



UNDERSTANDING YOUTH INEQUALITY



INCLUSIVE SOCIETY INSTITUTE

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EXECUTIVE SUMMARY

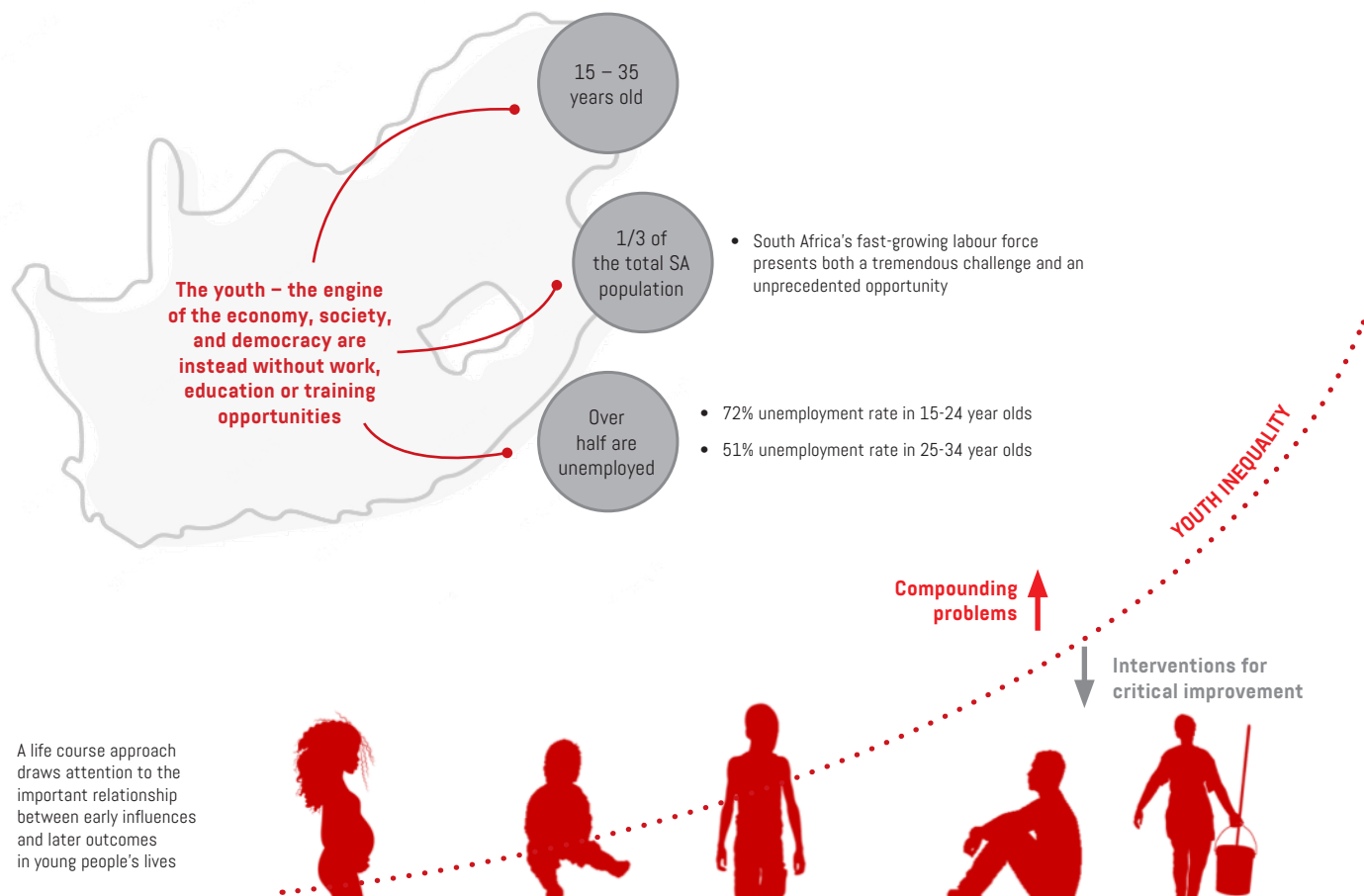
Policy discourse in South Africa is preoccupied with the country's vexing 'triple threat' of poverty, unemployment and inequality. What remains comparatively muted in these discussions is the reality that many South Africans have the odds stacked against them well before they reach their second birthday. Young people's vulnerabilities rarely emerge out of a single crisis. More often, they reflect the cumulative effects of multiple events and pressures, which unfold in young people's homes, institutions and communities, as well as in wider society. This report takes a 'life course' approach to youth inequality¹ that focuses on five critical life stages: perinatal, early childhood, adolescence, early adulthood, and the young workforce.

Young South Africans (aged 15-34) make up over a third of the country's total population. They should be the engine of the economy, society, and democracy. But instead, nearly half of these young people are without work, education or training opportunities. While the working-age population is growing, the South African economy has struggled to keep pace. A key driver of youth inequality arises at the intersection of income levels, access to quality early learning programmes, and child outcomes. Children from contexts characterised by poor access to nutrition, inadequate living and infrastructural environments, and a lack of security and social protection have few opportunities for quality early learning and stimulation. They therefore enter school on a significantly uneven footing, vulnerable to worse health and developmental outcomes. Without the right support and intervention, this can impact their success in school, their future economic and social participation, and ultimately contributes to deepening inequality.

South Africa's inequality is intergenerational and cyclical. Despite expanded access to health, education and social security in democratic South Africa, the livelihood prospects of children often remain tied to those of their parents. Two-thirds of Black children live below the poverty line compared to 2% of White children, which illustrates the racial dimension of entrenched inequality. Hence, youth inequality is locked in place by stubborn racial and class inequalities that limit access to quality schooling, propel learner dropout, and obstruct transitions into post-school education and employability. Furthermore, gender discrimination means that women bear the brunt of social reproduction, with many young women forced to participate in unpaid care work. Regardless of their level of qualification, women also earn less than their male counterparts. The knock-on effects of these racial, class and gender inequalities show up profoundly in infant and children's lives, which is why the recommendations propose a maternal support grant to safeguard perinatal outcomes. By improving mothers' wellbeing and nutrition, the wellbeing and nutritional status of their children will be positively impacted too.

This report draws attention to the important relationship between early influences and later outcomes in young people's lives, while exploring their life trajectories in social, political, economic and cultural context, as youth are not a homogenous category. The analysis draws on transdisciplinary evidence to show not only how youth inequality accumulates over the life course, but also critical moments where policy and programming might intervene to alleviate inequality and safeguard more just futures for young people. This includes interventions that support pregnant women, invest in early childhood development, reduce school dropout, bolster alternative routes to matriculation and better match young people and employers.

¹ A Hardgrove, K Pells, and P Dornan, "Youth Vulnerabilities in Life Course Transitions," Occasional Paper (UNDP Human Development Report Office, 2014), <https://assets.publishing.service.gov.uk/media/57a089eed915d3cfd0004ca/youth-vulnerabilities-in-life-course-transitions.pdf>.



Compounding problems

Perinatal	Early childhood	Adolescence	Early adulthood	The young workforce
Pregnant women's unemployment and under-employment Nutritional stunting - more likely to drop out of school, struggle to find work, and live in poverty <i>Just over a quarter (27%) of South Africa's children under five are believed to be nutritionally stunted</i> Low uptake of the Child Support Grant (CSG) among caregivers with 0-2 year olds	Children from poor backgrounds enter school on significantly unequal footing Relationship between income levels, access to quality early learning programmes, and child outcomes, as a key driver of South African inequality ECD spending <i>Currently, only about 1.5% of the country's GDP is spent on ECD, most of which goes to child support grants. A mere 6.5% of this budget is allocated for early learning, nutrition support and supportive parenting programmes</i>	<i>In South Africa, 60% of young people are left without any kind of recognised educational qualification. Yet higher levels of education lead to higher levels of labour absorption and it is tertiary qualification that exponentially increases the chances of being employed</i> Dropout Poor early support Teenage pregnancy impacting schooling	<i>8% of 15-24-year olds attend a university or college, and even fewer complete their qualifications</i> The rising number of discouraged job-seekers The experience trap - that young people are frequently denied jobs or interviews on the basis of their 'lack of experience' Gender discrimination in the labour market The cost of job-seeking Lack of social ties to people already in the labour market, which is critical to gaining entry	Change in labour market toward the services sector as agriculture, mining, and manufacturing have contracted significantly South African social protection - reserved for those presumed unable to work (children, the elderly, and the disabled), while there is no direct support for the young and unemployed Formal employment contraction <i>Among young people, informal employment increased 4% over Q1 2017 - Q2 2022: young people without jobs are routinely creating new strategies to navigate changing labour markets</i>
Advance the Maternal Support Grant Schools must implement national policy by supporting pregnant learners and young mothers to stay in school	Government must invest in the ECD workforce and quality ECD services	Adolescence: basic education: - Early warning systems - Psychosocial support Adolescence: post-school education: - Support alternative pathways to a matric qualification - TVET education must be improved in terms of access and quality	Employer readiness Matching Social protection	Enabling environments Public employment Youth participation should be increased

Interventions for critical improvement

INTRODUCTION

South Africa is widely regarded as the most unequal country on earth.² By January 2020, the top 20% of the population earned over 68% of income³; while the bottom 40% of the population earned just 7% of income.⁴ The country's inequality is multidimensional,⁵ transcending income and wealth to include matters of land, capital, and access to quality public services. This multidimensional inequality also intersects with gender, race, and geography in ways that entrench historical fault lines.

The country's inequality is also viciously circular. It is both characterised, and reproduced, by a reality in which only four out of 10 young people have work.⁶ While the working-age population has grown, job creation has not kept pace. This has given way to a backlog of young people without work, whose livelihoods are uncertain and whose opportunities of entering the labour market are narrowing. While there is stark inequality between young people and other generations in the labour market, there is also inequality between youth: young women have less access to employment, earnings and job security than men; and race and income remain tightly bound.

Policy discourse in South Africa is preoccupied with the vexing 'triple threat' of poverty, unemployment and inequality. What remains comparatively muted in these discussions is the reality that many South Africans have the odds stacked against them, well before they reach their second birthday. This is because the inequality is intergenerational. Notwithstanding expanded access⁷ to health, education and social security in democratic South Africa, the livelihood prospects of children often remain tied to those of their parents.⁸ Any meaningful shift in the stark, and long-entrenched inequality will demand that we unlock the social and economic mobility of these youth.

Defining youth and youth agency

'Youth' is a culturally constructed category, with different meanings in different places and times, and often involving contradictions⁹: The United Nations defines 'youth' as those aged between 15 and 24 years. In South Africa, youth consist of those aged 15 to 35 years,¹⁰ as defined by South Africa's National Youth Commission (NYC) Act of 1996. The essence of this categorisation, according to the act, is that because many older youth were disadvantaged by their role in the struggle against apartheid, they needed to be included in youth development initiatives.¹¹

² Based on Gini Coefficient. The Gini is useful but limited, given its exclusive focus on income inequality. Adopting a wider scope that includes access to quality nutrition, health services, housing, education, water, and caring networks within the frame of inequity can offer us a better sense of its real effects on human life and flourishing, while still recognising the centrality of money, especially in circumstances where public services and infrastructure do not function well.

³ IMF, "Six Charts Explain South Africa's Inequality."

⁴ IMF, "Six Charts Explain South Africa's Inequality."

⁵ Inclusive Society Institute. 2021. Trends in multidimensional inequality and socio-demographic change in SA during 27-years of democracy. Available at: <https://www.inclusivesociety.org.za/post/trends-in-multidimensional-inequality-and-socio-demographic-change-in-sa-during-27years-of-democracy>

⁶ QLFS2022: Q1

⁷ Access is not an indicator of the quality of these services, and in fact, access to quality services remains a key driver of South Africa's inequality.

⁸ Inclusive Society Institute. 2022. Inequality & Demography; Von Fintel D, Richter L. Intergenerational transfer of health inequalities: exploration of mechanisms in the Birth to Twenty cohort in South Africa. *BMJ Glob Health*. 2019;4(e001828).

⁹ D Durham, "Youth and the Social Imagination in Africa: Introduction to Parts 1 and 2," *Anthropology Quarterly* 73, no. 3 (2000): 113–20.

¹⁰ Stats SA, "Youth Still Find It Difficult to Secure Jobs in South Africa."

¹¹ Juta and Company Ltd, Electoral Act 73 of 1998.

Today, the extension to 35 years of age continues to speak to the ambiguity and dynamism of youth transitions in the country, where some markers of adulthood – like having stable work or attaining educational qualifications – might be delayed; while others, like parenthood or domestic responsibility may begin in early adolescence. Young men, for example, might be culturally assigned as adults while still remaining economically dependent. In South Africa, most young people in their early twenties have some work experience, and one third of women at this age are mothers. But they also move in and out of employment and education, and many continue to live with their parents, delaying marriage and cohabitation. The fluctuations between, and overlapping of, assumed ‘child’ and ‘adult’ roles is most powerfully symbolised in teenage mothers. South African youth undertake household chores, raise younger siblings, and are sometimes involved in paid labour. Yet, despite their participation in social and economic processes, they remain marginalised from the formal political and economic domain.¹²

Dominant understandings of young people in South Africa have often reflected the political context of the time. In the 1980s and 1990s, researchers were preoccupied with young people as political activists.¹³ Some positioned youth as irresponsible, irrational and uncontrolled opponents of apartheid, while others saw them as heroes of the liberation struggle. In both cases, ‘youth’ were treated as a homogenous entity, acting as one, with a unified set of motivations. In the early 1990s, a growing body of research sought to muddy constructions of youth as either ‘heroes’ or ‘villains’,¹⁴ surfacing the complex range of motivations and circumstances that attracted young people to political action. Following the democratic transition, the militancy of adolescents who had boycotted against apartheid, stayed away from school, and challenged adult authority was rapidly recast as a liability. Nineties youth attracted labels like ‘the lost generation’ or ‘marginalised youth’ – a generation likely to threaten social stability. In the early years of democracy, the generation of young people who had left school to join the liberation struggle and were now seen to be ‘aimless’, provoked a sense of moral panic.¹⁵ In the latter years of the decade, youth researchers adopted an increasingly policy-oriented focus, producing studies on ‘at-risk’ youth like AIDS orphans and street children.

