



**CYW-RPF**

**Children, Youth and Women  
Research and Practice Forum**

**CYW-RPF  
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Newsletter  
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## Editor's Note

Dear readers,

We are pleased to welcome you to the December 2023 CYW-RPF quarterly newsletter. This edition presents two summaries of research presented at the monthly CYW-RPF seminars. These are from papers on 1) Children and the Fiscal Space in Ethiopia, conducted by The World Bank Group, and 2) The prevalence of domestic servitude among child domestic workers in Addis Ababa, Ethiopia, done by Freedom Fund and Population Council.

It also addresses in the news story Young Lives Ethiopia's engagement with different stakeholders in sharing Young Lives longitudinal research.

We look forward to your comments, suggestions and contributions. For more information, please contact us via [crpf.ethiopia@gmail.com](mailto:crpf.ethiopia@gmail.com) or 011 1 540121



## Stakeholders Initiatives to Share Young Lives Groundbreaking Research Findings

Young Lives Ethiopia Country Director, Dr. Alula Pankhurst had an interview with VOA Amharic providing insights on the longitudinal Young Lives research that has followed 3000 children in Ethiopia for over 20 years since 2001. He commented on the key findings on poverty, nutrition, education, sexual reproductive health, migration and mental health. Watch here: - <https://bit.ly/41qYwmR>.

In addition, Dr. Alula Pankhurst was invited to speak at the 50th anniversary celebration of a German NGO 'Kindernothilfe' working with the Ethiopian Evangelical Church MekanYesus -Development and Social Service Commission (EECMY-DASSC) together for the rights and welfare of Ethiopian children. He highlighted Young Lives research on the impact of undernutrition on physical and cognitive growth - and that later interventions, such as school feeding can support catch-up growth and recovery beyond the first 1000 days.

Visit here for more: - <https://bit.ly/3tg6H8Z>.



## Research Summaries from CYW-RPF presentations

### Children and the Fiscal Space in Ethiopia

Alemayehu A. Ambel (PhD)

#### Introduction

This study investigates the effects of public transfers and taxes on the well-being of children in Ethiopia. Taxes, government spending, and public transfers are crucial in advancing child rights and welfare and reducing poverty and inequality. While there is increasing empirical evidence of the distributional effects of public finance in low- and middle-income countries, data and insights on the impacts on children are very limited.

In 2016, approximately 88% or 36.2 million children in Ethiopia were multi-dimensionally poor, meaning they were deprived of the fulfilment of multiple rights or needs for basic food or services.

Child-focused distributional analyses of fiscal systems are needed because children have different needs and consumption patterns, and household-level analyses ignore intra-household distribution showing that poor individuals do not necessarily live in poor households.



#### Data

##### Survey data

The survey data are from the 2018/19 Ethiopia Socioeconomic Survey (ESS). ESS is a nationally representative survey implemented by the Central Statistics Agency in collaboration with the World Bank under the Living Standards Measurement Study - Integrated Surveys on Agriculture (LSMS-ISA) project. The survey interviewed 6,700 households out of which 4,992 households had at least one household member between 0-17 years old at the time of the interview. A total of 13,820 members in this age group are included in the analyses.

##### Administrative data

Administrative data used in this study include the following:

- ✓ Budget - public revenue and expenditure data for the 2018/19 fiscal year and regional education and health spending from the Ministry of Finance,
- ✓ School enrollment information from the Ministry of Education,
- ✓ Kerosene subsidy from the Ethiopian Petroleum Supply, and
- ✓ Wheat subsidy from the Ethiopian Trading Businesses Corporation.

