other secondary data it would include Case Study, Google Scholar journals, Emerald insights, EBSCOHOST, Questia. Directory of Open Access Journals , International Journal of Supply Chain Management (IJSCM) and International Journal of Management and Business Research (IJMBR),JSTOR. Our national consensus were also being used here. Later brainstorming session was a part to find out a factual resolution on the issue.

1.6 Scope of the Study:

The study solely focused on child labor practice in building construction sector's supply chain, relationship between sustainable procurement and child labor and how sustainable procurement practice can eradicate child labor practice in building construction sector. The study also only focuses on private sector's Real estate and housing organizations .

1.7 Limitation of the Study:

To reach the aim of the study it had to face some inevitable limitations.

Firstly, to collect primary data for the study, research only conducted in Dhaka city. Though there are numerous construction organization outside Dhaka, the study couldn't shed light on them due to time and funding constrain.

Secondly, while collecting primary data, respondent were not much interested as they were hesitant if it make their organization encounter some trouble due to law against child labor. Since the law is not followed effusively, people has fear to reveal the truth of actual scenario of child labor in their organization. The researcher has to motivate those participant by ensuring the privacy clause and mentioning the purpose of the study.

Thirdly, there were not many research work found on the connection between procurement and child labor issue. Thus author needed to go through as many journal and primary data and bring a hypothesis of their connection.

Lastly, the research study were conducted in a single semester which is only 4months. 4 months is not enough to observe and explore such widely available scenario of child labor practice in building construction sector of Bangladesh. It would be better if longer time were spent on the study.

1.8 Significance of the Study:

The study will be a remarkable effort to shed light on social aspect of business to consider. It also indicates the significance of procurement practice and its ability to reduce one social problem which is child labor as responsible buyer.

1.9 Structure of the Research Paper:

Chapter One: Introduction

General Introduction

Objective of the Research

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Research Hypothesis

Research Methodology

Scope of the Research

Limitation of the Research

Significance of the Research

Structure of the Research

Chapter Two: Theoretical framework- Procurement and Child Labor

2.1 Procurement

2.2 Sustainable Procurement

2.3 Child Labor

2.4 History of Child Labor

Chapter Three: Worldwide Child Labor Practice

3.1 Child Labor in the United States of America

3.2 Child Labor in Russia

3.3 Child Labor in Europe

3.4 Child Labor in Africa

3.5 Child Labor in Asia

Chapter Four: Child Labor in Bangladesh

Chapter Five: Building Construction Supply Chain

Chapter Six: Brief Analysis of Survey Report on Child Labor

6.1 Sample Selection and determination of sample Size

6.2 Demographic Information of Sample

6.3 Corporate Social Responsibility

6.4 Corporate Client's involvement or regulation on Child Labor

Chapter Seven: Findings on the Basis of Primary Data

7.1 Correlation between Child labor & sustainable Procurement

Chapter Eight: Logic in Support and Against Child Labor

8.1 Logic Supporting Child Labor

8.2 Counter Arguments

Chapter Nine: Findings, Recommendation and Conclusion

9.1 Findings

9.2 Recommendation

9.3 Conclusion

CHAPTER 2

Theoretical Framework-Procurement and child labor

2.1 Procurement:

Procurement is the process of acquiring, buying, prevailing goods, service or works from external sources especially through competitive bidding or tendering process. Procurement and

purchasing are often used as synonymously or interchangeably whereas both are distinct in terms. According to Purchasing Insight definition, Procurement is a vast area or function of an organization which describes and manage the activities and process of acquiring goods and service. Apart from purchasing, procurement involves more activities such as specifying fundamental requirements, sourcing activities such as market research and supplier or vendor selection and evaluation, negotiation of price and contracts. It can also include the purchasing activities required to order and receive goods. On the other hand, the term “Purchasing” refers to the process ordering and receiving goods and services through buying/renting/ other means. Purchasing can be considered as a part of the wider procurement process. In general, it refers to all the activities required to order and collect goods such as- request for proposal or quotation, approval of proposal or selecting suppliers, creating purchase order with specific contract and receiving of goods, service or works.

Based on the size and type of the organization they can have all the part of SCM or few parts of the SCM cycle but irrespective to size and types all organization must have procurement segment even though their procurement process may vary. However, due to this wide spread availability and usability procurement policy can make a gigantic difference to the overall business and social sector.

After much discussion on an agreed procurement lexicon with CIPS members CIPS Australia came up with some profound idea of procurement which is as follows-

They considered procurement as a significant business management function which administer the process of identifying requirements, sourcing quality products, goods and service, selecting and managing suppliers, maintaining and managing both internal and external resources of the organization as per requirement, it might also take part in fulfilling organization’s strategic objectives.

Procurements one of the significant objective is to explore the supply market and utilize its opportunities and eliminate its threats to maximize organizational profitability by implementing different resource strategies which ultimately deliver best possible supply solution and outcome for its stakeholders, customers and obviously for the organization itself.

According to Abouzeid, Eman (2018), Procurement function is broader than purchasing function as procurement includes more activities than the process of purchasing. In that sense purchasing is a part of procurement process where procurement works prior to and even after the act of purchasing. For example procurement does include identification of accurate needs or requirements, preparing distinct specifications, doing the market research etc. before purchasing. Additionally, it does few more activities after the actual purchasing such as vendor management, contract management, supplier ratings etc.

2.2 Sustainable Procurement:

Sustainable procurement is relatively a new concept of implementing business function considering broader strategic context to ensure betterment of all related stakeholders in the long run. The key concept of sustainability is utilizing present opportunities by not harming future prospect similarly the key concept of sustainable procurement is utilizing all available information, resource, technology and related procurement function in a way that not only benefit its organization but also all the related stakeholder in the long run. The core considering factors of sustainable procurement not only focus on single economic factor but also social and environmental factors. Sustainable Procurement came out of the traditional goal of minimizing cost and maximizing profit and taken broader context into consideration such as- value for money, whole life cost, environmental hazard, disposability, and related social-environmental risk, extent of profitability, achievement and implication for the organization, society and also

for the environment. In the process of procuring assets, resources, goods and services it considers number of related factors including:

First of all consider economic aspect: In case of economic consideration it consider value for money which includes functionality of the product or services, quality requirements, price, availability of the product or services, entire life cycle of the goods or products.

Secondly the environmental aspects: The effect of the product or services have on the environment which might include disposability, risk associated environmental degradation, bio hazard, chemical and carbon dioxide emission etc. over the whole lifecycle ("green procurement").

Social aspects: the effects on social context which may include poverty eradication, child labor solution, working environment, skill development, employment opportunities, inequality in the distribution of resources, human rights, social development, equal opportunities, woman engagement and advancement etc.

In 2005 The UK Government set up a Sustainable Procurement Task Force which came up with a definition for sustainable procurement .The definition is now used by the Australasian Procurement and Construction Council (APCC), the UN and the UK Government:

“A process whereby organizations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organization, but also to society and the economy, whilst minimizing damage to the environment”. (APCC 2007, Australian and New Zealand Government Framework for Sustainable Procurement).

