



Underground struggles: Improving working conditions in Artisanal and Small-scale Gold Mining. Lessons from Mindanao, Philippines

Introduction

In 2019 the InForMining project of the Institute for Development Policy (IOB, University of Antwerp, Belgium) carried out a survey in three artisanal small-scale gold mining (ASGM) areas in the Philippine region of Mindanao (provinces of Agusan del Sur, South Cotabato, and Davao de Oro). The objective of this survey was to understand the profile of the informal miner and the work he/she performs from his/her own experience. In this sense, we were able to gather data that allowed us to identify important challenges faced by the three mining provinces, which are analyzed in this policy brief. This document suggests some recommendations for sustainable solutions, that were validated and adjusted by the communities themselves.

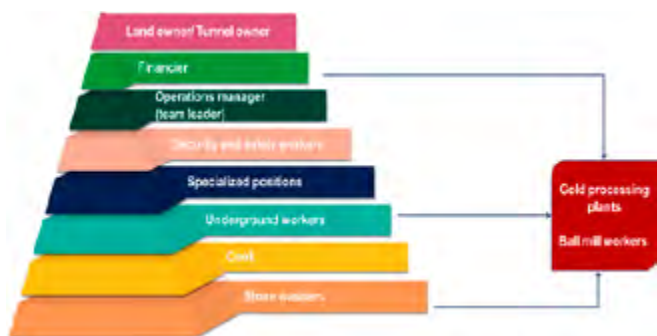
The mining areas covered by the research in Agusan del Sur and South Cotabato were declared Minahang Bayan (People's Small-Scale Mining Area) pursuant to RA No.7076, meaning small-scale miners can legally work here and indigenous population's rights are acknowledged. However, not all workers operate in the legally designated area, which indicates that they could be working on informal terms. The mining area included in the research in Davao de Oro is a declared Mineral Reservation Area (Presidential Proclamation No. 297), where mining is allowed by approval of the government through the supervision of the DENR. In total 601 workers were sampled.

Labour hierarchy

The labour hierarchy found in these mining areas was divided into two categories: high-end and low-end working positions. The high-end positions are part of an ASGM elite composed of the landowner and/or tunnel owner, and financier. The middle is reserved for the team leader and specialized positions that require specific skills - amongst which high-skilled abanteros. At the low end of the pyramid, we find underground workers (low-skilled atraseros and abanteros), those in charge of cooking, and stone washers (mostly women). There is a

marked division between positions that are at the high end and those at the low end of the working hierarchy, with the former having more economic benefits and power. Separated from this pyramid, we find workers in charge of gold processing. However, they were not included in our survey. (See figure 1)

Figure 1. Labour hierarchy in informal mining



Source: own elaboration

Payment systems

The two dominant payment systems in informal ASGM are: (1) revenue-sharing, which can be paid in cash after processing the gold, or in kind (ore sacks); (2) a piece rate payment where usually a sack of ore receives a monetary value and the worker gets paid according to the number of sacks he has made. The first type of payment is done on a 70/30 or 60/40 basis, whereby 30% or 40% goes to the financier or tunnel owner - after getting back the advanced operational expenses - and the rest is divided among the workers' team (corpo). When they are paid in kind, workers take their sacks for processing to other plants. However, if the financier owns a processing plant, the gold processing takes place there. Stone washers (usually women) are not part of this payment system. Depending on the proximity of their relation with miners, they will receive or buy an ore muck to wash in the river using a sluice box. Finally, they will use panners to catch the small gold particles.



A corpo (team) of miners during their break in South Cotabato. By Eugenia Robles, 2019

Health and Safety

Mining's harsh conditions affect workers health, portraying symptoms such as stress, back pain, skin rashes and respiratory problems (see figure 2):

Figure 2. Health Symptoms



Source: own elaboration

Respondents do not commonly relate these symptoms to mining activities, or do not perceive them as a matter of concern. They receive little to none information on these pathologies and their relation to mining.

Workers think that getting sick is something that cannot be avoided. They prefer to focus on economic income rather than their health. Unfortunately, local health centers do not count on sufficient doctors or medical staff to attend their needs. Moreover, many of these workers are unable to carry the expenses of a medical treatment.