#### Results

##### Distribution of Taxes and Transfers

- **Taxes:** direct taxes are progressive, i.e., their value relative to market income decreases with the average number of child deprivations. For example, direct taxes constitute 6% of market income among households of non-deprived children, while this is only 1% when a child experiences five or more deprivations. Indirect taxes, comprising of VAT and excise taxes, are regressive. There are also differences by gender. The share of both direct and indirect taxes relative to market income is slightly higher for girls (with one or two deprivations) than for boys in the same situation. However, the reverse is the case for children with four or five deprivations. Rural-urban differences also exist. In rural areas, the study finds that both direct and indirect taxes are low across multiple child

deprivations, i.e., they are neither progressive nor regressive. For urban children, excise taxes are regressive.

- **Transfers:** are almost completely in the form of indirect in-kind transfers, with direct transfers accounting for only 0.3% (in the case of no deprivations) to 1.9% (in the case of five or more deprivations) of market income. Direct transfers are relatively equal across the various disaggregation groups, although they are slightly higher for urban children with four or more deprivations than similarly deprived children in rural areas. Primary education is the largest in-kind transfer and is progressive overall, constituting about 3.9% of market income of non-deprived children and rising to 13.2% for those with four deprivations. Though no differences exist between boys and girls, public spending on primary education is progressive in urban areas while neutral in rural areas. On the other hand, secondary education is regressive overall and in all disaggregation groups.



##### Impacts on Poverty and Inequality

- ◇ The net effect of fiscal policy (taxes and direct transfers) increases child poverty when comparing market and consumable income
- ◇ However, if we monetize in-kind services, poverty headcount declines to 26%
- ◇ Effects are stronger for girls and children in rural areas, therefore reducing group-based inequalities in monetary poverty

In summary, the analysis suggests that the overall fiscal system is not well calibrated to reduce monetary poverty, with poverty rates increasing for all groups between market income and consumable income. Only the significant in-kind transfers for education and health result in a decrease in the poverty headcount at final income. This highlights not only the essential role of those public services to deliver on fundamental child rights but also the importance of investments in education and health in reducing poverty.

#### Policy simulations

Two assumptions are made a priori about the simulations. First, the extra transfers can induce a reduction in the labor supply by beneficiaries. Such changes in behavior are ruled out by our simulations. Second, the simulations do not take into account the additional administrative costs related to enrolling currently unenrolled students and increasing the amount and redistribution of PSNP transfers. However, these limitations are unlikely to change the main takeaways from the simulation exercises.

#### Conclusion

The incidence analyses show that the fiscal system on average is progressive and mainly driven by direct taxes and indirect in-kind transfers. However, important differences in the distribution of some of the elements of taxes and transfers exist. For example, indirect taxes are regressive while public spending on primary education is by far the largest in-kind transfer and is generally progressive across levels of child deprivation. Secondary education spending is regressive, while public spending on health care is progressive across all children. However, in rural areas spending on primary education and health is neutral, in sharp contrast to strong progressivity in urban areas. Regarding impacts on poverty and inequality, the fiscal system reduces poverty by 21% from market income to final income, and the poverty gap by 33%. The effects are stronger for girls and children in rural areas than for boys and those living in urban areas. However, this is only the case once the significant in-kind transfers for education and health are considered. Poverty rates increase between market income and consumable income, which implies that the overall fiscal system up to this point has impoverished both boys and girls. The findings in this study highlight the fact that public services are not only essential in delivering fundamental child rights, but also in reducing poverty among children.

Child-focused fiscal incidence analyses provide essential insights into the distribution of taxes, direct transfers and public spending, and allow for a better understanding of the impact of fiscal policies on poverty and inequality among children. These insights are relevant for a wide range of decision makers, including policy makers in local and national governments, international financing facilities and other multilateral organizations, as well as civil society organizations. Furthermore, indicators on both pro-poor public spending on social services as well as the distributive impacts of fiscal policies are now part of the global indicator framework for the Sustainable Development Goals. Finally, while this study offers an analysis of fiscal incidence in 2018/19, CEQ4C assessments can be used to simulate the effects of potential

policy interventions and offer an important toolkit to assess the effects on poverty and inequality of new policy proposals. Our four fiscal policy simulations that focus on universal education and the productive safety net program (PSNP) improve child welfare. Closing the education gap in Ethiopia in particular is associated with modest reductions in monetary inequality as well as multidimensional and monetary poverty, with varying gender and location effects. PSNP transfers, if doubled, would have a modest reduction effect on monetary poverty and inequality. PSNP transfers, if redistributed from non-poor to poor children, would have larger poverty and inequality effects. Doubling and redistribution jointly result in the largest welfare improvements for all groups of children.