Some have argued that the dominant line of cleavage in post-apartheid South Africa has been that of ‘generation’, and that young people’s lives in particular have been at the heart of post-1994 change.¹⁶ In the ‘new’ South Africa, youth are positioned amidst a range of overlaying tensions, as opportunities and constraints shift.

On the one hand, democracy promises increased economic and social mobility for young Black South Africans, allowing them to aspire to possibilities previously denied to their parents. However, these new possibilities have emerged in a context of skyrocketing youth unemployment, a frequently dysfunctional education system, and other stark socio-economic inequalities that often make young people’s high ambitions unattainable. While the new constitution has protected the rights of children, especially in terms of independent access to healthcare,¹⁷ this empowerment does not always translate into young people’s home or community lives. Instead, young people are especially vulnerable to physical, sexual and emotional abuse, and often take on a significant burden of unpaid household labour. **To understand the lives of young people growing up in post-apartheid South Africa, one must appreciate both rapid change and oppressive continuity, which create stark ambivalences and contradictions in young people’s lives.**¹⁸

¹² A Honwana and F De Boeck, “Children and Youth in Africa: Agency, Identity and Place,” in *Makers and Breakers: Children and Youth in Postcolonial Africa* (Oxford: James Currey, 2005).

¹³ J Seekings, “Beyond Heroes and Villains: The Rediscovery of the Ordinary in the Study of Childhood and Adolescence in South Africa,” *Social Dynamics* 32, no. 1 (2006): 1–20.

¹⁴ Seekings; L Ntsebeza, “Youth in Urban African Townships. 1945–1992” (Master of the Arts, Durban, University of Natal, 1993); G Straker et al., “Violent Political Contexts and the Emotional Concerns of Township Youth,” *Child Development* 67, no. 146–54 (2007).

¹⁵ Seekings, “Beyond Heroes and Villains: The Rediscovery of the Ordinary in the Study of Childhood and Adolescence in South Africa.”

¹⁶ Honwana and De Boeck, “Children and Youth in Africa: Agency, Identity and Place.”

¹⁷ R Bray and S Moses, “Children and Participation in South Africa: Exploring the Landscape,” in *Perspectives in Education*, vol. 29 (University of the Free State, 2011).

¹⁸ Bray and Moses.



Post-apartheid South African policy has described the country's youth both as the "greatest threat to social stability" and as a "demographic dividend".¹⁹ The former invokes a "ticking time bomb" of increasingly impatient, disillusioned and economically inactive young people. The latter anticipates the economic potential of a disproportionately large working-age population. Indeed, young people are viewed with both trepidation and tremendous expectation.

These binaries have been symptomatic of political discourse for some time,²⁰ but fail to capture a much more ambiguous reality. By 2012, the South African Reconciliation Barometer²¹ was showing that South African youth were optimistic about the future and confident in their ability to shape political decision-making, while at the same time being sceptical of political parties. Their expressions of agency and constraint were complex and varied, which was not reflecting in the dichotomies of policy discourse. Young people are all-too-often described as personifications of their circumstances – as instigators of violent service delivery protest, or as pawns in the political plays of organised labour, politicians and business. **Rarely do we hear about young people as dynamic social and cultural agents.**

There is now a robust and growing body of ethnographic literature on the everyday lives of young people in South Africa, with the earliest antecedent being Burman and Reynolds'²² volume, 'Growing up in a Divided Society: The Contexts of Childhood in South Africa'. In the early 1990s, social anthropologists Mamphela Ramphela²³ and Patti Henderson²⁴ worked with teenagers from New Crossroads township in Cape Town. Both described young people's everyday mediation of high ambitions and harsh structural constraints. This work has since been furthered by qualitative research on the gulf between youth ambitions and their ad-hoc plan-making in light of limited resources.²⁵

Acknowledging the "ambiguous agency"²⁶ of young people – as both vulnerable and virulent – might shift how we think about them, and how we intervene in their lives.

The youth unemployment crisis

South Africa is in the midst of a much-anticipated 'demographic transition': declining fertility rates and increasing life expectancy have meant that the ratio of working-age people to dependents is changing, giving rise to a growing, economically productive youth population and associated hopes for an economic boom (see Figure 1). This lower dependency ratio is unlike other upper-, middle-, or high-income countries, and represents an economic opportunity that other wealthier regions don't have access to.

Young South Africans (aged 15-34) make up over a third of South Africa's total population.²⁷ They should be the engine of the economy, society, and democracy. But instead, nearly half of young people are without work, education or training opportunities.²⁸

¹⁹ K Lefko-Everett, "Ticking Time Bomb or Demographic Dividend: SA Reconciliation Barometer Survey 2012" (Cape Town: Institute for Justice and Reconciliation, 2012).

²⁰ Seekings, "Beyond Heroes and Villains: The Rediscovery of the Ordinary in the Study of Childhood and Adolescence in South Africa."

²¹ Lefko-Everett, "Ticking Time Bomb or Demographic Dividend: SA Reconciliation Barometer Survey 2012."

²² S Burman and P Reynolds, *Growing up in a Divided Society: The Contexts of Childhood in South Africa* (Johannesburg: Raven Press, 1986).

²³ Mamphela Ramphela, "Steering by the Stars," in *Youth in Cities: A Cross National Perspective* (Cambridge University Press: Cambridge, 2002).

²⁴ P Henderson, "Living with Fragility: Children in New Crossroads" (Cape Town, University of Cape Town, 1999).

²⁵ A De Lannoy, "The Stuff That Dreams Are Made of...Narratives on Educational Decision-Making among Adults in Cape Town," Centre for Social Science Research Working Paper Series (University of Cape Town, 2007); L Swartz, J Harding, and A De Lannoy, "Ikasi Style and the Quiet Violence of Dreams: A Critique of Youth Belonging in Post-Apartheid South Africa," *Comparative Education* 48, no. 1 (2012): 27–40.

²⁶ L Bordonaro and R Payne, "Ambiguous Agency: Critical Perspectives on Social Interventions with Children and Youth in Africa," *Children's Geographies* 10, no. 4 (2012): 365–72.

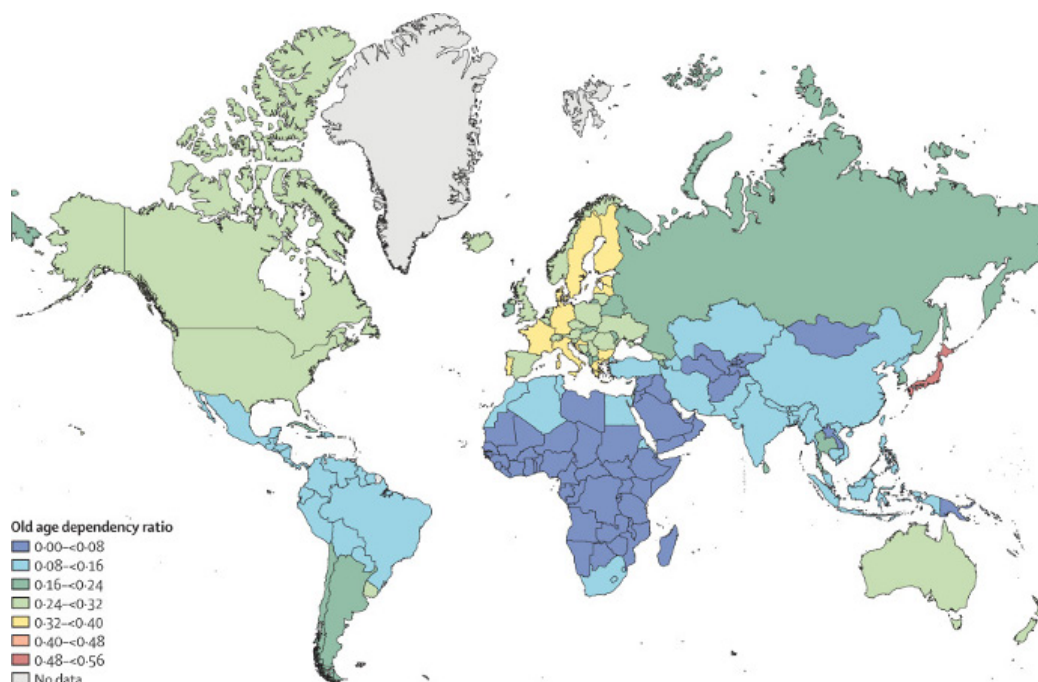
²⁷ Statistics South Africa, "Mid-Year Population Estimates," 2022.

²⁸ M Khuluvhe and E Netshifhefhe, "Fact Sheet on NEETS" (Department of Higher Education and Training, 2022), https://www.dhet.gov.za/Planning%20Monitoring%20and%20Evaluation%20Coordination/Fact%20Sheet%20-NEET%20_%20March%202022.pdf.

While the working-age population is growing, the South African economy has struggled to keep pace: according to Quarterly Labour Force Statistics (QLFS), for example, the number of people employed increased by just under 2 million from 2007 to 2019, while the working-age population increased by 6.5 million over the same period.²⁹

However, in the second quarter of 2022, the expanded unemployment rate (which includes discouraged job seekers) was over 72% for young people aged 15–24, compared to 51% for those aged 25–34 years, while the overall rate stood at around 44% (see Figure 2). This reality doesn't shore up with the large economic opportunity presented by the lower dependency ratio.

Figure 1: Old-age dependency ratio across the globe



An analysis of QLFS data between Q1 2017 and Q2 2022 (see Figure 2) shows that this is not a new phenomenon. Rates of youth unemployment have been stubbornly high throughout the five-year period, increasing with the effects of Covid-19 lockdown, before returning to 2017 levels. And indeed, high youth unemployment rates long precede 2017: the earliest estimates of youth unemployment originate from the 1996 National Census, conducted just after the country's transition to democracy and reported that 53.2% of young people between the ages of 15 and 34 were unemployed.³⁰

²⁹ Inclusive Society Institute, "Inequality and Demography," 2022, <https://www.inclusivesociety.org.za/post/inequality-and-demography>.

³⁰ A De Lannoy et al., "Why Is Youth Unemployment So Intractable in South Africa? A Synthesis of Evidence at the Micro-Level," *Journal of Applied Youth Studies* 3 (2020): 115–31.



Figure 2: Unemployment rate (expanded) by age group

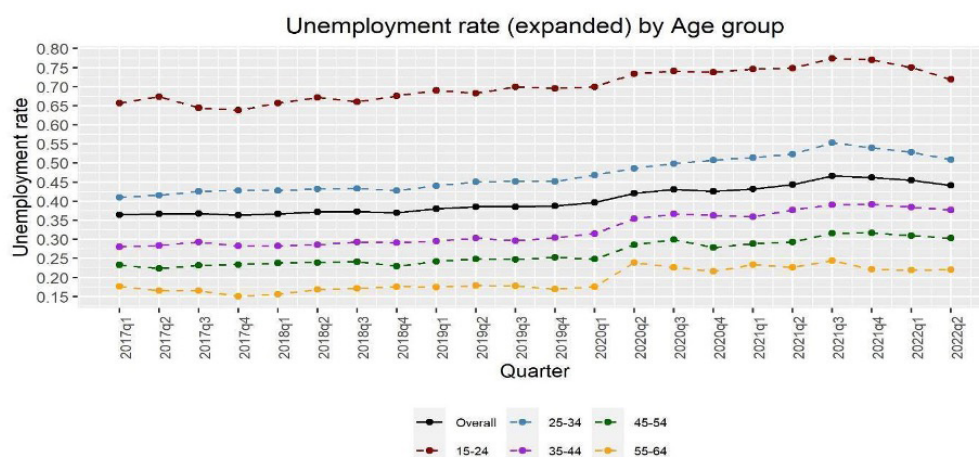


Table 1: Unemployment rate (expanded) by age group

	2017 Q1	2022 Q2	Proportional change	Absolute change
15-24	65.7%	71.9%	9.5%	6.2%
25-34	41.1%	50.9%	24.0%	9.9%
35-44	28.1%	37.8%	34.5%	9.7%
45-54	23.3%	30.4%	30.3%	7.1%
55-64	17.7%	22.1%	24.7%	4.4%
Overall	36.4%	44.1%	21.1%	7.7%

Among the working-age population, vulnerability in the labour market seems to decrease with age: youth in the younger age group are most severely affected by unemployment. Because of this, South Africa's unemployment crisis is often framed as a 'youth unemployment crisis'. Yet the root of the problem is the scarcity of quality jobs, the structural constraints within the South African economy, and the challenges of industrial change, rather than with young people themselves. Undoubtedly, young people are uniquely affected, and often uniquely vulnerable. Relative to older adults, they have less work experience and financial capital, weaker social networks and are prone to higher levels of informality and in-work poverty.