Bryde and Meehan (2010) tried to offer another more elaborated definition of sustainable procurement. According to their definition, Sustainable procurement allows organization to manage and escalate social, ethical, environmental, safety and economic

prosperity associated with the process of designing, selecting materials and all other supply chain procedure. Improving procurement performance include not only economic performance but also enhance to establish purchasing social responsibility, making ground rules to select and design ecofriendly and hazard free materials, working environment, supplier selection, community impact , improving usage of product, service or goods for ensuring value for money. (Bryde and Meehan, 2010)

ISO 20400 tried to provide a more particularized definition of SP which addressed all the essential stakeholders and aspects related to an organization's procurement decision. According to ISO 20400, "Sustainable procurement is the process of making purchasing decisions that meet an organization's needs for goods and services in a way that benefits not only the organization but society as a whole, while minimizing its impact on the environment. This is achieved by ensuring that the working conditions of its suppliers' employees are decent, the products or services purchased are sustainable, where possible, and that socio-economic issues, such as inequality and poverty, are addressed."

According to United Nations Global Marketplace, to be considered as sustainable procurement, it needs to address all its functions from finalizing requirements to awarding vendors or managing contract in favor of social development, environmental protection and economic growth, significantly through ensuring resource efficiency. Improving quality of the product and service, functionality and eventually which optimize cost of production.

An organization can utilize their buying power in favor of sustainability to direct the market towards better competition, social development, environmental protection and overall benefit to the society based on their choice of goods and services. Some consideration might b

Economic considerations: ensuring value for money, quality improvement, Price, whole life cost, profitability, etc.

Environmental aspects: The overall business and operation process should not hamper eco-system both at present scenario and in future. It should be coherent with nature. Moreover there should be waste management and recycling project to mitigate the after effect. To ensure all these an organization should carefully take purchase decision to select and use eco-friendly raw materials and technology.

Social aspects: the purchasing decision shall be made considering some social development such as poverty reduction, employment opportunity, education, training and advancement, awareness etc.

“Although studies focus on the three pillars of sustainability Elkington (Elkington, 1998) - economic (profit), environment (planet) and social (people), the social aspect has not been explored much due to the "humanness" and the difficulty in getting tangible outcomes from it”(Ashby, Leat, & Hudson-Smith, 2012; Carter & Easton, 2011). According to Mani (2014), attention on social aspect was brought back again after the UN's Rio conference in 1992. The conference highly emphasized on the human or social aspects of sustainability in its Agenda 21. After then social aspects are highly concerned aspect of supply chain sustainability issue. However the violation of social sustainability specifically labor, working condition, health & safety, worker rights etc are mostly seen in developing countries. Since developing countries like Bangladesh, India, china are western world’s most preferable manufacturing countries due to our cheap labor cost , suitable weather, skilled labor etc. To maintain the cheap labor cost and gain maximum profit many organization prefer child & forced labor.

2.3 Child Labor:

The definition of child labor still varies from organization to organization, culture to culture, society to society, and countries to countries. The European belief represents childhood as a

cheerful phase of life where a person does not retain the aptitude to be a mature person. Different groups have their own definition of child labor and it's considering factors.

International Labor Organization (ILO) came up with a definition and criteria of child labor. In their minimum age convention 138 they defined that a child is allowed to light work in safe and non- hazardous condition at the age of 12. On the other hand a child is allowed to enter the workforce at the age of 15. They also specified the term child labor as the work which surpass minimum hour of work based on the age of the child and also the type of the work. The ILO also categorized child in work in three categories based on the nature, age and type of the work as- economically active children, child labor and hazardous work. Children who are involved in some sort of work both inside home and outside and refrain from school at least for an hour in a week are considered as economically active children. Those children who work in a hazardous condition and are especially under the age of 12 are considered child labor. Lastly, hazardous work refers to those work which may harm children physically or mentally and hamper their development and risk safety.

According to the United Nations Children's Emergency Fund (UNICEF), any kind of activity that hampers children's safety, education and health shall be considered as child labor which deprives children to enjoy childhood and drive towards various physical and mental abuse.

The International Programme on the Elimination of Child Labour (IPEC) came up with a definition of child labor where they mentioned any kind of economic activity done by child whether paid or not paid shall be considered as child labor regardless urban or rural setting. However, IPEC excluded household work as child labor done by children in their own households.

2.4 History of Child Labor:

The concern for child labor practice was not into discussion for long. It was only the time when many accidents, physical damage, loss of life etc happened and social activist raised their voice against it. History says child labor practice is as old as slavery is. Though in some context slavery eliminated to some extent, child labor is still widely practiced. In 1870 the Federal census of United States published the statistics of children employment throughout the country for the first time, which grabbed huge attention of social activists and responsible citizen regarding the issue. According to a research by university of Chicago, child labor in early factories started with the industrial revolution as a natural consequences of colonial attitude towards child. Poor laws and lack of philanthropic initiative let the scenario worsen day by day. Moreover the puritan belief of the sin of being idle and virtue of industry emphasized on involving poor child into work and earn their bread and butter by themselves. On the other hand, after effect of war and industrial revolution the inequality raised so much that family had to let their beloved child work just to sustain. Higginson commented on child labor condition on agriculture in early industrial revolution period that “little children here by setting of corn may earn much more than their own maintenance,” .

Chapter 3

Worldwide Child Labor Practice

Numerous research were conducted on child labor issue all over the world. Unfortunately it is existing across the globe no matter whether it's a developed, developing or under developed country.

3.1 Child Labor in United States of America:

The history of America's child labor says, America's industrial revolution phase forced many families to engage their loving children to work with them to reduce the burden of family and

not to starve. On the other hand, servants and their children were forced to work to earn some extra penny by their master. Though some of us thinks that child labor is an old interesting topic of history in USA but it is still existing in USA. According to Hindman(2002), Although child labor practice has been reduced from 1930, it is still there and in an increasing motion. According to scholars the raising wage inequalities, employment problems, unhealthy competition and obviously large-scale immigration by relatively unskilled people into the new American workforce are exacerbating the problem of child labor. Hindman(2002) also mentioned and described 5 main sector where child labor is still existing in this twentieth century. Those sectors are mainly coal mining, glasshouse, textile industry, sweatshop, agriculture, homework etc.

3.2 Child Labor in Russia:

According to ILO and the Government of the Russian Federation's prediction , nearly 1 million children are involved in some form of labor in that country. ILO estimated that among these 1 million child labor, at least 50,000 are working in Moscow and 16,000 are working in St. Petersburg, rest are working in different parts of Russia.

3.3 Child labor in Europe:

According to UN report, at least 29 percent of children aged 7 to 14 are involved in different form of employment in Georgia. In case of Albania the figure is 19 percent. Additionally, a study of June 2013 indicates that, in Italy the child labor practice is also existing in a prominent way. At least 5.2 percent of children younger than 16years are working in Italy. However, for most of the country factual data are not available.

Throughout Europe many children are involved in extremely hazardous job which not only threaten their physical damage but also hamper their mental and physical growth. These hazardous occupations includes variety of industry and profession from agriculturer, construction

, small manufacturing factories to on the street job. Reports indicated that child labor is robustly present in Montenegro, Turkey, Ukraine, Albania, Bulgaria, Georgia, Moldova, Serbia and Romania. Working in agriculture might seem easy or harmless for children but it may require a child to carry heavy loads, using hazardous tools and machinery, smearing harmful pesticides to crops etc which may lead to different lungs and skin disease, physical damage etc. However, working on street may also lead to sexual exploitation and or different abuse.

