



CHILD LABOUR AND HUMAN CAPITAL FORMATION: AN ANALYTICAL STUDY IN THE CONTEXT OF SDGS

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Abstract

Child labour, which deprives children of their education, dignity, and overall development, continues to pose a significant challenge in India despite decades of policy interventions. While initiatives such as MGNREGA and self-help group-based microfinance schemes have contributed to rural employment generation, they remain insufficient to eliminate the structural causes of child labour. Sustainable solutions require a multi-pronged strategy involving women's empowerment, rehabilitation of victims, strict enforcement of labour laws, and universal access to quality education. With over 75% of India's population still dependent on agriculture, rural-based employment programs, agro-industrial initiatives, and targeted welfare measures are essential in breaking the cycle of exploitation. International agencies, including the United Nations and the International Labour Organization, continue to urge India to adopt evidence-based frameworks aligned with the Sustainable Development Goals (SDGs), emphasizing the urgency of corrective measures. Yet, uneven distribution of child labour across states, with Maharashtra, Bihar, and Uttar Pradesh registering the highest incidence, indicates that nearly 74.3 lakh children may still be working by 2025. This study argues that eradicating child labour is both a moral imperative and a socio-economic necessity, requiring long-term policy design, social awareness, and integrated development planning to ensure that protecting childhood becomes synonymous with achieving inclusive and sustainable national progress.

Keywords: *Child Labour; Exploitation; Unskilled Employment; Poverty; Social Security; Indian Constitution; Unemployment; Child Rights and Protection; Social Welfare Measures; Migration.*

Theme of the Article

The exploitation of children through various forms of labour strips them of their childhood, denies them the opportunity to pursue education, and severely affects their physical, mental, social, and moral growth. In India, the roots of child labour largely lie in poverty, unemployment, and indebtedness. Although laws prohibit the employment of children below 14 years, official estimates indicate that over 10 million children aged 5–14 were engaged in work as of 2011. India records one of the world's largest populations of under-14 child workers, with nearly 70% employed in agriculture and allied sectors. Globally, around 160 million children are involved in child labour, a figure that has grown by 8.4 million in the last four years. The COVID-19 pandemic further worsened this situation, pushing millions more children into vulnerable conditions. Both the ILO and UNICEF emphasize the urgent need for adequate social protection, proper school funding, and stronger child protection systems to safeguard minors. India's 259.6 million children in the age group of 5–14 face an even greater risk, with economic crises and financial hardships threatening to increase child labour rates. To address this, UNICEF India calls upon governments, policymakers, and families to take collective responsibility in securing children's rights.



Childhood is the foundation of human development, yet it is often compromised when children are forced into labour at an age when they should be learning and growing. Engaging in such work not only endangers their health and safety but also limits their ability to build a secure future.

Children working in hazardous conditions for meager wages highlight the grim reality of economic distress. These children are denied access to education and stripped of opportunities for advancement. Although India has made efforts through legislation that promotes universal primary education and by implementing committee recommendations, child labour continues to remain a critical challenge. The judiciary and government have shown commitment towards addressing the issue, but much more needs to be done to ensure that every child enjoys the right to education, welfare, and a dignified life. The eradication of child labour is not just a legal obligation but a moral responsibility towards safeguarding the future of the nation.

The Concept of Child Labour

Child labour refers to any form of employment that deprives children of their childhood, denies them opportunities for education, and undermines their dignity, health, and overall development. It forces many children to drop out of school or balance studies with excessive work, leading to long-term physical and psychological harm. According to UNICEF, child labour exists when children between the ages of 5 and 11 are engaged in at least one hour of economic activity or 28 hours of domestic work per week. The Census of India (2001) defines child labour as participation in any productive economic activity, regardless of whether the child receives wages or not. In this context, the Indian government categorizes children as either main workers or marginal workers.

The Indian Constitution prohibits the employment of children below 14 years of age, while also mandating free and compulsory education for all. To support this, the state provides necessary infrastructure and resources so that every child can access education instead of being pushed into exploitative labour. Despite such legal safeguards, child labour continues to remain a pressing issue that demands strict enforcement and sustained policy intervention.