Young people's vulnerability in the labour market means they are particularly affected by job and earning loss when financial shocks hit. National survey data show that, among those who lost jobs in April 2020 as a result of Covid-19 lockdown, young people were least likely to have recovered those jobs by October 2020.³¹ We know that South Africa's youth unemployment rates are significantly affected by high levels of early school-leaving which translates into low access to post-secondary education, and ultimately higher levels of unemployment.³² More so, economic wellbeing is often an intergenerational transfer, with a large part of earnings inequality explained by the educational attainment of one's parents.³³

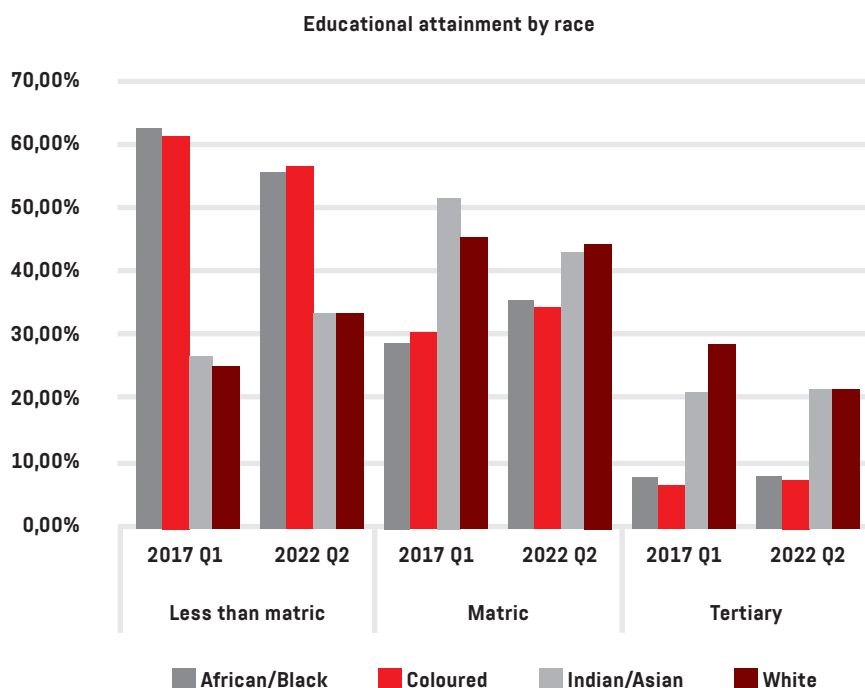
³¹ G Espi, M Leibbrandt, and V Ranchhod, "Age, Employment History and Heterogeneity of COVID Era Employment Outcomes," Wave 3, NIDS-CRAM, 2021, <https://cramsurvey.org/reports/#wave-3>.

³² De Lannoy et al., "Why Is Youth Unemployment So Intractable in South Africa? A Synthesis of Evidence at the Micro-Level."

³³ N Branson, C Hofmeyr, and D Lam, "Progress through School and the Determinants of School Dropout in South Africa," *Development South Africa* 31 (2015): 106–26.

But 'youth' are also not a homogenous group; there are significant inequalities between them. In fact, this report shows that young people's future chances often begin articulating in early childhood, setting in motion a range of inequities that tend to widen as children move through school and into the workforce. Race, geography and gender, all of which are outside of young people's control, continue to constrain the possibilities available to them in profound ways. In 2022, 8.8 million young people (15-34 years old) in South Africa were not in employment, education, or training (NEET).³⁴ The majority of this group are Black, income-poor, without a qualification, and live in households with no employed members.³⁵

Figure 3: Educational status attained by race



Moses, van der Berg, and Rich³⁶ suggest that there are a few primary routes through which young people from low-income households can achieve social mobility and ultimately access the upper end of the labour market: (1) by attending either more-affluent schools or better-performing schools in poor communities; (2) by performing well in Grade 12, despite being in a lower-quality school, and acquiring enough resources to gain entry to university; or (3) by entering the labour market at the lower end and progressing upwards. This report will show the immense challenges entailed in all three paths: from undoing historic inequalities in access to quality education, to reaching and passing matric, to gaining university access, to gaining any momentum in the labour market (Figure 4). On their journey towards quality jobs, most of South Africa's young people have the odds stacked against them, starting as early as their first years of life.

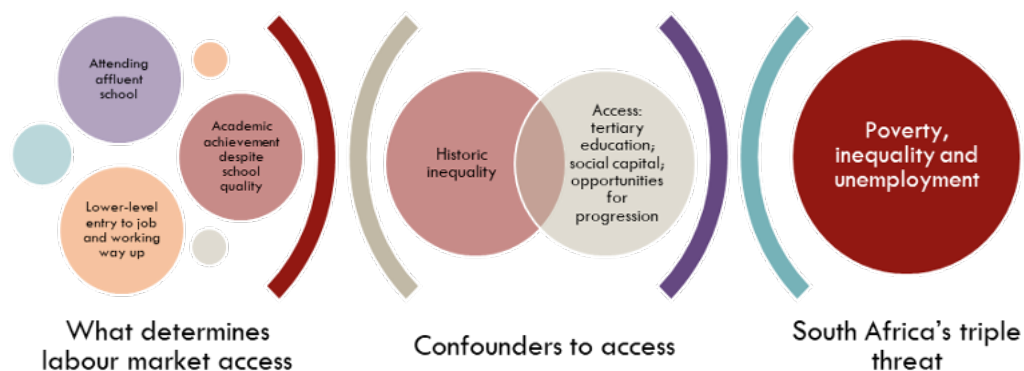
³⁴ Statistics South Africa, "Quarterly Labour Force Survey 2022 Q2," 2022, <https://www.statssa.gov.za/publications/P0211/P02112ndQuarter2022.pdf>.

³⁵ Youth Capital, "Beyond the Cost: What Does It Really Cost Young People to Look for Work?" 2022, <https://youthcapital.co.za/beyond-the-cost-research-report/>.

³⁶ E Moses, S van der Berg, and K Rich, "A Society Divided: How Unequal Education Limits Social Mobility in South Africa," Programme to Support Pro-Poor Policy Development (University of Stellenbosch, 2017).



Figure 4: Road to South Africa's youth unemployment rate



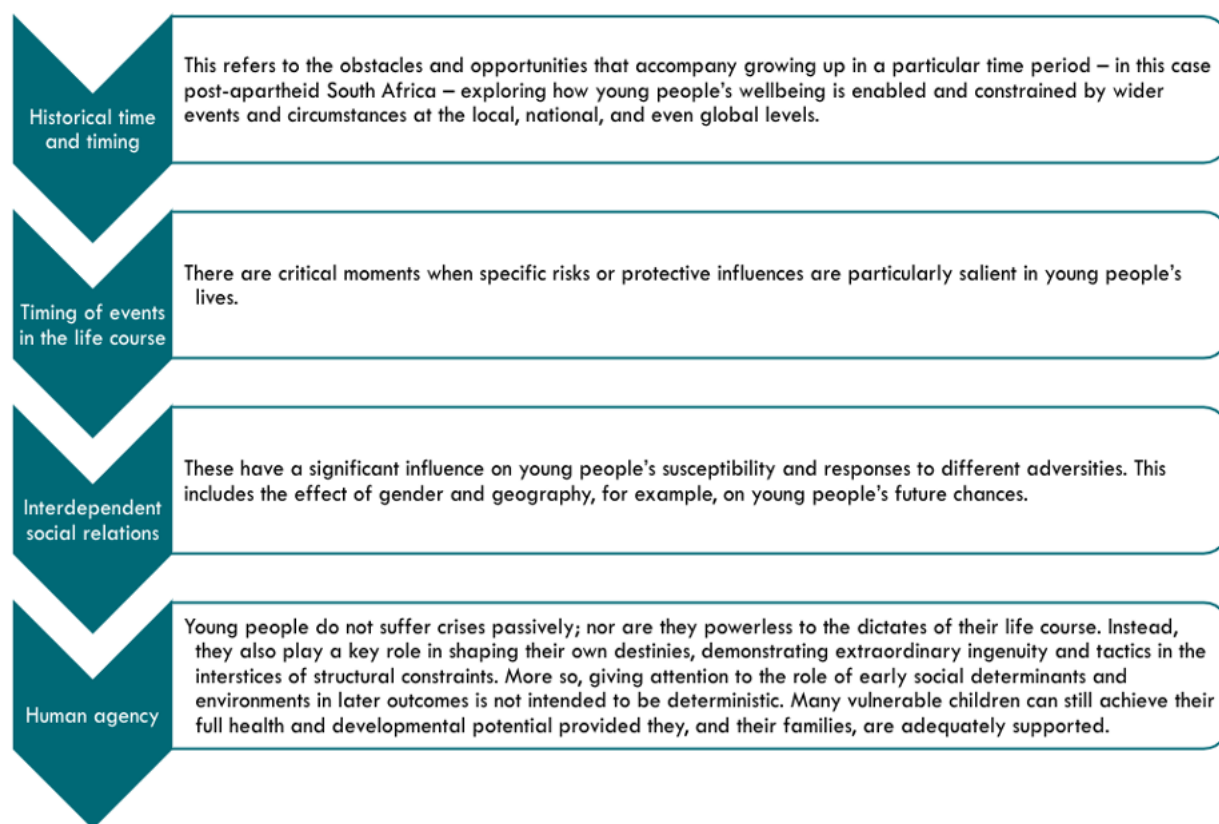
This report is about how those inequities play out over young people's life course and what strategies we might take to interrupt them, both to improve their chances of social and economic mobility, and disrupt structural patterns of inequality.

A life course approach to inequality

This report takes a life course approach to youth inequality.³⁷ This approach draws attention to the important relationship between early influences and later outcomes in young people's lives, while also exploring their life trajectories in social, political, economic and cultural context.

Young people's vulnerabilities rarely emerge out of a single crisis. More often, they reflect the cumulative effects of multiple events and pressures, which unfold in young people's homes, institutions and communities as well as in wider society. What happens to a child at each developmental stage is influenced by what happened at earlier stages, which means that for young people to reach their potential, we need enabling environments across the life course.³⁸

For the purposes of this report, a life course approach entails four levels of analysis, which have also been used in global studies of youth vulnerabilities³⁹:



The life course model frames development as a cumulative and continuous process and cautions against approaches to youth programming that would silo risks or particular age groups. It also implies that interventions should be tailored differently for different youth populations, given the unique combinations of risk and protective factors to which they are currently, and have previously been, exposed.⁴⁰

³⁷ A Hardgrove, K Pells, and P Dornan, "Youth Vulnerabilities in Life Course Transitions," Occasional Paper (UNDP Human Development Report Office, 2014), <https://assets.publishing.service.gov.uk/media/57a089eed915d3cfd0004ca/youth-vulnerabilities-in-life-course-transitions.pdf>.

³⁸ M Tomlinson et al., "Optimising Child and Adolescent Health and Development through an Integrated Ecological Life Course Approach.," *BMJ* 372, no. m4784 (2021).

³⁹ Hardgrove, Pells, and Dornan, "Youth Vulnerabilities in Life Course Transitions"; Tomlinson et al., "Optimising Child and Adolescent Health and Development through an Integrated Ecological Life Course Approach."

⁴⁰ Tomlinson et al., "Optimising Child and Adolescent Health and Development through an Integrated Ecological Life Course Approach."



To see a life course framing in action, let's imagine the journey of the average South African child (Box 1). In a recent article⁴¹ by Percept and the Inclusive Society Institute, we called them Nation.

Box 1: Nation's story



While pregnant, Nation's mother will almost certainly be able to access antenatal care at her neighbourhood clinic. But she will also have a nearly 3 in 10 chance of experiencing antenatal depression.⁴² Once Nation is born, important aspects of their emotional, social, and cognitive development, as well as their future health, will already start to coalesce.⁴³ The stimulation, nourishment and care Baby Nation receives will lay the foundations for their future learning, school performance, health and wellbeing. This, in turn, will affect their ability to participate meaningfully in social and economic life as a young adult.⁴⁴

If Nation is lucky, they may be one of the 6 in 10 South African children to benefit from the Child Support Grant in their critical first year of life.⁴⁵ This type of support is critical, since, as a toddler, Nation will have a 3 in 5 chance of growing up in poverty, and a 2 in 5 chance of living below the food poverty line.⁴⁶ This will reduce their chances of nutritional stunting, which is estimated to affect 27% of the country's children, with ramifications for their future health, learning and earning prospects.⁴⁷

When Nation grows up, and becomes more independent, and their mother needs to find, create or return to work, Nation might be among the 32% of children (under age 4) to attend an Early Learning Programme (ELP).⁴⁸ These critical early learning services are delivered by a women-led, non-state and largely informal sector, including sole-proprietors, micro-enterprises and Non-Profit Organisations (NPOs). Since Nation has a less than 30% chance of their fees being subsidised by government,⁴⁹ early learning will be expensive for their mother.

By the time Nation turns five, they will have a less than 50% chance of being developmentally ready to start primary education.⁵⁰ This setback will make it harder for Nation to stay in, and succeed in school – with knock-on effects for their ability to enter the labour market and build a secure livelihood.

This may sound like a deterministic outcome: how can we possibly curb inequality if it has been set in motion from the womb? But, in fact, life course research tells us that **intervening at critical points in a young person's life course can radically alter not only their own trajectory, but also the trajectory of future generations.**

⁴¹ B Vale and D Swanepoel, "The Childhood Catalyst," *Collective Insight: Generation Reset*, 2022, <https://www.businesslive.co.za/fm/special-reports/collective-insight/2022-09-22-free-to-read-collective-insight-september-edition/>.

⁴² S Redinger et al., "First Trimester Antenatal Depression and Anxiety: Prevalence and Associated Factors in an Urban Population in Soweto, South Africa," *Journal of Developmental Origins of Health and Disease* 9, no. 1 (2017): 30–40.

⁴³ National Scientific Council on the Developing Child, *The Science of Early Childhood Development* (Cambridge: Harvard University Press, 2007).