## Research Summaries from CYW-RPF presentations

### The prevalence of domestic servitude among child domestic workers in Addis Ababa, Ethiopia

Annabel Erulkar (PHD), Eyasu Hailu, Yetimgeta Shiferaw and Mahlet Mekbib

#### Introduction

It is estimated that there are 17.2 million child domestic workers globally, most of whom are girls. Despite their large numbers, research related to this marginalised group is extremely limited, with most of the existing research remaining at a small scale or subsumed in other topics, such as domestic workers generally. The dearth of evidence related to child domestic work arguably limits awareness about girls in such circumstances and inhibits the design and implementation of context-appropriate policy and program responses. This study represents one of the few large-scale studies to examine the phenomenon of child domestic work, including its prevalence, the entry and experience of girls in this work, and levels of human trafficking, hazardous work and illegal child labour. Under the Labour Proclamation (No. 1156/2019) in Ethiopia, children under the age of 15 are prohibited from working and those aged 15 to 17 are considered 'young workers.' 'Young workers' may work a maximum of seven hours per day and are prohibited from working before 6:00 AM or after 10:00 PM. They should have at least one rest day per week, not work on public holidays and are prohibited from specified dangerous forms of work such as in mines and quarries,



electric power plants, or sewers and tunnels. Domestic work, however, is not governed by the Labour Law but by the 1960 Ethiopia Civil Code. The Civil Code gives domestic workers relatively few protections and allows the work conditions to be regulated 'by the conscience of the employers'. In addition, Ethiopia has not ratified ILO 2011 Domestic Workers Convention No. 189, which includes minimum labour standards for domestic workers despite having ratified other key ILO labour standards including the Minimum Age Convention (No. 138), Worst Forms of Child Labour Convention (No. 182) and the UN Convention on the Rights of the Child.

#### Methodology

This research was a mixed-method study that included a large-sample, population-based study of girl child domestic workers as well as qualitative, in-depth interviews with a smaller group of girls. The study took place in low-income areas of Addis Ababa, Ethiopia, specifically, areas that were identified by child domestic work experts and stakeholders as locations where large numbers of child domestic workers are found.

#### Findings

Based on household data from the study areas, the prevalence of child domestic work among all girls aged 12 to 17 is 37 percent. Whether one identifies as a domestic worker, or one is deemed as such by virtue of their daily work burdens, these two categories of domestic workers have differing profiles and experiences. Girls who do not identify as domestic workers and who typically live with distant relatives often enter into these arrangements at younger ages and are more likely to be orphans. They also have some advantages over self-identified domestic workers, such as greater access to education and fewer hours devoted to domestic work, though both groups report long hours in domestic service. At the same time, girls who do not consider themselves domestic workers are significantly less likely to receive cash payment for their labour. Those who self-identify as domestic workers report longer hours of work and higher levels of exploitation and abuse, including trafficking and hazardous work.