A married couple doing stone washing at the community surroundings in Agusan del Sur. Families work together near mercury-polluted rivers adjacent to the tunnel operations. By Eugenia Robles, 2019

Figure 3. Concern of mining impact on health of family and communities



Source: own elaboration

Workers in our survey were not very concerned about the impact of mining on the health of family and surrounding communities. They argued that the mine and processing plants were far away, thus, they did not think that it could harm them. However, in all of these areas, it was observed that rivers were polluted with mercury and landslides were frequent (especially in the case of Davao de Oro).

Safety: risks and accidents

Workers have reported that accidents are not frequent, but when they occur they can be fatal. Thus, it is the worker's responsibility to stay safe.



From the 24% of surveyed workers who reported accidents, the most common accidents were cave-ins (15.5%), suffocation (4.5%) and rocks falling from above (2.2%).

Since workers perceive accidents as part of the job, the danger or risk inferred on accidents is relativized. Thus, it becomes a challenge to accurately know how they actually affect workers' lives and gold production.

Child labour

Child labour was referred by respondents as the second most problematic issue in the three provinces, after alcoholism. Child labour was mentioned as the most common problem by 27% of surveyed workers in Agusan del Sur, 17% in Davao de Oro and 10% in South Cotabato (alcohol was mentioned by 69%, 45% and 62% respectively). In the Philippines there are 2.1 million child labourers. In support of the International Labour Organization conventions (No. 105; No. 138 and No. 182) the Philippines enacted the Republic Act 7658 or the Special Protection of Children Against Abuse, Exploitation and Discrimination Act, which "prohibits the employment

of children below 15 years of age in public and private undertakings".

ASGM has been identified as one of the sectors that have child labour practices. Of the 3,970 identified ASGM sites (DENR-MGB September 2018 data), only 2 sites (Camarines Norte and South Cotabato) were piloted for the eradication of child labour. In one site alone (Camarines Norte), there were 209 out of 277 validated child labourers withdrawn.

The regions of our study cases reported high percentages of child labour as well, with 15% in the region of Caraga (Agusan del Sur), 13.9% in Davao de Oro and 14% in the region of south-central Mindanao (South Cotabato) (SOC, 2011).

Informality in labour relations

It was observed that informal practices were implemented in a formal mining association operating with a legal permit. (1) From a total of 114 surveyed workers at this formal mining association, 92.1% mentioned that they were contracted under a verbal agreement, and only 2.6% said they were hired under a written contract. Most of those verbal contract workers, belonged to the low-end of the labour hierarchy (i.e. atraseros, abanteros)

(2) Although formal mining offers payments in salary (for high-end positions) and piece rates in cash for low-end positions, 56% of workers at the low-end and 47.1% of workers at high-end, preferred more informal and irregular forms of payment in the form of revenue-sharing.

These results indicate that formalization efforts fail to address pervasive informality in the workforce.

Recommendations



A miner using a pick and hammer in the depths of the tunnel. Agusan del Sur, 2019. By Eugenia Robles

Recommendation 1: Strengthen the capacity of key government actors

The institutional capacity of regulatory bodies in ASGM can be strengthened to improve labour conditions, following the enforcement of existing labour legislation and occupational safety and health (OSH) standards. These institutions can design innovative policies on formalization and amend the existing Small-Scale Mining law aligned with the local context.

Additionally, to promote transparency and accountability in ASGM, the convergence between government bodies and civil society should be institutionalized. This implies the creation of local multi-sectoral bodies that will act as independent advisory bodies to improve the regulation of ASGM at the local level. The creation of the local bodies must include relevant departments from the government (social welfare - to tackle women and children's issues in the mines, health, ICT, etc.) and sectors from the community (IP, women, youth, workers, etc.).

Furthermore, establishing Minahang Bayan areas can help to improve regulation and monitoring of ASGM operations. A Minahang Bayan that is established in good partnership with the ASGM stakeholders, with meaningful participation mechanisms for its workers, can ensure a sustainable ASGM sector.

Actors involved: Regional Mines & Geosciences Bureau (MGB), Provincial Mining Regulatory Board (PMRB), Local Government's Provincial Environment & Natural Resources Office (PENRO), and Municipal ENRO.