⁴⁴ R Martorell, "Improved Nutrition in the First 1000 Days and Adult Human Capital and Health," *American Journal of Human Biology* 29, no. e22952 (2017); HK Biesalski, RE Black, and B Koletzko, *Hidden Hunger: Malnutrition and the First 1000 Days of Life: Causes, Consequences and Solutions*, vol. 115 (Basel: Karger Medical and Scientific Publishers, 2016); SE Cusick and MK Georgieff, "The Role of Nutrition in Brain Development: The Golden Opportunity of the 'First 1000 Days,'" *Journal of Paediatrics* 175 (2016).

⁴⁵ Ilifa Labantwana, "South African ECD Review," 2019.

⁴⁶ M Tomlinson, S Kleintjies, and L Lake, "South African Child Gauge: Child and Adolescent Mental Health" (University of Cape Town: Children's Institute, 2022).

⁴⁷ NDoH et al., "South Africa Demographic and Health Survey 2016," 2019, <https://dhsprogram.com/pubs/pdf/FR337/FR337.pdf>.

⁴⁸ M Ashley-Cooper, LJ van Niekerk, and E Atmore, "Early Childhood Development in South Africa: Inequality and Opportunity," in *South African Schooling: The Enigma of Inequality* (Cham: Springer, 2019).

⁴⁹ Ibid.

⁵⁰ Thrive by Five, "Thrive by Five Index," 2022, <https://thrivebyfive.co.za/>.

This report draws on transdisciplinary evidence to show not only how youth inequality accumulates over the life course, but also critical moments where policy and programming might intervene to alleviate inequality and safeguard more just futures for young people. We focus on five critical life stages (see Figure 5), as described below:

- Perinatal (period in-utero)
- Early childhood (birth to 6 years)
- Adolescence/basic education
- Early adulthood/post-school transitions
- The young workforce

Figure 5: Critical life stages



PERINATAL



A healthy pregnancy is essential to safeguard the health and wellbeing of children in the critical early stages of their lives. For example, maternal stress, depression and anxiety in pregnancy can lead to lower birth-weight, increased attention and behavioural difficulties and sleep disorders for children.⁵¹

One of the greatest victories of the post-apartheid South African public health system has been its improved access for maternal and child health. Since 1998, Demographic Health Surveys have indicated that over 92% of women access Antenatal Care (ANC) services. But the timing of the first ANC visit, as well as the number of visits, are also important for child outcomes.⁵² While availability of antenatal care has improved, pregnant women are still not accessing it early enough: only 67% of women have their first ANC visit before 20 weeks in South Africa.^{53,54}

Despite the victories of clinic-based maternal and child health services, pregnant women in South Africa remain inordinately vulnerable. Research suggests that pregnant women in South Africa are 45.6% less likely than other women of reproductive age to earn an income.⁶⁷ In a Western Cape study, 71% of pregnant women were unemployed, and 83% of those reported no prospects of future employment.⁵⁵ The overrepresentation of women in the informal sector⁵⁶ means that many pregnant women who do earn an income will not be granted paid maternity leave.

⁵¹ T Rochat and S Redinger, "A Life-Course Perspective on the Biological, Psychological and Social Development of Child Mental Health," *South African Child Gauge Part 2* (2022), https://bettercarenetwork.org/sites/default/files/2022-06/child_gauge_2021_final_screen.pdf#page=58.

⁵² Ilifa Labantwana, "South African ECD Review."

⁵³ Ndlovu, N, Day, C, Gray, A, Busang, J and Mureithi, L. Chapter 29. South African Health Review. 2020

⁵⁴ National Department of Health, "Saving Mothers Annual Report 2017," 2017.

⁵⁵ GrowGreat, "Cocare Maternal Support Study," 2021, <https://www.growgreat.co.za/wp-content/uploads/2021/03/GG-COCARE-REPORT-final-1.pdf>.

⁵⁶ M Rogan and L Alfors, "Gendered Inequalities in the South African Informal Economy," *Agenda* 33, no. 4 (2019): 91–102.



Pregnant women's unemployment and under-employment has significant implications for the health and wellbeing of both women and children, and can deepen pre-existing inequality. Robust research has shown that many life-long patterns of illness and health, as well as emotional and cognitive development, are catalysed in a child's first years of life, especially during pregnancy.⁵⁷ The physiological and neurological capabilities accumulated in these early years influence not only child survival, but also their growth, learning and ability to rise out of poverty.⁵⁸

Just over a quarter (27%) of South Africa's children under five are believed to be nutritionally stunted,⁵⁹ making them more likely to drop out of school, struggle to find work, and live in poverty. More recent data suggests significantly more conservative figures among children (aged 50-59 months, or between four and five years old) attending early learning programmes, where moderate and severe stunting was found to be at 5.7%.⁶⁰ Growth deficits at a young age have long-term effects on social and cognitive development.⁶¹ Undernutrition, with stunting being one of its more severe consequences, is not only a manifestation of poverty, but also "one of the key mechanisms by which poverty – and its consequences – are transmitted intergenerationally".⁶²

Stunting is driven, in part, by mothers' mental health and nutritional status,⁶³ and research indicates that pregnant women in poorer communities are experiencing high rates of food insecurity and depression.⁶⁴ Nearly four in 10 of the pregnant women surveyed between 2020 and 2021 in the Western Cape reported going to bed hungry in the previous week, while six out of 10 had felt depressed.⁶⁵

Currently, there is low uptake of the Child Support Grant (CSG) among caregivers with 0-2-year olds who meet the criteria due to lags in registration. Surveys of more than 5,000 children conducted between 2018 and 2022 in nine food-vulnerable districts in South Africa, show that 44% of children under one year old were not benefitting from a child support grant.⁶⁶ As a result, the grant is not as effective as it could be.

EARLY CHILDHOOD



There are about 6.5 million children in South Africa under the age of six; 4 million of them live in the poorest 40% of households.⁶⁷ This means that the majority of children are born into contexts that make it difficult for them to realise their potential. These contexts are characterised by poor access to nutrition, inadequate living environments, a lack of security and social protection, and few opportunities for quality early learning and stimulation.⁶⁸

⁵⁷ National Scientific Council on the Developing Child, *The Science of Early Childhood Development*.

⁵⁸ UNICEF, "The First 1000 Days," 2017, <https://www.unicef.org/southafrica/media/551/file/ZAF-First-1000-days-brief-2017.pdf>.

⁵⁹ NDoH et al., "South Africa Demographic and Health Survey 2016."

⁶⁰ Thrive by Five, "Thrive by Five Index."

⁶¹ R Burger et al., "Priority Areas for Reducing Stunting in South Africa: Estimating the Implications of Recent International Evidence," Ilifa Labantwana & RESEP Working Paper Series (Ilifa Labantwana, 2022).

⁶² N Nisbett et al., "Why Worry about the Politics of Childhood Undernutrition?" *World Development* 64, no. 2 (2014): 420–33.

⁶³ GrowGreat, "Cocare Maternal Support Study."

⁶⁴ GrowGreat.

⁶⁵ GrowGreat.

⁶⁶ GrowGreat, "Community Stunting Scorecard," 2022, <https://www.growgreat.co.za/wp-content/uploads/2022/11/GG-STUNTING-SURVEY-HANDOUT1-final-1.pdf>.

⁶⁷ Ashley-Cooper, van Niekerk, and Atmore, "Early Childhood Development in South Africa: Inequality and Opportunity."

⁶⁸ Ilifa Labantwana, "South African ECD Review."

Far too many children experience malnutrition and toxic stress. Research shows that across all developmental domains, outcomes were worst among the poorest children, and best among the wealthiest children.⁶⁹ This means that children from poor backgrounds enter school on significantly unequal footing, with impacts on their success in school, and their ultimate economic and social participation.⁷⁰ **The relationship between income levels, access to quality early learning programmes, and child outcomes, is a key driver of South African inequality.** To alleviate inequality, we must find ways to reduce this gap before it is widened in later years.

Although adults are still more likely than children to live in urban homes, a significant majority (57%) of South Africa's young children (below the age of six) now live in cities and major metros, and this proportion is increasing.⁷¹ Meanwhile, 3 million children under six still live in rural areas, primarily in the former homelands.⁷² Rates of poverty for young children are highest in Limpopo, KwaZulu-Natal and the Eastern Cape.⁷³ Whether urban or rural, children who grow up in poor living conditions – with inadequate water, sanitation or energy – are vulnerable to worse health and developmental outcomes.⁷⁴ Poor sanitation, in particular, has strong links to rates of childhood stunting.⁷⁵ In 2019, almost a third (29%) of young children live in households without piped water on site.⁷⁶ Young children who grow up in poor households are at highest risk of being excluded from early learning and health services because they cannot afford transport to clinics or government offices, or because the fees of early learning programmes are unaffordable.

Early Childhood Development (ECD) services – including nutrition, early learning, healthcare and social services – can facilitate children's development and future chances, increasing primary school enrolment, improving academic performance and reducing school dropout.⁷⁷ Although access to early learning programmes has expanded over time, there is still stark inequality in the distribution and quality of programmes, and the level of funding from the government.⁷⁸ Deeply entrenched inequality is also illustrated by the fact that two-thirds of Black children live below the poverty line compared to 2% of White children.⁷⁹

Currently, only about 1.5% of the country's GDP is spent on ECD, most of which goes to child support grants. A mere 6.5% of this budget is allocated for early learning, nutrition support and supportive parenting programmes.⁸⁰ While early learning in South Africa is a heterogeneous and predominantly informal sector, the current institutional framework for supporting Early Learning Programmes (ELP) is geared towards formal and registered providers. This means that the vast majority of ELPs are excluded from any government oversight or support. Of the estimated 70,000 ELPs, only around 16,000 – 20,000 are formally registered.⁸¹

ELP attendance is partly a function of age: children under the age of two are least likely to attend an ELP. But it is also a function of income – Figure 6 shows ELP attendance for children age 3-5 years old by income quintile.

⁶⁹ A Dawes et al., "Early Learning Outcomes Measure: Technical Manual" (Cape Town: Innovation Edge, 2011).

⁷⁰ Ilifa Labantwana, "South African ECD Review."

⁷¹ Ilifa Labantwana.

⁷² Ilifa Labantwana.

⁷³ Ilifa Labantwana.

⁷⁴ Ilifa Labantwana.

⁷⁵ O Cumming and S Cairncross, "Can Water, Sanitation and Hygiene Help Eliminate Stunting?" *Maternal and Child Nutrition* 12, no. S1 (2016): 91–105

⁷⁶ Ilifa Labantwana, "South African ECD Review."

⁷⁷ Ashley-Cooper, van Niekerk, and Atmore, "Early Childhood Development in South Africa: Inequality and Opportunity."

⁷⁸ Ashley-Cooper, van Niekerk, and Atmore.

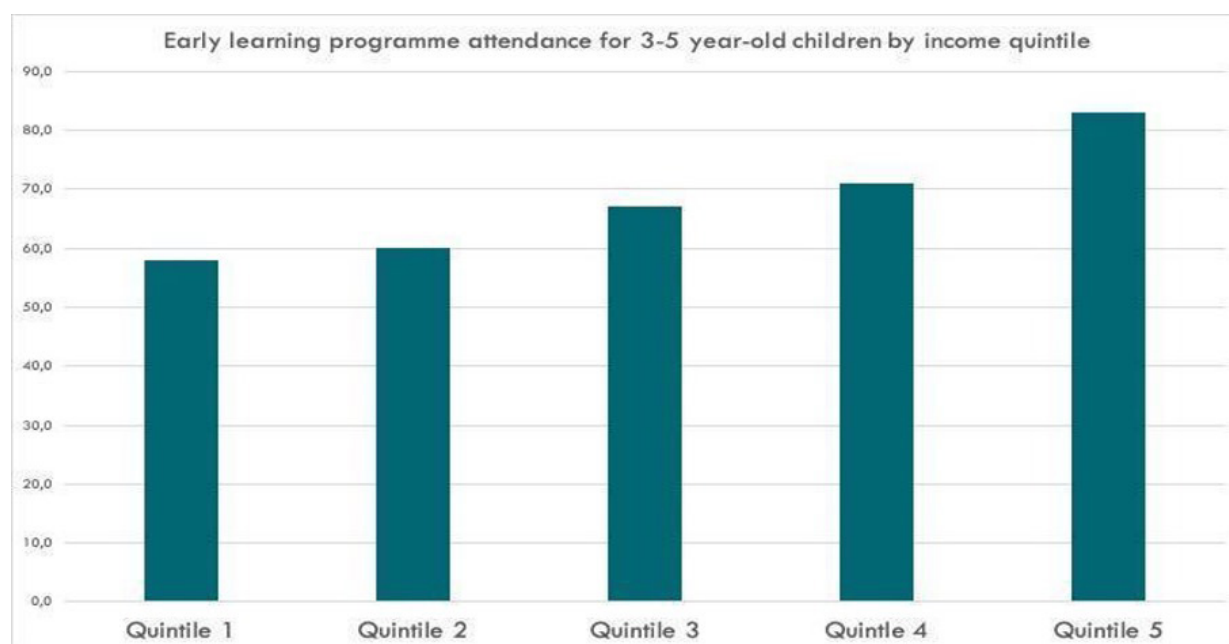
⁷⁹ C Aubrey, "Sources of Inequality in South African Early Childhood Development Services," *South African Journal of Education* 7, no. 1 (2017): 1–9.

⁸⁰ Ilifa Labantwana and Kago Ya Bana, "A Plan to Achieve Universal Coverage of Early Childhood Development Services by 2030," Discussion Document (Unpublished, 2018).

⁸¹ Estimates from Ilifa Labantwana. 2022. Unpublished.



Figure 6: Early learning programme attendance for 3-5 year-old children by income quintile



Source: Hall, K. et al. 2017. South African Early Childhood Review⁸²

The ability of parents or caregivers to afford ELP fees will continue to be a driving factor for ELP access – and indeed inequality – without wider and deeper public financing.⁸³

The first step to giving children an equal start in life is to ensure that all young children have access to quality and comprehensive early childhood development services.⁸⁴ If not, these foundational setbacks become more and more difficult to overcome as they move through school and into adult life.