The study found that the majority of girls in child domestic work are migrants to the area and come from extremely poor backgrounds. They often have few years of education; on average they possess only five years of schooling and only 62 percent can read. What is remarkable about child domestic workers in this study is the excessive hours devoted to work. On average, girls reported

55 hours of work per week (61 hours among self-identified domestic workers and 49 hours among those not identifying as domestic workers. Large percentages of girls do not have a rest day (40 percent), were not given time off on public holidays (27 percent) and many worked during early morning (29 percent) and late evening hours (9 percent) which is in contravention to the Ethiopian labour law. The pay that girls receive is usually very minimal, if anything at all. Fifty-two percent of respondents are not paid, which is primarily girls who are in extended family arrangements and do not consider themselves as domestic workers. Among those who are paid, they received the equivalent of US \$24 per month on average. Younger girls aged 12 to 14 were paid considerably less, an average of US \$17.50 per month. Twenty-seven percent of girls who were paid for their work reported that their salaries were 'kept' for them by employers and some girls who participated in the in-depth interviews said that the money 'kept' for them was never paid. Five percent of girls who were paid reported their salaries are given to their families residing elsewhere, which is more common among younger girls; among girls aged 12 to 14, 14 percent have salaries paid to their families. While few girls receive financial support from their natal families, a considerable proportion send support to their families, usually in rural areas. Among self-identified domestic workers, 67 percent have savings put aside and 51 percent send money home to their families.



There were indications that many girls underreported negative circumstances in their lives such as physical and sexual violence, which is consistent with previous studies of domestic work in Ethiopia. This may be because employers frequently provide housing, food, and many times, hold their salary. As a result, girls are extremely reliant on their employers and probably unlikely to say anything that could be perceived as negative. Indications of underreporting of negative experiences were manifested in discrepancies between the reporting of violence by former employers compared to current employers, as well as a greater level of reporting of violence, withholding pay and pay deductions in the context of in-depth interviews as compared to responses on survey questions. In addition, when validating study results, former domestic workers emphasised the likelihood of respondents not disclosing negative experiences because of fear of retaliation or loss of one's job or income.

**Recommendations**

The study findings provide support for the following recommendations related to prevention, protection and prosecution:

**Prevention**

- ✓ Recognise domestic work under official labour laws, as well as through the ratification and incorporation of ILO Resolution Convention 189.
- ✓ Ensure adequate consultation, representation and voice for child domestic workers in future policy and legislative decisions.
- ✓ Utilise existing local leaders and community structures, such as Idirs, faith leaders and kebele and woreda-level structures, to instigate change in harmful norms towards child domestic workers, through strategies such as Codes of Conduct for employers and model contracts.

**Protection**

- ✓ Provide adequate and reliable information in source communities for girls and families contemplating migration and entry into domestic work.
- ✓ Support collaboration between government bodies, non-governmental organisations, and community structures to ensure seamless and efficient identification, referral, shelter and aftercare services for child domestic workers.
- ✓ Break the isolation of child domestic workers with safe spaces aimed at: building their confidence, skills and social capital; raising awareness of current laws and policies; and connecting them with support services and

entitlements.

- ✓ Provide opportunities for alternative basic education (ABE), life skills and financial literacy training in a flexible format adapted to the needs of domestic workers.

**Prosecution**

- ✓ Ensure all law enforcement bodies (police, prosecutors, judges) have the capacity and resources to enforce Ethiopia's Labour Law, Constitution and Anti-trafficking legislation.
- ✓ Implement special provisions for child-friendly reporting, investigation and tribunal procedures in suspected cases of abuse, exploitation and trafficking.



**Interested to Know about CYW-RPF?**

The Child Research and Practice Forum (CRPF) was recently renamed Children, Youth and Women Research and Practice Forum (CYW-RPF) in order to expand the mandate of the Forum at the request of stakeholders and after holding a survey poll of the mailing list members.

CRPF was established in 2010 to promote work on child research, policy and practice. CWY-RPF makes use of monthly seminars, quarterly newsletters and annual publications as a means to achieve its objectives. The publications are also available on the Young Lives Ethiopia website (<https://www.younglives-ethiopia.org/>). CYW-RPF is organized by Young Lives with the Ministry of Women and Social Affairs and UNICEF.

If you want to know more, please contact us via [crpf.ethiopia@gmail.com](mailto:crpf.ethiopia@gmail.com)