In case of Bulgaria's tobacco industry child labor is seemingly very common. The scenario of some of the children working for long hours a day is very ordinary for those area. Reports remarks that there is signed contract between school directors, agricultural cooperatives and farms that students required to work in harvesting in Moldova. Even United Kingdom is no different. Reports found children working for long hours in UK in different industry. On the other hand, Roma children are considered to be more vulnerable or at risk among all other countries in Europe. Another vulnerable child group are migrated children from different developing countries.

3.4 Child labor in Africa:

It is perceived that most horrible form of child labor is seen in Africa. The existence of forced or child labor is present every country of African sub-continent. The 2016 Global Estimates of Child Labor says, at least 20% of all African children are involved in some form of employment regardless paid or unpaid which is twice higher than any other continent.

According to ILO report, Africa has 72.1 million child labor which is the largest number of child labor existing in any single region. Moreover, at least 31.5 million child are involved in hazardous job among those child labor. Research says the number of child labor even increased in quite alarming rate over the 2012 to 2016 period despite all policies, action and agenda by African government. The problems seems mounting day by day. The retrogression of economic

and social standard plays an important role here. Moreover the region itself has also been most affected by civil war, famine, crisis and fragility which also increased the risk of child labor. According to many research only agriculture sector is accountable for the largest share of child labor throughout the world. ILO report says that, in Africa, 61.4 million children are involved in agriculture in absolute term which is nearly 85% of the total child labor. Commercial farming and livestock herding are primary section of agriculture in Africa which often leads to physical damage and other hazards as the nature of the work. Of the remaining child labor in Africa, nearly 8.1 million are found in the services sector which is 11 percent of the total and 2.7 million or 4% are found in industry. Here most of the child labor is unpaid, and work on family farms and family enterprises instead of enrolling with third party organization.

Source: ILO © 1996-2020 International Labour Organization (ILO) |

3.5 Child labor in Asia:

According to ILO report on recent national surveys from seven South Asian country, “approximately 30 million children are involved in some form of employment, almost 17 million child considered as child labor and 50 million children are detached from education facilities.” However, the report might miss out some basic difference such as- across borders some particular forms of work might not defined as child labor, the age consideration might also vary, moreover the circumstances might vary as well.

According to ILO estimates, 16.7 million children are involved in child labor in South Asia and of these 10.3 million are in the 5-14 year age range. The young, 5-11 year-old children, make up about one-fifth of all child laborers in South Asia. To be more specific, child labor for the 5-17 years age range is highest in India (5.8 million), followed by Bangladesh (5.0 million), Pakistan (3.4 million) and Nepal (2.0 million).

In comparative terms, the most vulnerable children group among these South Asian group is children in Nepal, here at least 26% of all children aged 5-17 engaged in some form of child labor.

Chapter 4

Child Labor in Bangladesh

According to the Bangladesh Bureau of Statistics, Children aged between 5-14 who are involved in any kind of economic activity at least for an hour in a week, whether it's paid or unpaid, at home or outside the home shall be considered as child labor. For children under the age of 10 considered any kind of work is child labor.

Due to cheap labor cost almost all industry used to employ child labor but some industry are highly child labor intensive such as Bidis (hand made cigarettes), Bricks kiln, Stone quarrying, Dried fish, furniture, glass, leather, textile, garments, salt, footwear, matches, poultry, shrimp, soap, ship breaking, battery etc.

In Bangladesh, the worst forms of child labor including forced labor seen in the production of dried fish and bricks. According to research thousands of children are involved in dangerous tasks in the production of garments and leather goods, stone quarrying. (3-7) Table 1 shows key indicators on children's work and education in Bangladesh.

Table 1. Statistics on Children's Work and Education

Children	Age	Percent
Working (% and population)	5 to 14	4.3 (1,326,411)

Table 1. Statistics on Children's Work and Education

Children	Age	Percent
Working children by sector	5 to 14	
Agriculture		39.7
Industry		29.4
Services		30.9
Attending School (%)	5 to 14	89.4
Combining Work and School (%)	7 to 14	1.9
Primary Completion Rate (%)		118.6

Source for primary completion rate: Data from 2017, published by UNESCO Institute for Statistics, 2019. (8)

Source for all other data: International Labor Organization's analysis of statistics from Labour Force Survey, 2013. (9)

Based on a review of available information, Table 2 provides an overview of children's work by sector and activity.

Table 2. Overview of Children's Work by Sector and Activity

Sector/Industry	Activity
Agriculture	Harvesting and processing crops, including tobacco, raising poultry, grazing cattle, and harvesting tea leaves (10-14
	Fishing and drying and processing fish (1,10,12,13,15)
	Harvesting and processing shrimp (13,16
Industry	Quarrying and mining, including salt (10,17
	Producing garments, textiles, and jute textiles (7,18-23
	Producing leather,† leather goods, and footwear† (4-6,24-30
	Manufacturing bricks,† glass,† hand-rolled cigarettes (bidis),† matches,† soap,† furniture (steel),† aluminum products,† and metal products (2,10,13,31-35
	Ship breaking and battery recycling† (34,36-38
	Construction† and breaking bricks† and stones† (10,12,13,39
Services	Domestic work (3,12,13,40,41
	Working in transportation, including pulling rickshaws and repairing automobiles† (10,12,26,42,43

Table 2. Overview of Children's Work by Sector and Activity

Sector/Industry	Activity
	Working in tea shops and retail shops (10,12)
Categorical Worst Forms of Child Labor‡	Forced labor in the drying of fish and the production of bricks (1,15,39,44,45)
	Commercial sexual exploitation, sometimes as a result of human trafficking (44,46,47)
	Forced domestic work, sometimes as a result of human trafficking (12,13,44,48-51)
	Use in illicit activities, including smuggling and selling drugs (13,50,52)
	Forced begging (44,50)

† Determined by national law or regulation as hazardous and, as such, relevant to Article 3(d) of ILO C. 182.

‡ Child labor understood as the worst forms of child labor per se under Article 3(a)–(c) of ILO C. 182.

4.1 Cause of Child Labour in Bangladesh:

First and foremost reason of Child labour in Bangladesh is it's economic impoverishment. Poverty stricken family can not afford the expenses of education and other basic needs. In that circumstances family consider their children to engage in family profession or in any sort of income generating activities to diminish the burden of poverty for all.

Children are often employers, owners, and manager's first choice to employ in case of less skill required job because they can be easily exploited to work for longer hours with minimal wage. To reduce production cost or labour cost organization often employ child labour.