ADOLESCENCE



Access to basic education has improved dramatically in South Africa. By the early 1990s, the country had near-universal enrolment rates at primary school level. Between 1985 and 2007, secondary school enrolment had risen from 51% to 91%.⁸⁵

Despite arriving on unequal footing, almost every young person in South Africa starts school. But, from the moment they enter a Grade 1 classroom, most will have the odds of success stacked against them. Only four out of every 10 Grade 1's reach and pass Grade 12.⁸⁶ Rather than being a once-off event, school dropout is a process, propelled by a range of factors in young people's schools, homes and communities that serve to either push or pull them from school (Figure 7).⁸⁷

⁸² K Hall et al., "South African Early Childhood Review" (Cape Town: Ilifa Labantwana, 2017).

⁸³ G Wills and J Kika-Mistry, "Early Childhood Development in South Africa in the COVID-19 Pandemic: Evidence from NIDS-CRAM Waves 2-5," Wave 5, NIDS-CRAM, 2021, <https://cramsurvey.org/reports/#wave-5>.

⁸⁴ Ilifa Labantwana, "South African ECD Review."

⁸⁵ Brian Levy, "Improving Basic Education – the Governance Challenge," in *The Politics and Governance of Basic Education: A Tale of Two South African Provinces* (Oxford University Press, 2018).

⁸⁶ H Van Broekhuizen, S van der Berg, and H Hofmeyr, "Higher Education Access and Outcomes for the 2008 National Matric Cohort," Economic Working Papers (University of Stellenbosch, 2016), <https://ssrn.com/abstract=2973723> or <http://dx.doi.org/10.2139/ssrn.2973723>.

⁸⁷ Zero Dropout, "School Dropout: What's the Catch?" (Cape Town: DG Murray Trust, 2019), <https://zerodropout.co.za/the-campaign-against-school-dropout/>.

Figure 7: Predictors of school drop-out



The school environment can either be a protective or a risk factor in driving learner dropout. School is a vital space for education. But beyond learning, a quality school environment can also play other important roles in young people's lives, offering them safety, socialisation, freedom and community. This can deepen young people's attachment to school and make it less likely that they will drop out. However, many learners continue to feel unsafe, uncomfortable and unstimulated at school. Bullying, absent teachers, irrelevant curricula and poor sanitation are just some of the factors that make learning difficult and often drive learners from school.⁸⁸

An obstructive learning environment can contribute to learners' academic struggles, which are another important predictor of dropout, particularly for those who start to fall behind early on. The early years of school are about building a basic understanding of words and numbers. Without the basic tools to understand what is being taught, further learning cannot take place and it becomes very difficult for learners to progress through the curriculum.⁸⁹ Robust research suggests that the South African education system is failing children in these early years.⁹⁰ By Grade 4, less than half of the learners who started Grade 1 three years earlier, are on track academically, and many are older than the expectation for their grade. In the poorest schools (quintiles 1 and 2), only one in three of these learners are on track.⁹¹

Grade repetition is the single greatest predictor of school dropout.⁹² Over 1 million school learners repeat grades each year.⁹³ An estimated 20% of learners in Grades 10-12 are three or more years over-age, having repeated grades.⁹⁴ In 2018, the cost of repetition to the public schooling system was estimated at R20 billion – 8% of the annual basic education budget.⁹⁵

⁸⁸ Zero Dropout, "School Dropout: Gender Matters" (Cape Town: DG Murray Trust, 2021), <https://zerodropout.co.za/school-dropout-gender-matters/>.

⁸⁹ Spaul, N., "South Africa's Education Crisis: The Quality of Education in South Africa 1994-2011," 2013, <https://nicspaul.files.wordpress.com/2011/04/spaul-2013-cde-report-south-africas-education-crisis.pdf>.

⁹⁰ Spaul, N.

⁹¹ K Hall, "Grade Progression," Children Count: Statistics on Children in South Africa (University of Cape Town: Children's Institute, 2017).

⁹² C Kritzing, "The True Cost of Our Failing Education System" (DG Murray Trust, 2019), <https://dgmt.co.za/the-true-cost-of-our-failing-education-system/>.

⁹³ Youth Capital, "Shift: Unlock Jobs," 2021, <https://youthcapital.co.za/youth-capital-research-shift-unlock-jobs/>.

⁹⁴ S van der Berg et al., "Learner Flows through School: Using High Quality Administrative Data to Understand Education System Performance" (RESEP, Stellenbosch University, 2021), <https://resep.sun.ac.za/wp-content/uploads/2021/08/Resep-Documents-V05-SvdB-edits.pdf>.

⁹⁵ S van der Berg et al., "The Cost of Repetition in South Africa," Economic Working Papers (University of Stellenbosch, 2019), www.ekon.sun.ac.za/wpapers/2019/wp132019.

Government progression policy does not allow learners to repeat a grade more than once per 'phase', whether Foundation Phase (Grade R-3), Intermediate Phase (Grades 4-6) or Senior Phase (Grades 7-9), or Further Education and Training (Grades 10-12). Instead, learners failing for a second time simply 'progress' to the next grade, but often without the academic support they need to succeed.⁹⁶

Learners that are struggling academically can feel alienated and inadequate, deepening their sense of disengagement from school.⁹⁷ As they fall further behind, some might feel unable to catch up, or that they don't have the academic ability to complete their schooling. In South Africa, boys are significantly more likely to repeat grades than girls, which is undoubtedly a significant driver of their higher dropout rates.⁹⁸

National survey data over the course of 2020–2021 showed that the Covid-19 pandemic had amplified disruptions to education: deepening learning losses, reducing access to school meals, and exacerbating learner disengagement from school.⁹⁹

Outside challenges in the learning environment and academic curricula can push young people from school. Young people can also be pulled from school by pressures at home or in their communities. Given that most young people across South Africa attend no-fee-paying schools, it may come as a surprise that many don't have the financial resources to complete their basic education. Even those enrolled in no-fee-paying schools, or supported by government bursaries, often struggle to make ends meet because of the added costs of education, which include uniforms, learning materials, transport, and stationery.¹⁰⁰

In rural areas in particular, barriers to schooling extend beyond finances: many must travel long distances to the classroom. In his research in the Mpumalanga province, Lawrence Mboweni¹⁰¹ found that young children aged between seven and 13 years walked a total of 16km each day to and from school. Along these journeys, children face many possible dangers. In KwaZulu-Natal, children have been reported to be crossing a lake with hippos in order to reach school.¹⁰²

Many learners undertake household chores and caregiving responsibilities that, in some contexts, can pull them away from their schoolwork. Girls and young women tend to carry a greater burden of caregiving and domestic responsibilities, which can limit time for homework and even keep them from the classroom.¹⁰³ In rural areas, girls and young women carry an especially heavy load of household duties, carrying water and fetching firewood.¹⁰⁴ Covid-19 and lockdown also exacerbated burdens for girls: when relatives fell sick or there were younger siblings at home and in need of childcare, girls were more likely to take on caregiving responsibilities than boys.¹⁰⁵

⁹⁶ Youth Capital, "Shift: Unlock Jobs."

⁹⁷ Zero Dropout, "School Dropout: Gender Matters."

⁹⁸ Zero Dropout.

⁹⁹ N. Spaull et al., "Synthesis Report Wave 5" (NIDS-CRAM, 2021), <https://cramsurvey.org/wp-content/uploads/2021/07/1.-Spaull-N.-Daniels-R.-C-et-al.-2021-NIDS-CRAM-Wave-5-Synthesis-Report.pdf>.

¹⁰⁰ Indira Pillay, "The Impact of Inequality and COVID-19 on Education and Career Planning for South African Children of Rural and Low-Socioeconomic Backgrounds."

¹⁰¹ Mboweni, L., "Challenges and Factors Contributing to Learner Absenteeism in Selected Primary Schools in Acornhoek."

¹⁰² Xolo, N., "The Learners Who Cross a Lake with Hippos in It to Get to School."

¹⁰³ T Carney et al., "Adolescent Female School Dropouts Who Use Drugs and Engage in Risky Sex: Effects of a Brief Pilot Intervention in Cape Town, South Africa," *AIDS Care* 31, no. 1 (2018): 77–84.

¹⁰⁴ G Porter et al., "Youthscapes and Escapes in Rural Africa: Education, Mobility and Livelihood Trajectories for Young People in Eastern Cape, South Africa," *Journal of International Development* 22, no. 8 (2010): 1090–1101.

¹⁰⁵ S Mkhwanazi and N De Wet, "School Dropout among African Adolescents in South Africa: Is There a Gender Differential?" *Gender and Behaviour* 12, no. 4 (2014): 5930–51.

South African public discourse is gripped with moral anxiety over pregnancy among adolescent girls, partly because of its perceived age-inappropriateness, and partly because of the possible impacts on the wellbeing of mothers, families, and children. Notwithstanding the recent dramatic spike in young pregnancy over the Covid-19 lockdown,⁷³ South Africa's adolescent fertility rates have been steadily declining over the years, dropping by 27% over the past 50 years.⁷⁴ Although adolescent girls are more likely to fall pregnant in South Africa than in other upper middle-income countries, the country's adolescent fertility rate is well below the sub-Saharan African average.¹⁰⁶

Research¹⁰⁷ tells us that there is a mutually reinforcing relationship between pregnancy and school dropout: young women that leave school are at higher risk of falling pregnant, while pregnant youth are also at higher risk of leaving school. In addition to financial pressures, parenting learners carry the responsibility of childcare, which can affect their ability to stay in, and succeed at, school. What is often missing from the story is the role that schools, families, and policymakers play in determining whether a young mother returns to school or not. For many girls and young women, an unintended pregnancy means social stigma and isolation, along with major disruptions to schooling. Without the right type of support, the physical toll of pregnancy, regular antenatal visits, and caring for a newborn often come at the expense of young women's schooling. Research into the effects of early childbearing on young people's educational and economic attainment show that delaying childbearing can improve young women's educational outcomes as well as their chances of employment.¹⁰⁸

In South Africa, young people without a matric year, or an equivalent qualification (Level 4 of National Qualifications Framework), are often cut off from pathways to tertiary education, employment and higher earnings. They not only struggle more than their peers to find work, they also remain unemployed for longer periods of time, and if they do find work, have less stable and lower earning jobs.¹⁰⁹

¹⁰⁶ World Bank, "Human Capital Country Brief: South Africa" (World Bank, 2022), <https://thedocs.worldbank.org/en/doc/7c9b64c34a8833378194a026be4e247-0140022022/related/HCI-AM22-ZAF.pdf>.

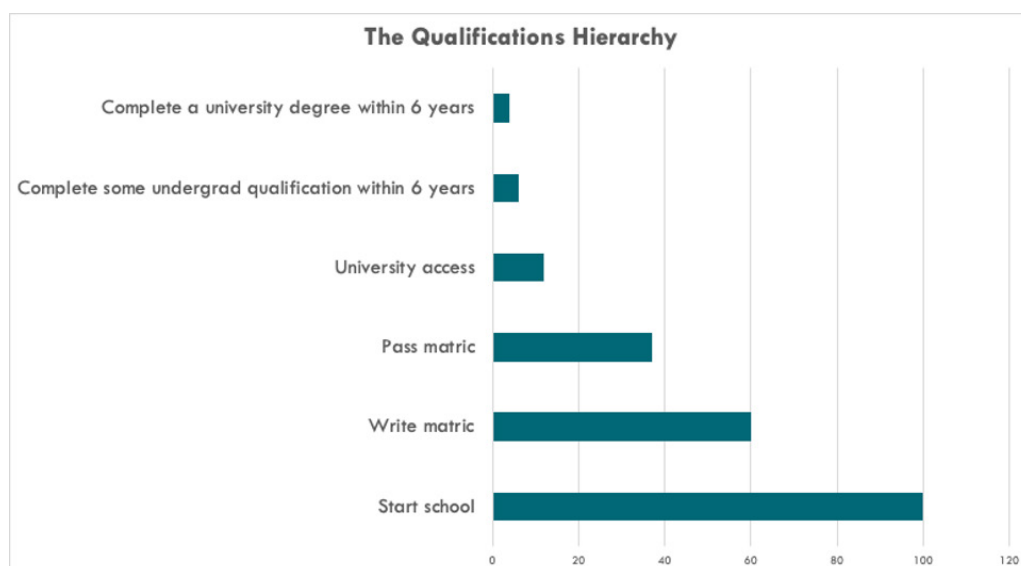
¹⁰⁷ Marie C. D. Stoner et al., "The Relationship Between School Dropout and Pregnancy Among Adolescent Girls and Young Women in South Africa: A HPTN 068 Analysis," *Health Education & Behaviour: The Official Publication of the Society for Public Health Education* 46, no. 4 (August 2019): 559–68, <https://doi.org/10.1177/1090198119831755>.

¹⁰⁸ De Lannoy et al., "Why Is Youth Unemployment So Intractable in South Africa? A Synthesis of Evidence at the Micro-Level."

¹⁰⁹ N Branson, A De Lannoy, and A Kahn, "Exploring the Transitions and Well-Being of Young People Who Leave School before Completing Secondary Education in South Africa." (SALDRU, 2018), http://www.opensaldru.uct.ac.za/bitstream/handle/11090/959/2019_244_Saldruwp.pdf?sequence=1.