Statement of the Problem

More than 75 percent of India's population still resides in rural areas, where poverty and lack of employment opportunities continue to drive child labour. Although the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) provides 100 days of employment to reduce rural poverty, the program faces challenges such as inadequate funding, weak implementation, and overdependence on unskilled labour. For sustainable poverty reduction, it is essential to strengthen agro-based industries, expand skill development initiatives, and improve vocational training facilities that connect rural workers to jobs in urban markets. In addition, social safety nets such as crop insurance, pension schemes, and health coverage need to be revitalized. Many households remain outside the Ayushman Bharat healthcare framework, leaving families vulnerable to debt when medical emergencies arise. Unless these support systems are reinforced, achieving the target of eliminating child labour by 2025 remains difficult.

Efforts like Universal Basic Income and microfinance are explored to curb rural poverty and child labour, which stem from economic distress, ignorance, weak infrastructure, and poor education access. Lasting change requires prioritizing education, especially for women and rural households. Extending free schooling up to Class XII, improving infrastructure, and rehabilitating rescued children with social and psychological support are vital. Strong policies, effective enforcement, adequate



funding, research- based strategies, and active civil society involvement are essential to eliminate child labour.

By 2030, aligning national child labour policies with the Sustainable Development Goals (SDGs) is crucial. Governments must focus not only on eliminating child labour but also on creating a socio-economic environment that provides opportunities for every child. A comprehensive approach linking law enforcement, education, health, and social protection remains the only sustainable path towards eradicating child labour and ensuring a just and inclusive society.

Objectives of the Article

The present study is undertaken with the following objectives:

To examine the link between child labour and Sustainable

- 1. Development Goals (SDGs):** Understanding how child labour obstructs progress in education, poverty reduction, and decent work opportunities.
- 2. To analyze the macroeconomic and social implications of child labour:** Assessing its impact on economic growth, productivity, poverty, and inequality in India.
- 3. To evaluate the effectiveness of laws and welfare policies:** Reviewing the role of RTE Act, MGNREGA, and social safety programs in reducing child labour.
- 4. To propose future strategies for 2025–2030:** Suggesting integrated policy measures aligned with SDGs to achieve complete eradication of child labour.

Methodology of the Article

This research adopts a combination of empirical evidence and secondary data analysis, supported by a theoretical and descriptive research design. The secondary data utilized in this study has been systematically compiled from diverse and credible sources, ensuring reliability and depth. The effectiveness of the research depends largely on the systematic collection, classification, and interpretation of the available data.

To strengthen the quality of analysis, this study incorporates insights from subject-matter experts, academic literature, policy documents, and statistical databases. Key sources include scholarly books, peer-reviewed journals, government publications, international reports, specialized websites, and other published as well as unpublished materials. The use of multiple data sources enhances the scope and accuracy of the findings, while also providing a holistic understanding of the problem under investigation.

Furthermore, this research outlines guidelines for future studies, emphasizing the need for rigorous data collection and the integration of macroeconomic, social, and policy-related perspectives. By synthesizing evidence from varied resources, the methodology ensures that the conclusions are not only aligned with the article's central theme but are also accessible and comprehensible to both academic and policy-oriented audiences.

Child Labour in India: Legal Provisions and Government Initiatives

Childhood is recognized internationally as a vital stage of human development. Global agreements like the Universal Declaration of Human Rights (1948), the Declaration of the Rights of the Child (1959), and ILO conventions prohibit child labour and safeguard children's rights to dignity, protection, and education.

In India, the Constitution ensures free and compulsory education (Article 21A) and prohibits child exploitation in hazardous jobs. Important laws include the Employment of Children Act (1938),



Factories Act, Mines Act, Juvenile Justice Act, and the Child Labour (Prohibition and Regulation) Act. The National Child Labour Project (NCLP) supports rescued children's education and rehabilitation.

Government initiatives such as Samagra Shiksha Abhiyan, Skill India Mission, and stronger inspection systems aim to reduce child labour by addressing poverty, empowering women, and linking social welfare with education. Integrated with the Sustainable Development Goals (SDGs) 2030, these efforts seek to ensure every child enjoys protection, dignity, and the right to education.

Legal Framework on Child Labour in India: Contemporary Perspective

Factories Act, 1948

The Factories Act, 1948 explicitly prohibits the employment of children below 14 years of age in industrial establishments. In addition, it prescribes strict regulations for adolescents (15–18 years), particularly with regard to working hours, nature of employment, and workplace conditions. This Act reflects India's continuing efforts to align its labour standards with global commitments to child welfare and occupational safety.

