

ABSTRACT

Poverty conditions drive children to work to help meet household needs, leading to the phenomenon of child labor. Children's involvement in work activities can interfere with their education. To address this issue, the government launched the Program Keluarga Harapan (PKH) and the Program Indonesia Pintar (PIP) as efforts to improve the welfare of low-income families while expanding access to education for children. These programs are expected to increase school participation and reduce the incidence of child labor.

This study utilized data from the 2023 National Socioeconomic Survey (Susenas) and employed the Propensity Score Matching (PSM) method. The dependent variables included child labor status, school participation, and the number of hours children worked. The main independent variable was participation in the PKH or PIP program, while control variables included child characteristics, characteristics of the head of the household, and household characteristics.

The analysis showed that neither PKH nor PIP had a significant effect on the likelihood of children becoming child laborers. However, both programs were shown to increase school participation and reduce children's work hours. These findings indicate that social assistance programs are more effective in encouraging children to stay in school and reducing workloads, rather than completely eliminating child labor.

Keywords: Family Hope Program, Indonesia Smart Program, child labor, school participation, child working hours, propensity score matching