Figure 8: The Qualifications Hierarchy: Outcomes of the 2008 Matric Cohort



Source: Spaul, N. 2016. *Important Research Inputs on #FeesMustFall*

Levels of qualification also affect job security, which also means that in economic downturns, those with fewer qualifications are disproportionately affected. From 2017 Q1 to 2022 Q1, overall employment decreased 8%.¹¹⁰ Within that figure, employment among those with tertiary qualifications decreased 4%; matric-educated employment decreased 8%; and those with less than matric saw an employment decrease of 20%.

School completion rates in South Africa are both a driver, and a reflection, of South Africa's inequality. Dropout rates differ significantly by race. Black and Coloured youth are half as likely to complete Grade 12 as their White and Indian counterparts.¹¹¹ Young Coloured men appear to be at highest risk of dropping out: one survey showed that 29% of 16-18-year old Coloured men were not in school.¹¹² But across genders, it is Black youth who are at highest risk of dropout. This is certainly not for want of trying, since young Black learners also tend to stay in school for longer, repeat more grades, and leave school at an older age.¹¹³

Because of the country's history, race in South Africa is a proxy for other inequalities. Different races have different dropout rates because of how South Africa's education system, together with its towns and cities, were planned under apartheid. Apartheid spatial planning gave White families privileged access to quality schools and urban infrastructure. These inequities have persisted in the post-apartheid context, such that poor, Black and particularly rural youth are disadvantaged in their access to quality education, which would otherwise improve their access to jobs and advance their social mobility.¹¹⁴ In the poorest 80% of schools, only 1% of Grade 8 learners will go on to pass matric and be eligible to study maths and science at university (i.e. achieve above 60% for these subjects). In the wealthiest 20% of schools, nearly ten times as many learners will pass Grade 12 with these grades.¹¹⁵

¹¹⁰ Statistics South Africa, "Quarterly Labour Force Survey 2022 Q2."

¹¹¹ N Spaul, "Schooling in South Africa: How Low-Quality Education Becomes a Poverty Trap," South African Child Gauge (University of Cape Town: Children's Institute, 2015).

¹¹² S Straussberg, S Meny-Gibert, and B Russell, "Left Unfinished: Temporary Absence and Drop-out from South African Schools" (Social Surveys and Centre for Applied Legal Studies, 2010), <https://www.socialsurveys.co.za/factsheets/AccessToEducation-UnfinishedBusiness/b06615.pdf>.

¹¹³ Straussberg, Meny-Gibert, and Russell.

¹¹⁴ Zero Dropout, "School Dropout: What's the Catch?"

¹¹⁵ Spaul, "Schooling in South Africa: How Low-Quality Education Becomes a Poverty Trap."

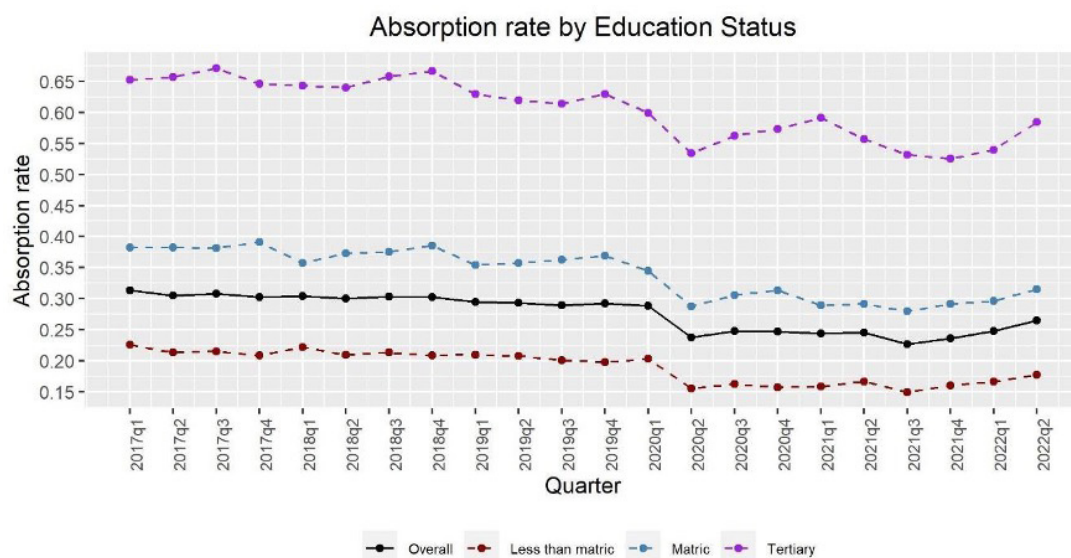
EARLY ADULthood



Transitions into post-school education

Young people who leave school with a matric certificate have a labour absorption rate of 31.5% (see Figure 9 below), 13.8% percent higher than for those without one (17.8%). But chances of finding work are improved exponentially by a tertiary qualification, which increases absorption rates by a further 26.8%. Tertiary-educated youth have a labour absorption rate of 58.0%.

Figure 9: Absorption rate by education status

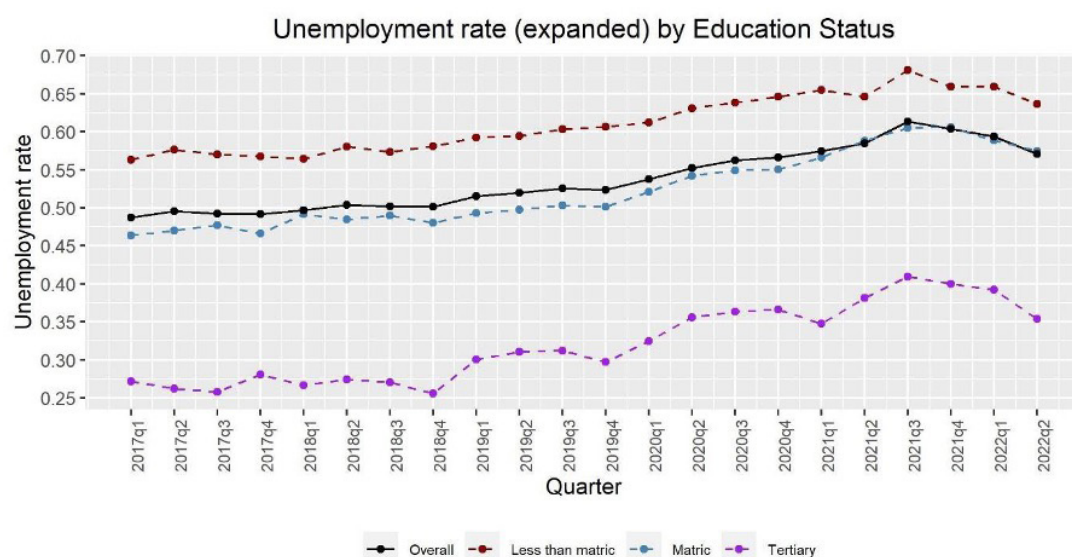


This is also borne out in the expanded unemployment rate for young people (aged 15–34) by education level (see Figure 10). While having a matric certificate marginally decreases young people's chances of being unemployed, it is only when this certificate is used as a passport to a tertiary qualification that chances of being employed are exponentially increased. This is partly because the economy of South Africa has shifted to one in which higher levels of skills are increasingly in demand.¹¹⁶

¹¹⁶ De Lannoy et al., "Why Is Youth Unemployment So Intractable in South Africa? A Synthesis of Evidence at the Micro-Level."



Figure 10: Unemployment rate (expanded) by education status



We know that most young people who drop out of school do so between Grades 10 and 12. Despite having completed compulsory schooling, historically they have had no formal qualification to aid their transition into further training or employment. The proposed General Education Certificate (GEC)¹¹⁷ is intended to address this problem, giving those who have completed Grade 9 a national certificate. While the Technical and Vocational Education and Training system (TVET) should provide young people with a Grade 9 or GEC qualification opportunities to further their education, very few young people without a matric access these institutions.¹¹⁸ Among young people without a matric, only 1% have some other school certificate or diploma (from a TVET college for example).¹¹⁹ Quarterly Labour Force statistics show that as many as three in 10 young people in this category (aged 15-24) are not only unemployed, but are also not enrolled in education or training.¹²⁰

TVET enrolment is low, in part because unlike university degrees, TVET qualifications are not perceived to improve young people's employability.¹²¹ There is further evidence that young people's aspirations for a university degree, and for a professional career as opposed to a menial job, also contribute to them valuing university education over TVET education.¹²² TVET education has therefore often carried with it assumptions of inferiority, which have been exacerbated by difficulties with the quality of teaching and learning at these institutions.¹²³

Research shows that, rather than acting as an alternative route to a matric-level qualification, TVETs have become ways for young people who already have a matric certificate to bide time, before qualifying for a university degree programme or finding a job.¹²⁴

¹¹⁷ Department of Basic Education, "Draft Policy for the General Education Certificate," 2021, https://static.pmg.org.za/210604Draft_Policy_for_the_General_Education_Certificate_GEC.pdf.

¹¹⁸ Branson, Hofmeyr, and Lam, "Progress through School and the Determinants of School Dropout in South Africa."

¹¹⁹ Spaull, N., "The Economic Value of Matric and the Potential of Further Education Colleges" (Africa Check, 2014), <https://africacheck.org/2014/01/10/the-economic-value-of-matric-and-the-potential-of-further-education-colleges/>.

¹²⁰ Statistics South Africa, "Quarterly Labour Force Survey 2022 Q2."

¹²¹ van der Berg, S and H Hofmeyer, "Incomplete Transition: Overcoming the Legacy of Exclusion in South Africa" (World Bank Group, 2018), <http://documents.worldbank.org/curated/en/339291529320964248/pdf/127304-Education-in-South-Africa.pdf>.

¹²² De Lannoy et al., "Why Is Youth Unemployment So Intractable in South Africa? A Synthesis of Evidence at the Micro-Level."

¹²³ De Lannoy et al.

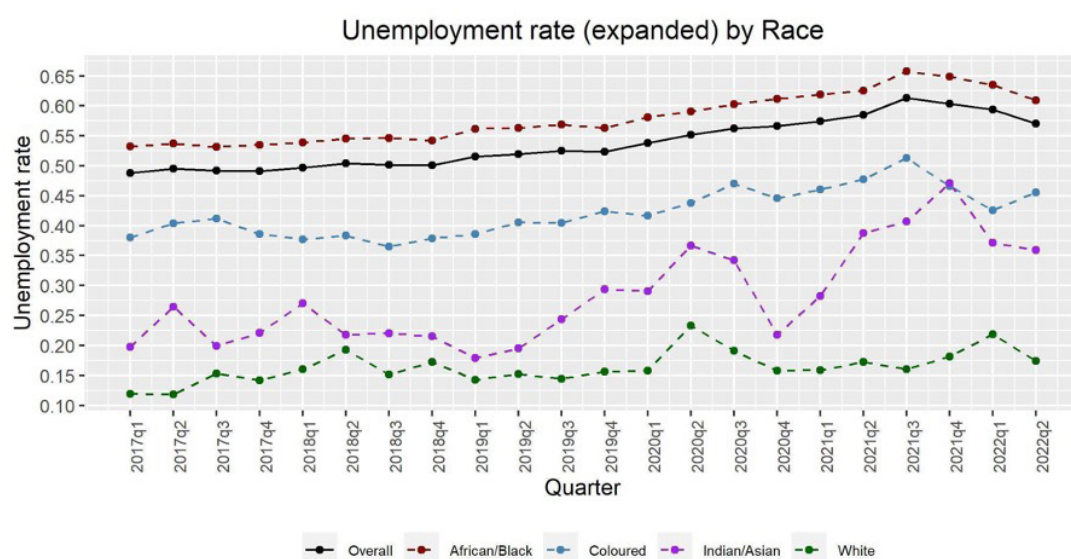
¹²⁴ DNA Economics, "Performance and Expenditure Review: Technical and Vocational Education and Training" (Pretoria: National Treasury, 2016), <https://www.gtac.gov.za/perdetail/10.2%20Technical%20report.pdf>; Zero Dropout, "School Dropout: What's the Catch?"

Despite the important impact that a post-school qualification can have on young people's future, most who start a tertiary level programme do not complete it: only 60% of university undergraduates, for example, complete their degrees within 6 years.¹²⁵ TVET students are even less likely to graduate.¹²⁶

Notwithstanding increased access to post-school education,¹²⁷ only 8% of 15-24-year olds attend a university or college, and even fewer complete their qualifications.¹²⁸ Culture shock, poor quality teaching, social exclusion, bullying, along with physical and mental illness can constrain young people in completing their qualifications, particularly if they are from vulnerable or rural homes.¹²⁹ In 2016, the Dell Foundation, which offers bursaries to students in two top South African universities, published a report about the types of support that students felt they most needed. 50% said psychosocial and community support made the most difference to their success.¹³⁰

Low rates of access to and completion of post-school qualifications contribute to stubborn racial and class inequities in youth employment outcomes.¹³¹ An analysis of QLFS data between Q1 2017 and Q2 2022 shows marked, and continued, inequality in unemployment by race (see Figure 11). This illustrates the stubbornness of apartheid-era racial hierarchies, and reflects broad, historical patterns in educational attainment by race (see Table 2).

Figure 11: Unemployment rate (expanded) by race



In South Africa, 60% of young people either leave school before matric, or have failed their matric exam, and are left without any kind of recognised educational qualification. And yet, chances of finding work are improved exponentially by a tertiary qualification. Any meaningful shift in South Africa's stark, and long-entrenched, inequality will demand that we unlock the social and economic mobility of these youth.

¹²⁵ Van Broekhuizen, van der Berg, and Hofmeyr, "Higher Education Access and Outcomes for the 2008 National Matric Cohort."

¹²⁶ DNA Economics, "Performance and Expenditure Review: Technical and Vocational Education and Training."

¹²⁷ De Lannoy et al., "Why Is Youth Unemployment So Intractable in South Africa? A Synthesis of Evidence at the Micro-Level."