Mines Act, 1952

The Mines Act, 1952 reinforces the prohibition of child labour in mining activities, which are among the most hazardous occupations. The Act provides detailed provisions on the health, safety, and welfare of workers engaged in coal, metalliferous, and oil mining. Responsibility for compliance rests with the mine owners, who may be individuals, firms, associations, or government bodies. In cases where ownership rests with a company or association, designated directors, partners, or managers are legally accountable. Further, the Mines and Minerals (Development and Regulation) Act, 1957 supplements this framework by ensuring sustainable development and regulation of mineral resources under Union control.

Child Labour (Prohibition and Regulation) Act, 1986 (CLPR Act)

The Child Labour (Prohibition and Regulation) Act, 1986, later amended in 2016, remains a cornerstone of India's legal framework against child labour. It defines a "child" as any person below 14 years and prohibits their employment in all occupations and processes, except in the case of family-based, non-hazardous work. The Act also introduces the category of "adolescents" (14–18 years), who may be employed in non-hazardous industries but are strictly barred from working in mines, handling inflammable substances, explosives, and other high-risk occupations. Violations are treated as criminal offences, ensuring stronger accountability.

Right of Children to Free and Compulsory Education Act, 2009 (RTE Act)

The Right of Children to Free and Compulsory Education Act, 2009 enacted during India's 60th year of independence marks a significant step towards universal education. It guarantees free and compulsory education to children aged 6–14 years and reserves 25% of seats in private schools for children from economically weaker and disadvantaged sections. While the Act has expanded access to education, challenges remain in ensuring quality, reducing dropout rates, and linking education with broader poverty-alleviation measures.

Policy Context and Contemporary Relevance

Despite strong legislation, socio-economic factors such as poverty, unemployment, and lack of awareness continue to drive child labour in India. The National Policy on Child Labour (1987) and the National Child Labour Project (NCLP) remain central initiatives, with significant budgetary



allocations for rehabilitation and education of rescued children. However, enforcement gaps and persistent demand for cheap labour in informal sectors still present obstacles. Integrating these laws with present welfare programs such as Samagra Shiksha Abhiyan and Skill India Missions crucial for realizing India's commitment to the Sustainable Development Goals (SDGs) and building a child labour-free society.

Need For Child Labour Protection in India

Despite constitutional safeguards, child labour persists in India due to poverty, unemployment, and illiteracy. Exploitative work denies children education, affects their physical and mental health, and reinforces social inequality. Children are often preferred in hazardous jobs because of their vulnerability and low wages, but this exploitation undermines human rights and weakens India's demographic potential.

Children in the Labour Force: Contemporary Concerns

The COVID-19 pandemic has worsened vulnerabilities, pushing more children into work. Globally, about 160 million children are engaged in labour, half in hazardous conditions. In India, over 10 million children aged 5–14 are employed, many in unsafe sectors. Poverty, lack of social security, and limited access to education remain key drivers. Stronger enforcement, poverty reduction, and inclusive education are essential to end child labour.

Child Labour Trends in India

Child labour continues to deprive children of education, health, and dignity, largely driven by poverty, inequality, and lack of awareness. Children are often exploited because they are vulnerable and cheap sources of labour. Addressing the issue requires inclusive growth, strict law enforcement, universal education, and stronger social protection systems, as highlighted by the ILO.

Contemporary Patterns and Challenges

Census data shows fluctuating child labour trends, with declines in 1981–1991 and 2001–2011, but a rise during 1991–2001 linked to economic liberalization. In 2011, over 10 million Indian children aged 5–14 were engaged in work. Recent crises such as COVID-19, inflation, and rural distress have worsened vulnerabilities, though rescue operations have increased; with Delhi reporting nearly triples the rescues in 2023. Eliminating child labour requires coordinated efforts from government, businesses, and civil society.

Estimated Number of Children in Labour

Recent global estimates indicate that nearly 160 million children are engaged in labour, with India contributing a significant share despite not able progress in reduction over the past four decades. Based on declining trends observed between 2001 and 2011, projections suggest that the number of child laborers in India may have decreased to around 8.12 million in 2021 and could further decline to 7.43 million by 2025. However, the distribution remains uneven, as four states Uttar Pradesh, Bihar, Maharashtra, and Rajasthan are expected to account for more than half of the total, while Madhya Pradesh, Gujarat, and Jharkhand together contribute an additional 5 percent. These projections highlight both the gains achieved and the persistent regional disparities, underscoring the need for targeted interventions in high-burden states to sustain and accelerate the decline of child labour in India.