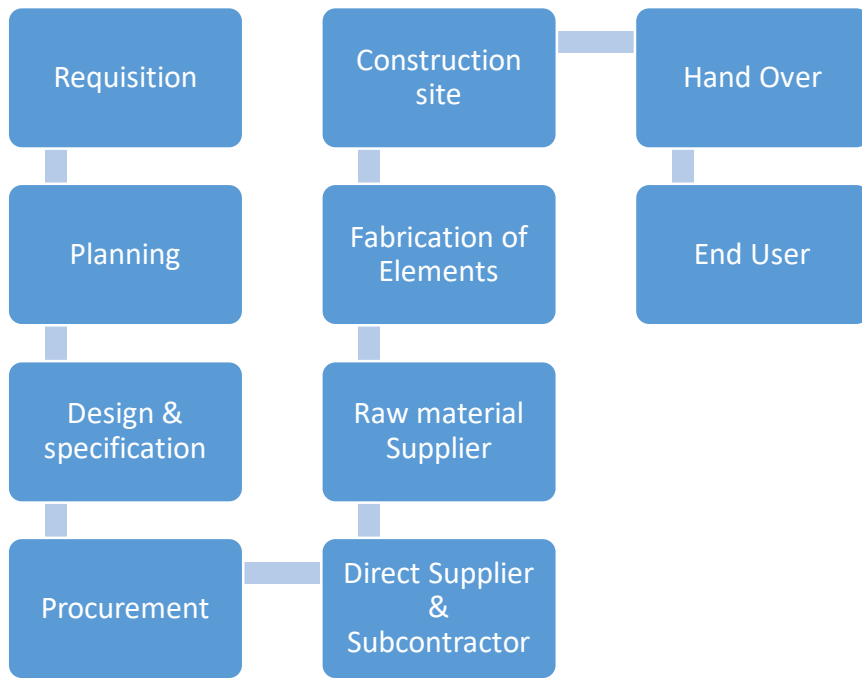
Socio-economic adversity also proliferate the overall child labour condition in Bangladesh. Poverty driven family's are less likely take family plan thus bigger family leads them to even worst condition where they become bound to send their children to work to support the livelihood of the family. Moreover, when the head of the house dies or parents gets separated their children face extreme hardship even for bread and butter. As a result they involve themselves in different works and activities.

Natural calamity such as flood, drought, riverbank erosion, storm, earthquake, tsunami etc leads many family to be shelter less and under extreme poverty line and lead their children toward the risk of child labour. Unemployment, less social security, resource scarcity, lack of awareness also swarming the number of child labour every day.

Chapter 5

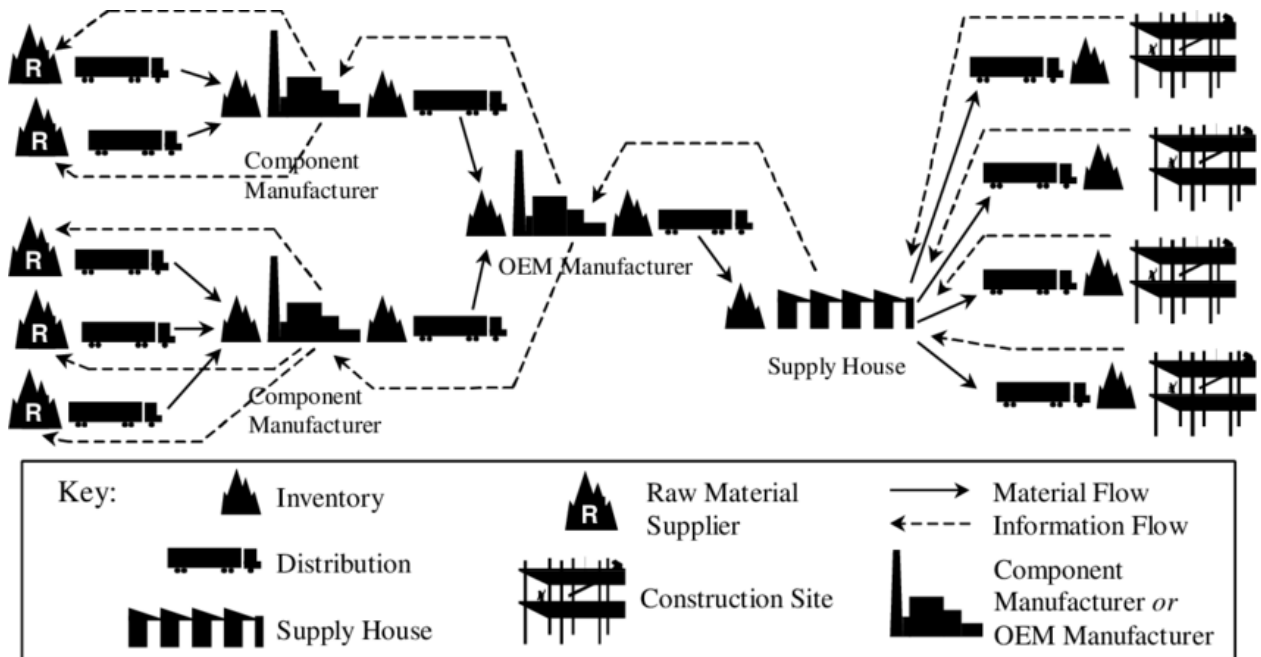
Building Construction's Supply Chain

Unlike the automotive industry, the building construction industry has certain difficulty that every building is not the same, a unique prototype, developed by team of consultant, contractor and other suppliers that may have worked together for the first time and may never work together again. Moreover, different procurement systems place features of supply chain management varying disciplines and organizations. However, we can consider some basic form of supply chain of building construction industry as follows-



The

above mentioned flow is overall company's supply chain. If you consider from construction site it will be as follows-



Hans(2020).

Figure 1: Building Construction Supply Chain

Based on the policy of the building construction organization it can assign contractor or sub-contractor and use turnkey method for hassle free business or can directly implement all their planning and process of building marvelous new architecture. If the assign any third party organization as contractor or sub-structor the sourcing part might be under third party's liability. On the other hand in case of direct intervention the organization itself manage all its sourcing, supplier selection criteria setting, supplier selecting, evaluating, rewarding etc. However in both context the core organization may select the criteria of selecting suppliers and quality of Raw materials and indirect supplies. In most of the cases of procurement, company follows competitive bidding process which enables an organization closely monitor and implement selection criteria. The selection criteria can be varied based on organization's nature. But an ideal selection criteria must focus on sustainability which include economic (Value for money) ,social aspect as well as environmental aspect. In this Research Paper, we are mainly focusing on one specific social aspect from various other social aspect which is child labour issue. We will try to find out whether a building construction organization take any part in reducing child labor problem or not, how they set selection criteria, how do the implement those criteria while selecting suppliers and how do they manage child labor in their own construction site.

For the research we are considering Real Estate and Housing Association of Bangladesh (REHAB) members as one of our target group. REHAB has total 1009 members all over the country. However, we will work with 30 -50 best property developer and real estate company among those REHAB members based on their goodwill, company portfolio, recent work and experience in following sector.

On the other hand we will work with some brick kiln to research on child labor scenario. Whether their corporate buyers have influence on them to employ child labor or not. How do they manage child labor, whether there is any guideline or not etc

Chapter 6

Brief Analysis of survey on Child labor

The main purpose of the survey was to find out child labor condition in building materials and machinery manufacturing workshop, their level of awareness of child labor from business owner, corporate clients and labor's families. Moreover, to find out how corporate clients are playing role on hiring and managing child labor. The survey were conducted on 36 machinery manufacturing workshop based on Merul badda , bongshal, and staff quarter road ,Dhaka. The survey covered 57 interviewees response among them 38 are workshop managers ,13 under aged labor and 6 under aged labor's parents.

6.1 Sample Selection and determination of size:

The sample was selected in convenience sampling technique under non- probability sampling method which is also known as non-random sampling technique. The main advantage of convenience sampling technique is it is widely used due to minimal cost of conducting the survey , no need of all the population listing under the same category. It is less time consuming which is essential for the author to maintain as it is designed to submit within a semester consist of 12 weeks only. However, no sampling technique can claim complete accuracy on representing the total population but can provide a partial scenario to the reader. Despite the limitation of convenience sampling technique the author tried to cover as many sample as possible from three different areas of Dhaka city.