¹²⁸ Branson, Hofmeyr, and Lam, "Progress through School and the Determinants of School Dropout in South Africa."

¹²⁹ T Lewin and M Mawoyo, "Student Access and Success: Issues and Interventions in South African Universities" (Cape Town: The Kresge Foundation, 2014), <https://kresge.org/sites/default/files/Issues%20and%20Interventions%20in%20South%20African%20Universities.pdf>.

¹³⁰ Dell Foundation, "Dell Young Leaders Case Study," 2016, <https://www.msdf.org/case-studies/dell-young-leaders-case-study/>.

¹³¹ Branson, De Lannoy, and Kahn, "Exploring the Transitions and Well-Being of Young People Who Leave School before Completing Secondary Education in South Africa."



Table 2: Youth education status by race, 2017 Q1 and 2022 Q2

	Less than matric		Matric		Tertiary	
	2017 Q1	2022 Q2	2017 Q1	2022 Q2	2017 Q1	2022 Q2
African/Black	62.7%	55.7%	28.8%	35.4%	7.7%	8.1%
Coloured	61.5%	56.3%	30.3%	34.3%	6.7%	7.5%
Indian/Asian	26.9%	33.6%	51.4%	42.9%	21.0%	21.8%
White	25.1%	33.1%	45.4%	44.6%	28.7%	21.7%

Transition into the labour market

South Africa's fast-growing labour force presents both a tremendous challenge and an unprecedented opportunity. Over the past five years (Q1 2017 – Q2 2022), South Africa's working-age population has continued to grow steadily: from 37.1 million in the first quarter of 2017 to 40.0 million in the first quarter of 2022.

When they leave school, young people in South Africa enter a world of uncertainty, often unprotected. Many will lose the routine, daily meals, and adult mentorship that the school environment provided. When they turn 18, those who had benefited from a child support grant will stop receiving it, putting added financial pressure on their households.¹³²

Among those without a matric qualification, there are a variety of different pathways in terms of movement into and out of the labour market. An analysis of five waves of the National Income Dynamics Survey shows that over a 10-year period, two-thirds of young people who had not completed Grade 12 experienced some degree of churn in the labour market, with a smaller proportion remaining consistently in or out of employment and the education system.¹³³

But even within this group, there is significant inequality. The consequences of not having a matric certificate differ depending on young people's connectivity to the labour market. Those from poorer households and disadvantaged schools are more likely to be long-term unemployed, which translates into poorer mental health and subjective wellbeing.¹³⁴

Between 2008 and 2021, the number of young people who had been looking for work for more than three years tripled.¹³⁵ The number who had given up entirely, tripled.¹³⁶

Figure 12 shows the composition of the working-age population across its four constituent categories over the period 2017 Q1 – 2022 Q2.

¹³² Youth Capital, "Shift: An Action Plan to Tackle Youth Unemployment in South Africa," 2020, <https://youthcapital.co.za/youth-capital-annual-publication-shift-2020/>.

¹³³ Branson, De Lannoy, and Kahn, "Exploring the Transitions and Well-Being of Young People Who Leave School before Completing Secondary Education in South Africa."

¹³⁴ Branson, De Lannoy, and Kahn.

¹³⁵ Youth Capital, "Shift: An Action Plan to Tackle Youth Unemployment in South Africa."

¹³⁶ Youth Capital.

Figure 12: Composition of the working-age population

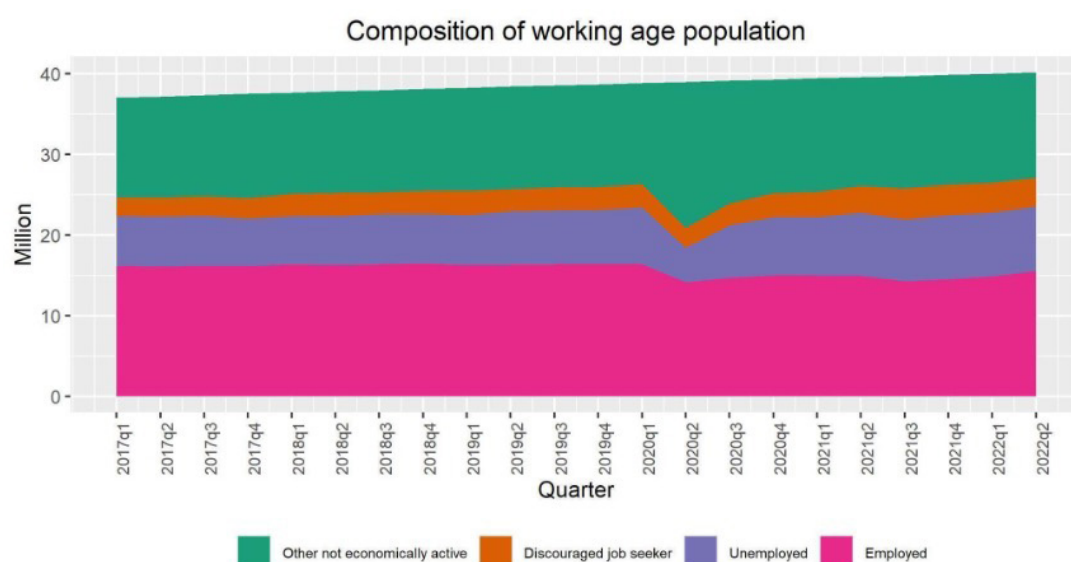


Table 3: Composition of the working-age population

	2017 Q1	2022 Q2	Change
Discouraged job seeker	2 277 380	3 568 447	56.7%
Employed	16 212 250	15 561 858	-4.0%
Other not economically active	12 356 910	13 052 787	5.6%
Unemployed	6 214 112	7 994 292	28.6%
Total population	37 060 653	40 177 384	8.4%

Over this time, the employed population shrunk from 16.2 million to 15.6 million despite the overall growth in the working-age population, while the other three categories all grew: unemployed from 6.2 to 8.0 million, discouraged job-seekers from 2.3 to 3.6 million, and other not economically active from 12.4 to 13.1 million. This underscores the size of the challenge for South Africa: in a period in which the working-age population has grown by over 8%, the economy was able to accommodate 4% fewer in employment.

The rising number of discouraged job-seekers is a pressing concern for South Africa, reflecting not only the financial and psychosocial cost of job-seeking but also deepening chronic unemployment. Research suggests that the longer someone is unemployed, the more difficult it becomes to find work, not only because they become increasingly discouraged, but also because employers view them as riskier hires.¹³⁷ South African research¹³⁸ suggests that unemployment is also associated with stigma and shame, as well as stress, depression and anxiety, which in turn make it more difficult for people to seek and find work. Over the past five years, the number of young job-seekers (aged 15–34) who have grown discouraged (i.e. had not acted to find work in the previous four weeks) has increased by almost 40%.¹³⁹

¹³⁷ Youth Capital.

¹³⁸ Melanie du Toit et al., "Unemployment Experiences in Context: A Phenomenological Study in Two Townships in South Africa," *Journal of Psychology in Africa* 28, no. 2 (2018).

¹³⁹ Own analysis of StatsSA QLFS data 2017Q1-2022Q2

The experience trap

Part of the challenge of the job search is in how to gain, and then signal, experience as an entry-level worker. Qualitative evidence suggests that young people are frequently denied jobs or interviews on the basis of their 'lack of experience'.¹⁴⁰ A Western Cape survey of middle-class youth showed that those who gained some work experience during high school transitioned more easily into the workplace than those without experience.¹⁴¹ This is reinforced by national panel data, which shows that school learners and tertiary students who undertook part-time work were more likely to be permanently employed.¹⁴² Indeed, after race and gender, being able to demonstrate some work experience appears to be the most important factor in finding work in South Africa, regardless of whether it is formal or informal, paid or voluntary.¹⁴³

But how does one gain experience if experience is often an entry-requirement for work opportunities? Indeed, part of the reason that unemployment is so high for young people is that many struggle to gain first entry into the labour market. The unemployment rate (using the narrow definition) is markedly worse (63.9%) for younger youth (aged 15-24) than older youth (aged 25-34). Some evidence suggests that, by the time they turn 24, 60% will have never had a job before.¹⁴⁴ Long-term unemployment, as well as an extended and unsuccessful job search, can lead to discouragement and depression among young people.¹⁴⁵

In 2019, the South African government relaxed requirements for prior work experience for job openings in the public sector. But the 'experience trap' has nevertheless remained a major barrier for young job-seekers. In a context where employers often receive large numbers of applicants, many continue to use level of experience (along with formal qualifications) as a sifting tool.

Young women's disadvantage in the labour market

Young women are most likely to be stuck outside of employment,¹⁴⁶ owing in large part to domestic and childcare responsibilities.¹⁴⁷ South Africa has achieved parity in school enrolment, and although girls and women generally outperform boys and men as they move through primary, secondary and tertiary education, they continue to fare worse in the labour market. International research suggests that equity in education does not necessarily translate to workplace equity, often because of the motherhood wage penalty.¹⁴⁸ But women not only have worse wages, they are also less likely to be employed, despite often having higher qualifications.

In the second quarter of 2022, 13.2% of women had tertiary qualifications compared to 11.2% of men, and 46.7% had completed secondary education compared to 43.5%. Yet despite being more qualified than men, women fare worse than men in the labour market.

Figure 13 shows that young women (aged 15-34) are being absorbed into the workforce at a far lower rate than young men at all qualification levels. This can be partially explained by maternity, domestic and childcare responsibilities forcing women to opt out of the workforce.

¹⁴⁰ De Lannoy et al., "Why Is Youth Unemployment So Intractable in South Africa? A Synthesis of Evidence at the Micro-Level."

¹⁴¹ J Seekings, "Young People's Entry into the Labour Market in South Africa" (Carnegie III: Strategies to overcome poverty and inequality conference, University of Cape Town, 2012).

¹⁴² C Mhlatseni and V Ranchod, "Youth Labour Market Dynamics in South Africa: Evidence from NIDS 1-2-3," Working Paper (University of Cape Town, 2017), <http://www.redi3x3.org/paper/youth-labour-market-dynamics-south-africa-evidence-nids-1-2-3>.

¹⁴³ C Marock and C Harrison-Train, "Next Generation South Africa" (British Council, 2018), <https://www.britishcouncil.org.za/next-generation-south-africa>.

¹⁴⁴ D Yu, "The Lesser Known and Scarier Facts about Unemployment in South Africa," *Mail and Guardian Online*, 2017, <https://mg.co.za/article/2017-09-04-the-lesser-known-and-scarier-facts-about-unemployment-in-south-africa>.

¹⁴⁵ Branson, Hofmeyr, and Lam, "Progress through School and the Determinants of School Dropout in South Africa."

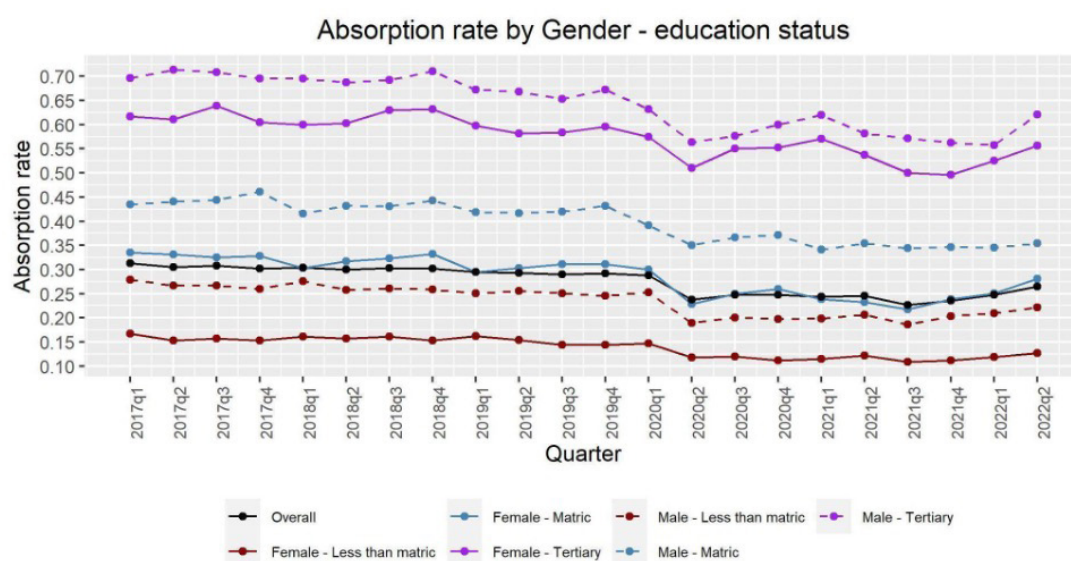
¹⁴⁶ Branson, De Lannoy, and Kahn, "Exploring the Transitions and Well-Being of Young People Who Leave School before Completing Secondary Education in South Africa."

¹⁴⁷ A De Lannoy and G Mudiriza, "A Profile of Young NEETs: Unpacking the Heterogenous Nature of Young People Not in Employment, Education or Training in South Africa," Working Paper (SALDRU, 2019), http://www.opensaldru.uct.ac.za/bitstream/handle/11090/963/2019_249_Saldrup.pdf?sequence=1.

¹⁴⁸ M Budig and P England, "The Wage Penalty for Motherhood," *American Sociological Review* 66, no. 2 (2001): 204-25.