Table 1: State-Wise Classification of Child Labour in India based on Rate of Change (2001-2011), Number of Child Laborers (2011), and Projected Estimates (2021 & 2025).

| S.No | States | Rate of Change (2001–2011) | Child Labourers in 2011 (Rank) | Projected 2021 | Projected 2025 |
|------|------------------|----------------------------|--------------------------------|----------------|----------------|
| 1 | Andhra Pradesh | 4 | 13 | 9 | 7 |
| 2 | Assam | 11 | 10 | 13 | 13 |
| 3 | Bihar | 16 | 21 | 21 | 21 |
| 4 | Chhattisgarh | 10 | 8 | 10 | 9 |
| 5 | Gujarat | 15 | 16 | 17 | 18 |
| 6 | Haryana | 2 | 5 | 2 | 2 |
| 7 | Himachal Pradesh | 21 | 6 | 6 | 8 |
| 8 | Jammu & Kashmir | 6 | 4 | 3 | 3 |
| 9 | Jharkhand | 17 | 14 | 16 | 16 |
| 10 | Karnataka | 3 | 15 | 12 | 11 |
| 11 | Kerala | 22 | 2 | 4 | 4 |
| 12 | Madhya Pradesh | 7 | 18 | 18 | 17 |
| 13 | Maharashtra | 14 | 19 | 20 | 20 |
| 14 | NCT of Delhi | 12 | 1 | 1 | 1 |
| 15 | Odisha | 13 | 12 | 14 | 14 |
| 16 | Punjab | 18 | 7 | 8 | 12 |
| 17 | Rajasthan | 8 | 20 | 19 | 19 |
| 18 | Tamil Nadu | 9 | 9 | 11 | 10 |
| 19 | Telangana | 1 | 11 | 7 | 6 |
| 20 | Uttar Pradesh | 19 | 22 | 22 | 22 |
| 21 | Uttarakhand | 20 | 3 | 5 | 5 |
| 22 | West Bengal | 5 | 17 | 15 | 15 |

Source: Adapted from “How Far Is India from Complete Elimination of Child Labour as Per Sustainable Development Goal 8.7,”

Looking at the table, the data highlights significant regional variations in child labour trends across Indian states. Uttar Pradesh, Bihar, Maharashtra, and Rajasthan continue to account for the largest share of child laborers, with projections indicating their dominance even in 2025. In contrast, states such as Kerala, Delhi, and Haryana show relatively lower prevalence, reflecting stronger enforcement of education and labour laws. Andhra Pradesh and Telangana demonstrate substantial improvements, shifting from higher ranks in 2011 to relatively lower projections in 2025, which suggests effective policy implementation at the state level.

States such as Gujarat, Jharkhand, and Madhya Pradesh show persistent challenges, with only marginal improvements projected over time. Meanwhile, Punjab and Himachal Pradesh display fluctuating ranks, indicating uneven progress. Overall, while the national trend points to a gradual reduction in absolute numbers of child laborers, the concentration in a few high-burden states



Underscores the urgent need for region-specific strategies, enhanced social protection measures, and targeted educational interventions to accelerate the elimination of child labour in India.

Assessing the Scale of Labour Reforms Needed To Realize SDG 8.7”

The urgency of addressing child labour within the framework of Sustainable Development Goal (SDG) 8.7 remains a critical global challenge. SDG 8.7 explicitly calls for the elimination of forced labour, modern slavery, and human trafficking, while mandating the prohibition and eradication of the worst forms of child labour, including the recruitment and exploitation of child soldiers, with the ultimate goal of ending all child labour by 2025. Current projections, however, indicate that India faces substantial hurdles in meeting this target. Although

Progress has been made in reducing the incidence of child labour over the past decades, the persistence of socio-economic inequalities, weak enforcement mechanisms, and limited policy integration suggest that achieving complete eradication by the target year remains unlikely without transformative interventions. Despite these barriers, there is still scope for intensifying ongoing initiatives and mobilizing new strategies that focus on education, livelihood support for vulnerable households, and stricter regulatory oversight. Estimates underscore the scale of effort required to achieve this ambitious goal. To eradicate child labour by 2025, India would need to accelerate the annual rate of reduction by nearly seven times compared to recent trends. This implies that the number of children engaged in labour would have to decline from approximately 12.4 lakh to near elimination within a very short period, requiring a 667% increase in the pace of withdrawal from the workforce. Such an undertaking demands not only greater financial and institutional investment but also deeper social and political commitment at both national and state levels. The path toward achieving SDG 8.7, therefore, depends on coordinated policy innovation, enhanced community awareness, and sustained monitoring to ensure that gains are both accelerated and durable. Without such exponential efforts, the vision of a child-labour-free India by 2025 will remain aspiration rather than attainable.