6.2 Demographic Information of the sample:

The survey was conducted on wide range of age group starting from 7 to 63years old. 100% of the respondent are male with different income group. From the total respondent maximum respondent were from 21-30 age group which is 31%, 7% of the total respondent were 1-10 age group, 16% of the total respondent were from 11-20 age group, 21% of the total respondent

were from 31-40 age group, 12% of the total respondent were from 41-50age group, 11% from 51-60 age group and 2% from 61-70 age group.

In case of child labor 32% of respondent were from 1-10 age group and rest of the 68% were from 11-20 age group.

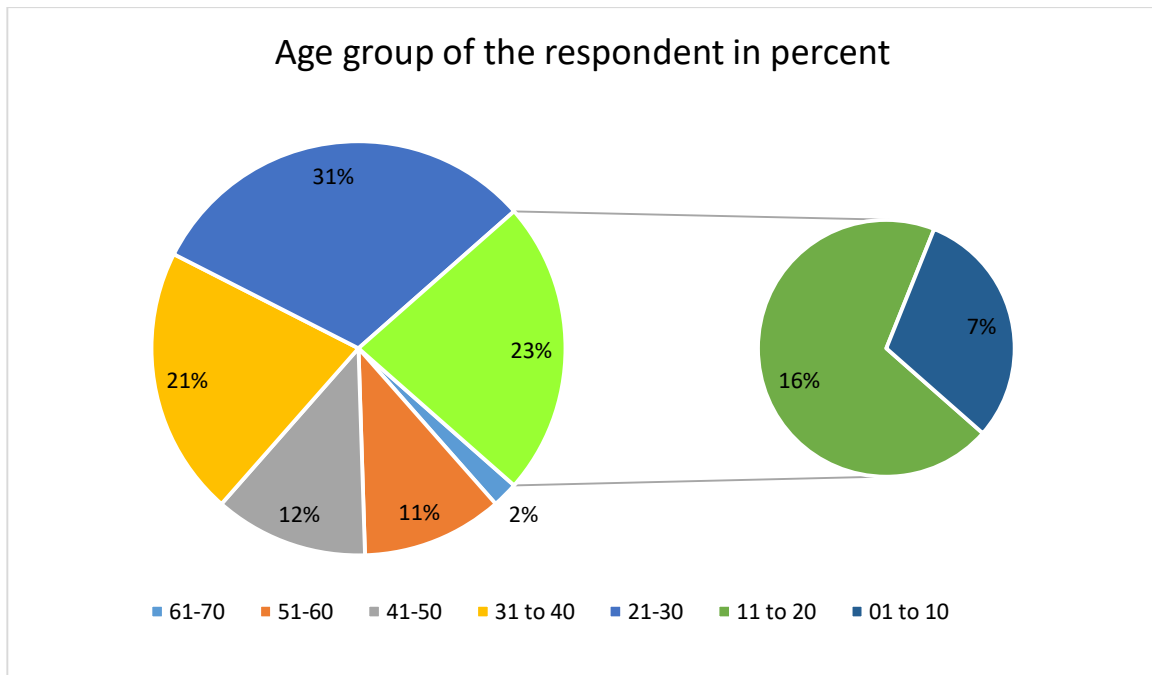


Figure 2: Age group of the respondent

Table 3: Age group of the total respondent:

Age group	Number of Respondent	Percent
01-10	4	7%
11-20	9	16%
21-30	18	31%
31-40	12	21%
41-50	7	12%
51-60	6	11%
61-70	1	2%

The demographic representation of age group of the total respondent and child labor is shown in the pie chart derived from the table (iii). The representation of the respondent in age group also shows the percentage of child labor compared to the total respondent.

Figure 3: percent of child labor and regular labor among respondent

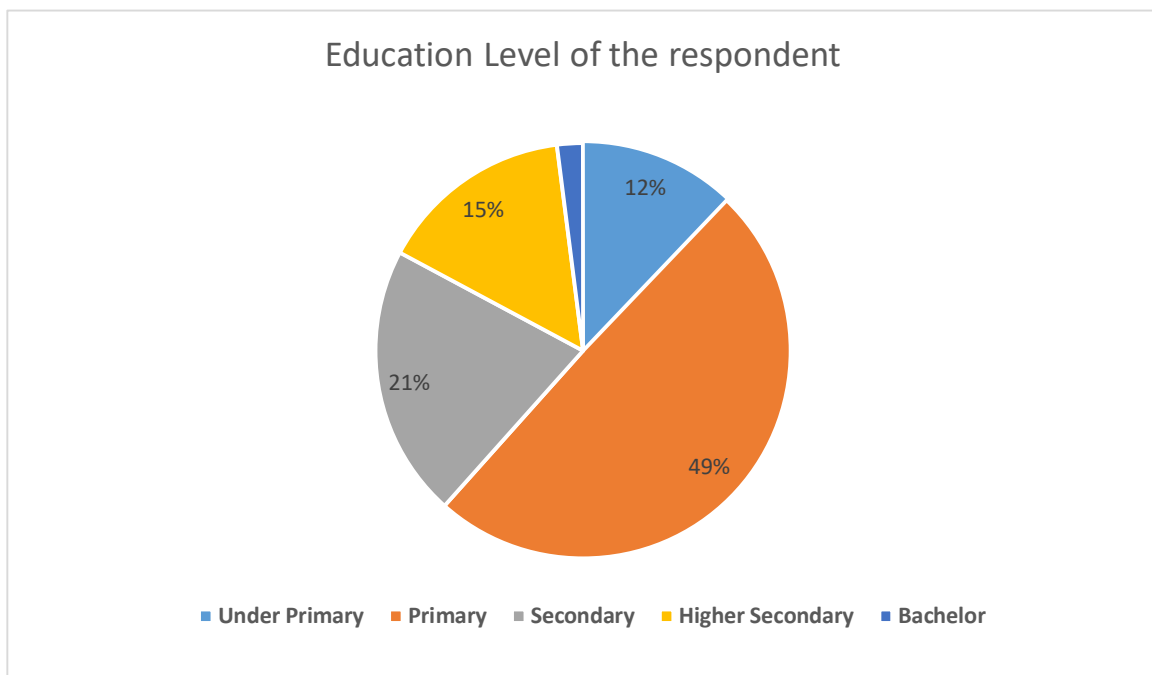
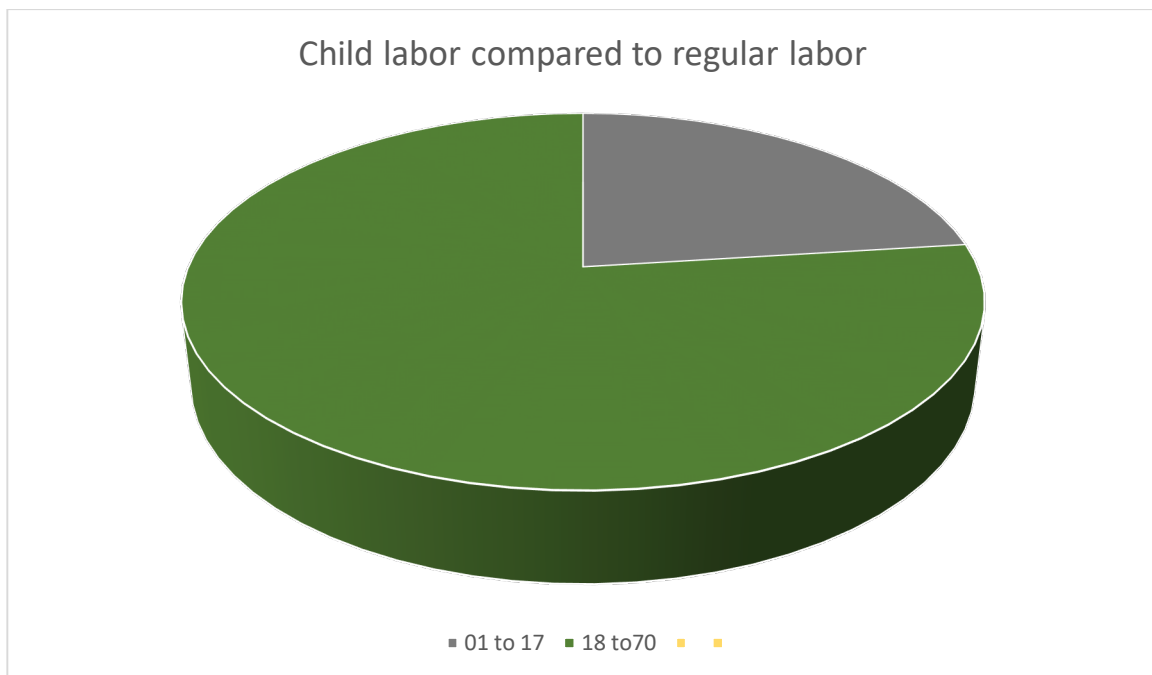