Recommendation 2: Promote socially-sensitive trainings

Training is important for workers to improve their current skills and acquire knowledge on different topics that are pivotal to improving mining labour conditions. However, 95% of workers manifested to have never received any type of formal training. Most of the knowledge workers acquire is self-taught (51.2%), taught by a friend (21%) or relative (14%). Workers that are highly-skilled obtain this knowledge with time and experience, which allows them to ascend in the hierarchal ladder, possibly obtaining more benefits than workers positioned at the low-end of the labour hierarchy.

It was observed that 80.2% of respondents never occupied other positions than the one they are currently performing. Ascending from an abantero or atrasero position may take a long time, or may not happen at all.

In coordination with the Department of Environment and Natural Resources (DENR), local governments could use their local funds and existing revenues from ASGM to implement training programs. Investing in building capacities for

workers can help address prevailing difficulties observed on the ground. In this sense, training should focus on safety, health, gold processing issues and financial education. Moreover, these trainings should have a gender perspective, meaning, consider the labour and concerns of women miners (stone washers).

Actors involved: DENR, local governments, tribal and community leaders, NGOs, private sectors, Financiers, local women association and / or council and workers.

Recommendation 3: Protect workers' health and safety

Safety plans and safety signalization should be available in the workplaces of miners. There should also be an office to which workers can report risks. Safety staff in this office should provide information and raise awareness on health and safety issues.

In order to keep a record on the health condition of workers and the community, regional government agencies in coordination with the concerned local government departments should conduct a health and socio-economic survey in ASGM areas. A database of this kind can contribute to better understanding the current situation, improving regulations, and doing targeted interventions.

Finally, the government should foster the presence of more doctors and medical staff in rural health units (RHUs), and offer an annual medical check-up for the population - with special focus on women and children - of the mining community, to identify symptoms caused by the exposure to toxic substances and heavy work.

Actors involved: National and regional government agencies, Municipal and provincial LGUs, SSM associations, tunnel operator, mine workers

Recommendation 4: Ensure that investments in clean and efficient ASGM-technology are socially sensitive

The government should provide existing ASGM technologies that can help to decrease dependence on mercury. Moreover, transition plans to eliminate mercury in ASGM should include access to capital and loans for gold processors. In order to do this, best practices like PPP (public - private partnerships) for capital investments in processing plants could be considered.

A contingency plan for workers who depend on current gold processing practices (using mercury) should be elaborated. This can include training on the management of these new technologies, or training in alternative economic activities that are directly or indirectly linked to mining practices, providing similar (if not better) living standards for workers.

Actors involved: National government, Financiers, workers, local governments, IPs, NGOs and external actors.

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Recommendation 5: Provide access to finance

In order to provide economic opportunities to improve working conditions and household economies, financial assistance is needed. In this sense, a database on the financial (economic status) of workers should be elaborated. A financial assistance model for mine workers should be elaborated. Loan risks and debt probabilities should be taken into account when creating these models and a mitigation plan should be considered.

Funds for loans can be provided to ASGM workers through government banks, private banks and micro-finance institutions active in the localities, such as ASA Philippines, CARD, Lifebank, etc.

Actors involved: LGUs, government agencies, SSM associations, private sectors, micro-finance institutions, financiers.

Recommendation 6: Implement protection mechanisms for children in mining areas

The problem of child labour in ASGM is rooted in poverty, lack of education, and poor regulation. The national and local inter-agency monitoring of child labour in ASGM areas can be strengthened and institutionalized at the village-level.

Accountability of ASGM associations or cooperatives to comply with child labour policies can be advocated. Information and education regarding the prohibition of child labour in ASGM areas must be sustained.

The government should ensure the inclusion of households living in extreme poverty in mining areas into the national anti-poverty program (4Ps). This means that in order for the mother and legal guardians to receive a monthly cash transfer from the government, they have to assure children's attendance to schools, regular monitor their health, and provide nutritious food.

Since in many cases child labour is performed due to the family's reliance on the children to generate income, protection mechanisms should involve the entire household.

Actors involved: Department of Social Welfare and Delevelopment (DSWD) and its provincial and municipal counterpart, Department of Labour and Employment (DOLE), local governments, NGOs, women and their children.