**Table 2: Estimated Effort Required Eliminating Child Labour in India by 2025
(Period: 2020–2025)**

| S. No. | Measurement | Value |
|--------|--|----------------|
| 1 | Projected number of children in labour by 2025 | 7,432,247 |
| 2 | Estimated reduction in child labour achieved during 2019–2020 | 185,580 |
| 3 | Required annual reduction in child labour (from 2020 onwards) to achieve elimination by 2025 | 1,238,708 |
| 4 | Percentage increase needed in annual reduction rate | 667% |
| 5 | Magnitude of annual effort required (compared to current pace) | 7 times higher |

The projections in Table–2 highlight the immense challenge of eliminating child labour in India by 2025. While only 185,580 children were reduced from the workforce in 2019–2020, the annual requirement is nearly 1.24 million over six times the current pace. This demands a 667% increase in annual efforts, backed by stronger law enforcement, large-scale investment in education and social protection, and active community engagement. Without such accelerated measures, the goal of eradicating child labour by 2025 will remain aspirational rather than achievable.



Impact of Child Labour on the Indian Economy

Child labour remains a deeply entrenched socio-economic issue in India, depriving millions of children of their right to education, health, and a safe childhood. Beyond the immediate exploitation of minors, child labour exposes them to hazardous working environments such as glass, brassware, lock-making, and other informal industries, where risks of chronic illness, disability, and even premature death are alarmingly high. Prolonged exposure to poverty, malnutrition, and excessive working hours not only weakens physical health but also undermines psychological growth and academic performance. UNICEF and ILO estimates continue to highlight the scale of the crisis globally, with India contributing a significant share. Nutritional deficiencies, including lack of iron, protein, and essential vitamins, further aggravate physical and cognitive underdevelopment, making it difficult for child workers to transition into healthier, more productive adults.

From an economic perspective, child labour offers short-term household survival benefits but perpetuates a long-term cycle of poverty by weakening human capital formation. Families may experience temporary income gains, but this comes at the cost of reduced educational attainment, lower productivity, and diminished earning capacity in adulthood. As child labour often dominates in unorganized sectors with minimal technological advancement, it hinders innovation, slows economic growth, and sustains inequality. Gender disparities worsen as more girls are drawn into labour, limiting their educational opportunities and reinforcing social disadvantages. While curbing child labour can stimulate capital investment and technological progress, the failure to act decisively risks trapping entire communities in intergenerational poverty. Thus, addressing child labour is not only a social and moral imperative but also an economic necessity for India's sustainable growth.

Conclusion

Child labour continues to pose a critical challenge in India, deeply affecting children's growth, education, and overall well-being. Rooted in unemployment, poverty, limited educational access, and the persistence of informal sector employment, the problem remains widespread despite decades of policy initiatives.

The UN and ILO have consistently called for stronger interventions, yet India still struggles to align with the Sustainable Development Goal 8.7 target of eliminating child labour by 2025. Census 2011 reported over 10 million children engaged in labour, and projections indicate that states such as Uttar Pradesh, Bihar, and Maharashtra will continue to account for a large share if immediate measures are not taken. This underscores the urgency for both central and state governments to adopt mission-oriented strategies and accelerate reforms.

The persistence of child labour also reflects deeper socio cultural and economic pressures faced by the poorest and least educated households. Lack of awareness, weak enforcement of labour laws, and the lure of cheap labour contribute to the cycle of exploitation. Breaking this cycle requires comprehensive action strengthening educational opportunities, expanding social protection, enhancing livelihood options for adults, and fostering community-level awareness. Ultimately, children represent the foundation of human capital and the nation's future; hence, the eradication of child labour must be seen not only as a legal and moral responsibility but also as a critical step towards sustainable and inclusive economic development.



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