Figure 4: Education level of the respondent (Derived from Table III)

Table 4: Education Level of the Respondent:

Education Level	Respondent	Percent
Under Primary	7	12%
Primary	28	49%
Secondary	12	21%
Higher Secondary	9	15%
Bachelor	1	2%

Among all respondents one respondent were graduate which cover only 2% of the total respondent, 12% respondent did not complete their primary education, 49% completed primary education, 21% completed their Secondary education and 15% completed Higher Secondary.

6.2 Labor Criteria in Construction Machinery Manufacturing Workshop:

All the respondent stated that none of their organization require age verification certificate to employ a new labor to their workforce. However, only 21% respondent mentioned that their organization has a minimum age requirement to hire a labor which is 13 years old, 11% mentioned that 15 years is their organization's minimum age requirement to hire, rest of the 68% responded that it is not specified in their organization.

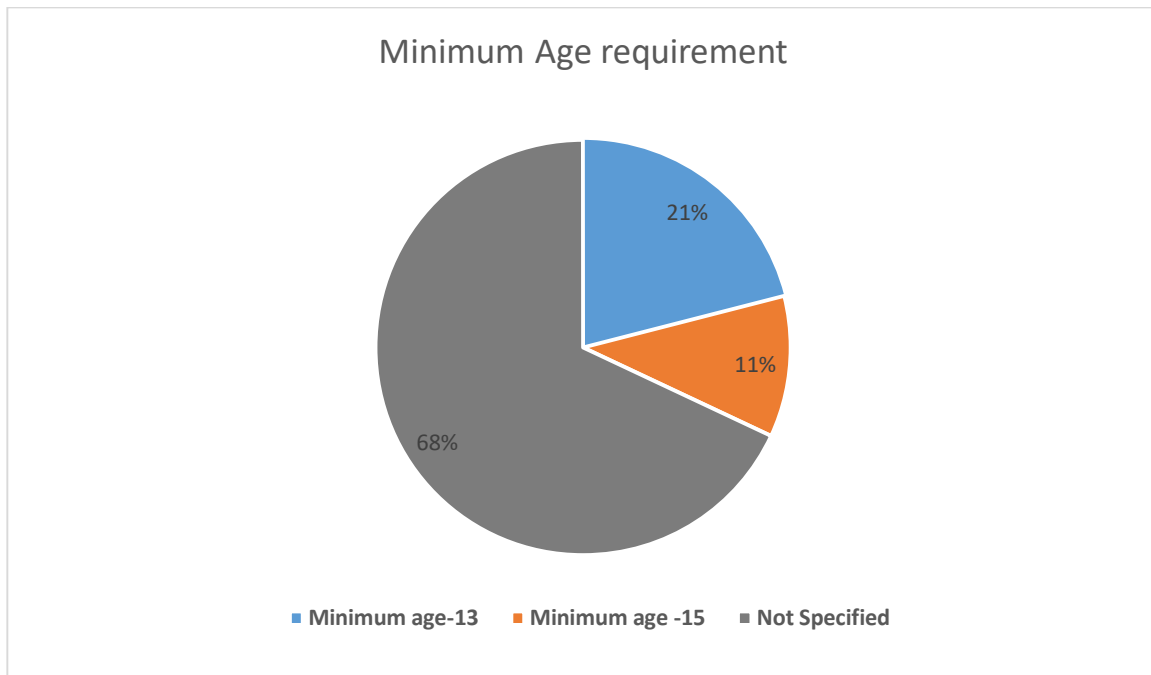


Figure 5: Minimum Age Requirement for Hiring

The pie chart is derived from the table V.

Table 5: Minimum Age Requirement for Hiring

Minimum Age	Organization Number	Percent
13 Years	8	21%
15 Years	4	11%
Not Specified	26	68%

Among all the workshop manager 82% stated that they do not have a different working hour based on labor's age. All worker or labor works for the same working hour. 18% mentioned that their organization do have a separate working hour for it's under aged labors. Among those 18% less working hour provider, 3% have 3 hours less working hour than their usual working hour, 5% have 2 hours less than usual and 10% have 1 hour less than usual working hour.

However, only 5% organization follow 9 hours working hour daily ,13% follow 11 hours working hour and rest of the 82% organizations follow 10 hours working hour.



Figure 6: usual working hour practiced

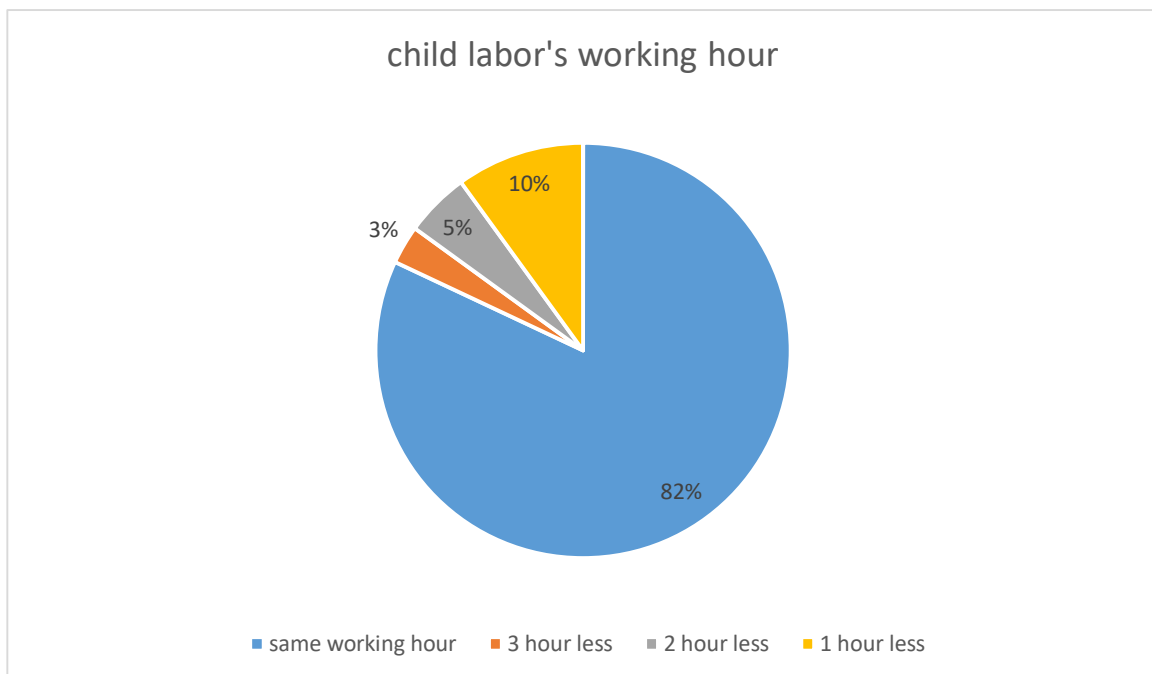


Figure 7:Child Labor’s working hour practiced (Derived from Table VI)

Table 6: Child labor’s working hour practiced:

Respondent	Working Hour	In percent
31	Equal Working Hour	82%
4	1 hour less	10%
2	2 hour less	5%
1	3 hour less	3%

All the respondent stated that they have specific segment of work assigned for their under aged worker and they do not allow hazardous job for labor under 15 years of age. They consider some work as hazardous for under aged labor such as- operating shearing and bending machine, welding, gas cutting, power press machine operating etc. They usually allocate their under aged labor in less hazardous job like, helping foreman, lifting materials, carrying and distributing tools, color painting machinery, loading and unloading tools etc.

Unlike garments industry this industry does not have set minimum wage for its worker or labor force. Different organization follow their own set of rules. Among 38 organization, 47% stated that their minimum wage is 4000tk for an unskilled new under aged labor, 21% stated that their minimum wage for an unskilled under aged labor is 5000tk, 21% stated that they do not have any minimum wage and 11% stated that for unskilled under aged labor they only provide food and shelter to learn some skill then consider his wage.

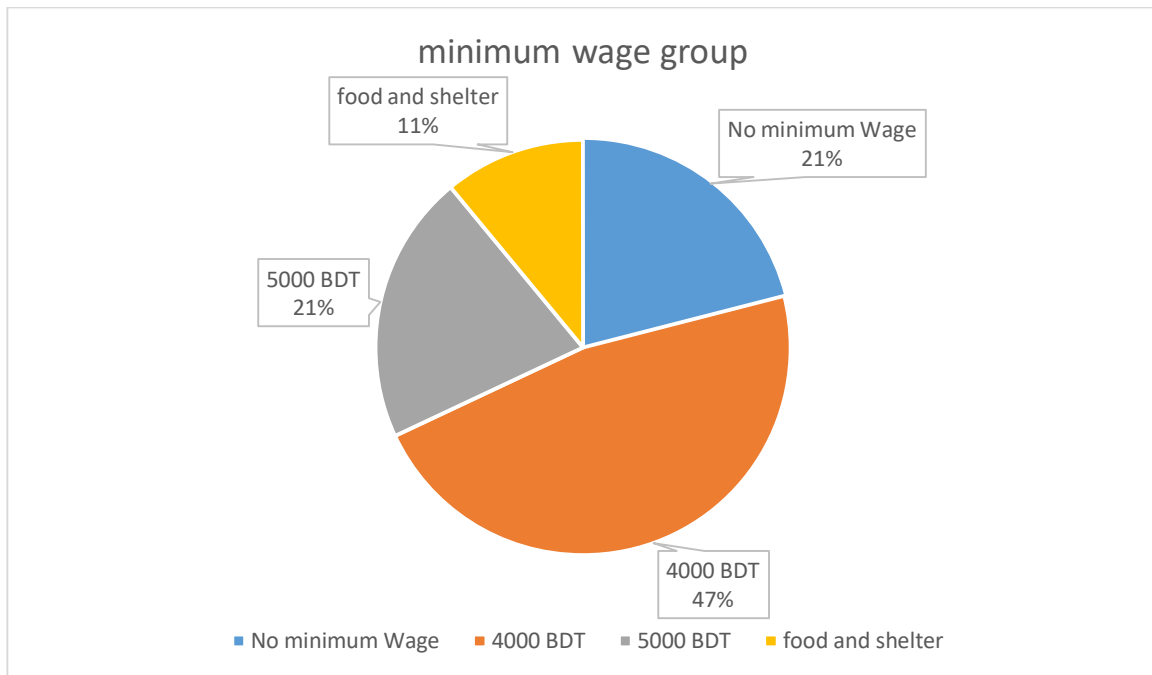


Figure 8: Minimum Wage for child labor (Derived from Table VII)

Table 7: Minimum Wage for child labors

Minimum Wage	Respondent	In percent
No Minimum Wage	8	21%
4000 BDT	18	47%
5000 BDT	8	21%
Only Food and Shelter	4	11%

6.3 Corporate Social Responsibility: (Labors evening schooling)

Along with gaining profit for the organization and organization should have some other goal for the society as well. Corporate social responsibility should be a part of any organization to work for its surroundings and stakeholders. Working on its own labor's betterment could be considered as social responsibility too. However, none of the respondent said they have facilities to study after work. They pointed that, their work is heavy and tiring which is mostly

physical work extensive so, it is really hard to motivate workers to study after a long tiring working day. But one of the respondent mentioned that they give chances to appear for board exams for its worker with paid leave.

6.4 Corporate client's involvement or regulation on Child labor:

All the respondent organization stated that they do participate competitive bidding process to get work order from their corporate clients. 92% of the respondent stated that they never faced any restriction to get work order for their child labor issue. Only 8% of the respondent mentioned that they faced restriction for child labor, work environment and safety issue by few corporate clients like- Cityscape International ltd, Volume Zero ltd and BTI. However, only Cityscape International wanted written statement of not having child labor, safety standard and work environment report, other two organization only mentioned the clause in their competitive bidding criteria.

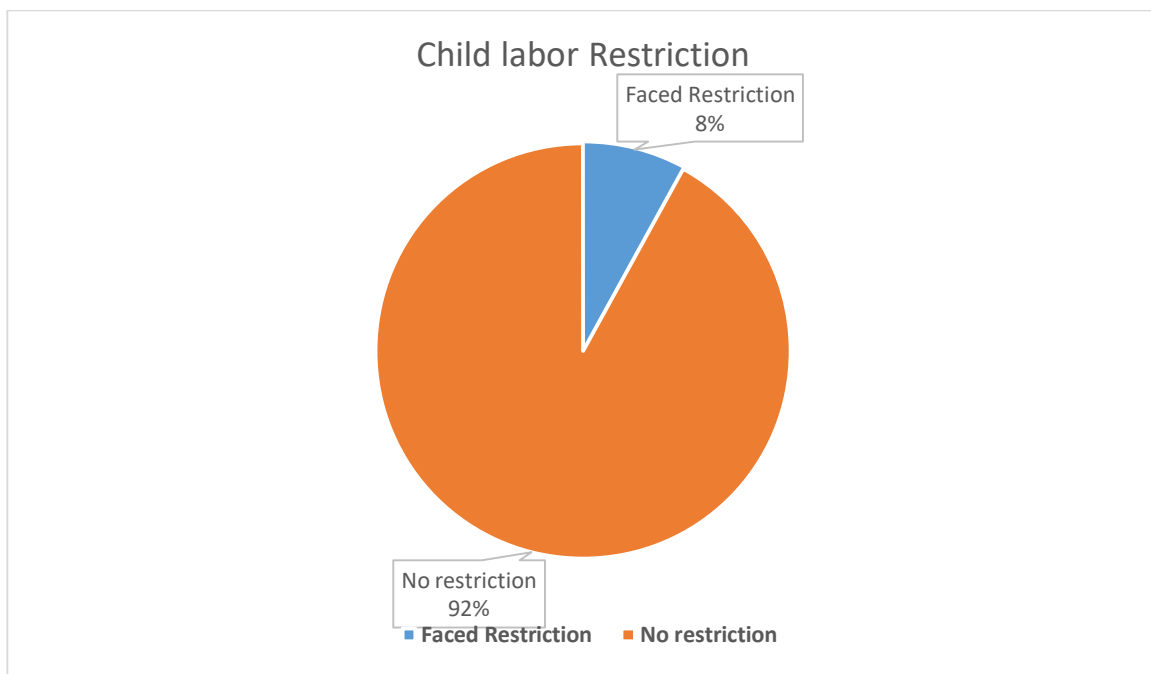


Figure 9: Child labor restriction from corporate clients

No corporate clients provided any guideline of child labor employment, minimum age, hazardous work restriction, safety maintenance for child labor etc.

Chapter 7

Findings on the basis of primary data analysis

7.1 Co-relation between child labor & sustainable procurement practice:

From the primary data analysis we found that 100% of the respondent participate competitive bidding system to get work order from the corporate client. In competitive bidding process the organization issue a Request for proposal (RFP) or Request for Quotation (RFQ) with details of products or service they require vendors to show interest in a competitive bidding process. In the RFP or RFQ organization may include details of the task, specification of the product or service, timeline, guideline to prepare the RFP or RFQ, Regulation, Restriction to be an ideal winning bidder etc. In the guideline for winning bidder organization may implement their willingness to set a sustainable procurement policy addressing social, economic and environmental aspects. If an industry leaders practice this sustainable procurement policy its suppliers ought to follow the policy to win the bid among competitors. However, in the survey the author found only 8% of the total respondent encountered similar regulation for social aspect like child labor free working environment as requirement to be qualified as winning bidder along with offering best value.

Chapter 8

Logic in support of and against child labor

8.1 logic supporting child labor

As Bangladesh is still in developing countries category, many of our population falls under poor income category. While living expense is increasing and employment opportunity is not enough to cover job seekers desired level of job and remuneration. A huge pressure is suppressing poor or under privileged community to maintain daily expense. However, education is going towards expensive side as well. For many families continuing study after primary shows no brighter future compared to the present burden. Thus after primary education or even before primary education family sends their children for work. Family not only send their children to work for money but also to rescue their children from bad peer pressure, political pressure etc. It is not necessary that those parents who send their children at work does not love their children but they see greater benefit for their children's future if they adapt skills as early as possible. They believe, as higher education is not in their capability, only higher level of skill development would change their future.

Many respondents stated that, it is hard to support a family regularly without any reward thus hiring a child without skills and teaching him skills also paying minimum wage is one kind of donation. However, many scholar suggested less hazardous and minimum working hour might be okay in case of unavailability.

8.2 counter arguments:

Childhood is most beautiful part of human life. Forced labor can snatch the divine charm of childhood from a child. Work pressure might hamper his physical and mental growth and development. Accidents is more common among child labor which may lead a prospective future to a crippled burden. Through games, entertainment children learns many social skills

which may never be learned by a child labor who cannot get play time or leisure time with friends. Education is the backbone of a nation which remain weak for child labor. In most of the cases heavy physical work extensive worker cannot gather the stamina to study after work.

Generally organization employ child labor due to cheap labor cost.

Chapter 9

Findings, recommendation and conclusion

9.1 Findings

From the statistical calculation of the respondents' responses done in Chapter Seven author tried to find out the correlation between procurement practice and presence of child labor in supply chain. The author started the study with a hypothesis of having strong correlation between procurement practice and presence of child labor in a particular supply chain which can be minimized through implementing sustainable procurement process. After analyzing those statistical data from primary sources author found the hypothesis to be correct. Corporate procurement process has a strong dominance over its suppliers. For big budget to medium budget procurement organization invite for bid where they clearly mention their requirement, specification, time limit, payment schedule, security issue, special rules, direction on bidding process and etc. All those information, direction, rules and regulation are key criterion for a bidder to maintain to get awarded. However, most of the industry leaders do not include this social aspect in their procurement criteria to select deserving bidder rather they focus more on economic aspect which is mainly reducing cost and maximizing profit. Few organization mention those criteria for safe work environment and child labor prohibition clause in their RFP but do not monitor on those issues. Nevertheless, when an organization strongly monitor the issue suppliers tend to avoid those organization considering extra hassle for them. If it were widely practiced then suppliers would follow the guideline properly.

9.2 Recommendation

Since poverty is a massive problem for child labor practice, along with government all other sector should involve more on CSR activity to decrease poverty. Although primary education made free it does not bring any change to poor community's life due to education system. Education system shall be modernized with vocational hands on training which will enhance knowledge and skills side by side and ultimately secure desired level of job. Government shall focus more on village area's development through introducing employment opportunities to maintain minimal level of daily expense. Only making laws will not prohibit child labor from society but implication is required through proper action plan. Penalties and reward shall be introduced to follow proper guideline by the organization.

In case of unavoidable scenario minimum wage shall be declared in an interim arrangement until the child labour gets entirely eliminated both in formal or informal sectors.

Setting minimum age for specific job and making age verification mandatory for hiring new labor into labor force might reduce the severity of the scenario.

Corporate buyers shall engage themselves more on setting guideline for employing child labor, maintaining good working environment, maintaining safety and primary health care for labors etc. One great CRS for Housing business organization could be introducing evening school for working children, teaching safety clause, training on basic skills and so on. One example for this could be the case of Lafarge Holcim cement where the organization were convicted with the allegation of having child labor in their pozzolana supply chain. However, they commissioned independent investigation on the allegation and found no direct existence of child labor in their supply chain yet they continued unnoticed audit, GPS monitoring etc. Moreover they invested more CSR fund to child welfare to be more specific they provided sanitary facilities to Harugongo Primary School and also introduced family strengthening

program which helps families to generate more income, raise awareness, health and family planning advice etc.

9.3 Conclusion

Though sustainability is a widely discussed topic now a days, it is still far distant in practice for many industry in our country. While paying maximum attention to economic aspect organization often neglect the social and environmental aspect of sustainability. Without considering all three aspect of sustainability organization cannot attain complete sustainability .In case of industry leader, sustainable procurement policy can lead the whole supply chain to shift into a sustainable chain. Nevertheless, proper guideline can make things easier to follow. So, in competitive bidding invitation organization would mention proper guideline for child labor to be considered as an eligible bidder. To be eligible and compete with other competitors suppliers would follow those guiding principle. CRS activities by housing company for their supplier's child labor could enhance their life into better version. Job allotment based on age might minimize the risk of accidents. In case of unavoidable circumstances hazard free job could be allotted to base on age. However, to implement the child labor guideline properly corporate buyers need to verify and follow up before selecting the supplier.

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