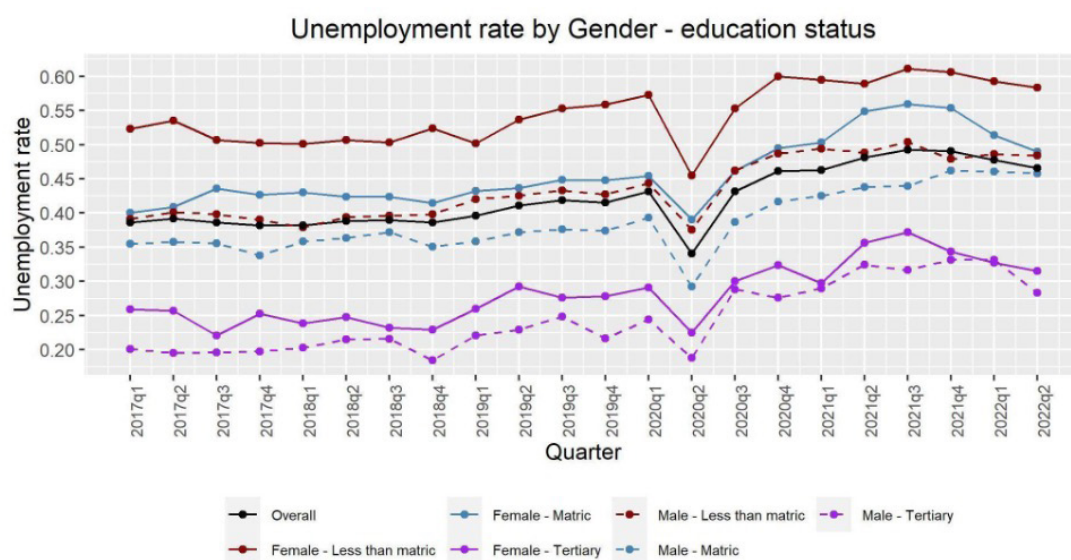
While their analysis was not particular to youth, Schoer and Leibbrandt¹⁴⁹ show that domestic responsibilities can also keep women from the job search. In the early months of the 2020 Covid-19 lockdown, women accounted for two-thirds of net job losses and have also been slower to recover employment since. This was attributed, in part, to inequities in time spent on childcare.¹⁵⁰

Figure 13: Youth absorption rate by gender and education status



While women's disproportionate caregiving responsibilities may be part of the story, Figure 14 shows that even for young women who opt into the workforce and are actively seeking work, young women with the same qualifications have higher unemployment rates than men, suggesting gender discrimination in the labour market. Gender discrimination in the labour market means that young women's full economic participation remains untapped, and targeted policy and programmes are needed to redress gender disadvantage.

Figure 14: Youth unemployment rate (narrow) by gender and education status



¹⁴⁹ V Schoer and M Leibbrandt, "Determinants of Job Search Strategies: Evidence from the Khayelitsha/Mitchell's Plain Survey," *South African Journal of Economics* 74, no. 4 (2006): 702–24.

¹⁵⁰ Spaul N, Ardington C, Bassier I, et al. NIDS-CRAM Synthesis Report Wave. Work Pap Ser. Published online 2020:17.



This is further confirmed by looking at the proportional difference between male and female absorption and expanded unemployment rates. These statistics are calculated as female divided by male, and emphasise the magnitude of the gaps shown in the previous two graphs. In the first section, "Absorption rate", the table shows how much less likely women are than men to be absorbed into the workforce. In the second, "Expanded unemployment rate", it shows how much more likely women are to be unemployed.

Overall, the gaps seem to be slowly shrinking over time. However, there is a long way to go. In 2022 Q2, a matric-educated woman is 20.9% less likely to be absorbed into employment than a man with the same education and 10.1% more likely to be unemployed.

Table 4: Proportional gender gaps in select employment statistics by education level

Proportional difference	Absorption rate		Expanded unemployment rate	
	2017 Q1	2022 Q2	2017 Q1	2022 Q2
Less than matric	-40.1%	-42.8%	28.9%	21.0%
Matric	-22.8%	-20.9%	15.1%	10.1%
Tertiary	-114%	-104%	23.9%	12.5%

Financial exclusion

In 2019, the Siyakha Youth Assets Study estimated that young South Africans spent an average of R938 a month looking for work¹⁵¹: about R558 for transport and an added R380 for internet access, printing, application fees, and agent's fees.¹⁵² The cost of job-seeking was more than young people's monthly income (an average of R527), which meant that many could not look for work without becoming indebted. Nearly two-thirds of young people in South Africa relied on family members to help fund the cost of job-seeking.¹⁵³ Many have to weigh up the costs of job-seeking with basic necessities.¹⁵⁴

In 2021, a Youth Capital survey of over 2,000 young people across the country suggested that eight in 10 young people were choosing between looking for work and buying food.¹⁵⁵

¹⁵¹ Lauren Graham et al., "Siyakha Youth Assets Study: Developing Youth Assets for Employability" (Centre for Social Development in Africa, 2019), <https://www.uj.ac.za/wp-content/uploads/2021/10/siyakha-report-june-2019-web-lowres.pdf>.

¹⁵² Graham et al.

¹⁵³ Graham et al.

¹⁵⁴ Graham et al.

¹⁵⁵ Youth Capital, "Beyond the Cost: What Does It Really Cost Young People to Look for Work?"

Apartheid spatial planning exacerbates inequalities in the job search. Because poor youth typically still live either in townships on the outskirts of the cities, or in less economically-developed rural areas, they are often removed from where jobs and industry are located and lack reliable, affordable transport.¹⁵⁶ Ironically, it is then the poorest youth for whom work-seeking is most expensive. Even if these young people find work, the costs of getting to and from work, means that they ultimately make less income. And in fact, there are some jobs that would cost them money to accept.¹⁵⁷ It is perhaps unsurprising then that several studies have found that when households start receiving social grants, there is a positive association with job-seeking among working-age household members.¹⁵⁸

Even before Covid-19 lockdown, almost 90% of young people were using the internet to look for work, with mobile data being among their biggest expenses.¹⁵⁹ But with only 10% of South Africa's population having internet access at home,¹⁶⁰ the majority of young people are dependent on local hotspots, internet cafés and mobile data. High data costs impact how young people access information on education and work opportunities, producing a digital divide between better-resourced and connected youth, and those with limited connectivity or resources.

Given the financial and psychosocial costs of the job search, it is unsurprising that three out of four young people in a 2019 study reported having been looking for work for more than a year.¹⁶¹ Nearly one in 10 had given up the job search altogether.¹⁶²

Social exclusion

Most people in South Africa find jobs through friends and family, who either refer them to employers, tell them about work opportunities, offer start-up capital, or lend them money to fund the job search. Employers also often rely on employees to refer people they know and trust when there are job openings. In the early 1990s, researchers found two dairies in Gqeberha and Cape Town that had recruited all their staff from a single Ciskei village, propelled through a chain of referrals.¹⁶³ Indeed, a strong body of South African evidence¹⁶⁴ shows the power of social ties and social privilege in determining entry, stability and success in the labour market. This reality means that having social ties to people already in the labour market is critical to gaining entry. But as many as four in 10 young people find themselves on the margins of the labour market, living in homes with no employed members.¹⁶⁵

¹⁵⁶ Mhlatsheni and Ranchod, "Youth Labour Market Dynamics in South Africa: Evidence from NIDS 1–2–3."

¹⁵⁷ De Lannoy et al., "Why Is Youth Unemployment So Intractable in South Africa? A Synthesis of Evidence at the Micro-Level."

¹⁵⁸ De Lannoy et al.

¹⁵⁹ Youth Capital, "Beyond the Cost: What Does It Really Cost Young People to Look for Work?"

¹⁶⁰ Statistics South Africa, "General Household Survey," 2018.

¹⁶¹ Graham et al., "Siyakha Youth Assets Study: Developing Youth Assets for Employability."

¹⁶² Youth Capital, "Shift: Unlock Jobs."

¹⁶³ F Sperber, "Rural Income, Welfare, and Migration: A Study of Three Ciskeian Villages" (Masters' Thesis, University of Cape Town, 1993).

¹⁶⁴ Schoer and Leibbrandt, "Determinants of Job Search Strategies: Evidence from the Khayelitsha/Mitchell's Plain Survey"; KS Newman and A De Lannoy, *After Freedom: The Rise of the Post-Apartheid Generation in Democratic South Africa* (Beacon Press, 2014); Mhlatsheni and Ranchod, "Youth Labour Market Dynamics in South Africa: Evidence from NIDS 1–2–3"; Youth Capital, "Linked in: Rising through Social and Economic Connections," 2022, <https://youthcapital.co.za/linked-in-werise-socialconnections-brief/>.

¹⁶⁵ Youth Capital, "Beyond the Cost: What Does It Really Cost Young People to Look for Work?"



In the Eastern Cape, the proportion of young people living in homes where no one is employed increases to almost 60%, and in the poorest municipalities in the country, as much as 80%.¹⁶⁶ Because of the interplay between class privilege, social networks and economic power, some researchers¹⁶⁷ have argued that the South African labour market can be split into two camps: a well-connected group of 'insiders', and a second (much larger) group of 'outsiders', whose social exclusion locks them out of quality work opportunities.

Pathway support

The South African labour market experiences a high degree of churn. This has been especially acute over the past few years as a consequence of Covid-19 lockdown. National survey data tracking employment dynamics between February 2020 and March 2021 showed that 23% of participants who had been employed in February were no longer employed the following year, while 30% who had been jobless in February 2020 had found jobs by March 2021.¹⁶⁸ But young people were experiencing this churn well before Covid-19 struck.

Many of South Africa's young workers will cycle through short-term training, jobs or self-employment opportunities, struggling to find a stable foothold in the labour market. Young people who do find jobs often battle to keep them. Instead, they find themselves moving in and out of training, informal work, and short-term positions, unable to translate their experience into stable employment.¹⁶⁹ Although chronically unemployed and transitory unemployed people in South Africa share many of the same characteristics – they tend to be Black, women and younger – transitory-unemployed people are 10 times more numerous than chronically-unemployed people.¹⁷⁰ This reality, coupled with the increase in part-time jobs, means that policy and programming must be designed to support those in transitory employment, bridging them to their next opportunity.

THE YOUNG WORKFORCE



Like much of the rest of the world, wage labour has been a central economic, social, and political organising force in South Africa: first through colonial and then apartheid capitalist accumulation.¹⁷¹ Both enforced the employment of Black men on the mines and attached urban residence with formal employment. Over the second half of the 20th century, the South African economy grew exponentially, shifting from agriculture to minerals, and finally to manufacturing.¹⁷² But these structural changes in the economy were also attended with some of the widest unemployment rates in the world and deepening inequality.

¹⁶⁶ A De Lannoy et al., "What Drives Youth Unemployment and What Interventions Help?" (Southern Africa Labour and Development Research Unit (SALDRU), University of Cape Town; Centre for Social Development in Africa (CSDA), University of Johannesburg, 2018), https://www.saldru.uct.ac.za/wp-content/uploads/Youth-Unemployment-exec-summary_181117_for-print.pdf.

¹⁶⁷ R Barber, "The Structure of Livelihoods in South Africa's Bantustans: Evidence from Two Settlements in Northern Province." (DPhil, University of Oxford, 1998).

¹⁶⁸ G Espi, V Ranchhod, and M Leibbrandt, "Age, Employment and Labour Force Participation Outcomes in COVID-Era South Africa," NIDS-CRAM, 2021, <https://cramsurvey.org/reports/#wave-5>.

¹⁶⁹ Youth Capital, "Shift: Unlock Jobs."

¹⁷⁰ Hayley Innez Wakefield, Derek Yu, and Christie Swanepoel, "Revisiting Transitory and Chronic Unemployment in South Africa," *Development Southern Africa* 39, no. 2 (March 4, 2022): 87–107, <https://doi.org/10.1080/0376835X.2020.1799761>.

¹⁷¹ N Nattrass and J Seekings, "The Economy and Poverty in Twentieth Century South Africa," Working Paper (University of Cape Town: Centre for Social Science Research, 2010).

¹⁷² Haroon Borat et al., *Structural Transformation, Inequality, and Inclusive Growth in South Africa*, 50th ed., vol. 2020, WIDER Working Paper (UNU-WIDER, 2020), <https://doi.org/10.35188/UNU-WIDER/2020/807-8>.

Since the final decades of apartheid, the economy has become increasingly capital- and skills-intensive,¹⁷³ while growth has stalled. Today, the services sector is the key to both growth and employment, while agriculture, mining, and manufacturing have contracted significantly.¹⁷⁴

South African youth face a future without the prospect of industrial waged work and uncertain possibilities for livelihoods in the agricultural sector. Despite skyrocketing unemployment, South African social protection is reserved for those presumed unable to work (children, the elderly, and the disabled), while there is no direct support for the young and unemployed.

Structural change towards a service-oriented economy is reflected in young people's rates of employment in key industries. Among those young people (aged 15-34) who were employed in the second quarter of 2022, 24% were employed in community, social and personal services; 24% in wholesale and retail; and 16% in financial intermediation, insurance, real estate and business services. In other words, the vast majority (about 64%) of young people who are employed, are employed in these service-driven industries. Between Q1 2019 and Q2 2022, the proportions of those employed in mining and manufacturing decreased across the board, but particularly for young people (see Table 5).

Table 5: Youth versus overall proportion of employed across industries

	2017 Q1 proportion of employed		Absolute employment growth		2022 Q2 proportion of employed	
	15-34	Overall	15-34	Overall	15-34	Overall
Agriculture, hunting, forestry, and fishing	6.6%	54%	-9.5%	-0.1%	6.8%	5.6%
Community, social, and personal services	18.3%	22.0%	13.0%	7.1%	23.7%	24.6%
Construction	10.0%	9.3%	-36.5%	-21.8%	7.3%	7.6%
Electricity, gas, and water supply	1.0%	0.9%	-50.2%	-28.6%	0.6%	0.7%
Financial intermediation, insurance, real estate, and business services	15.6%	14.7%	-11.2%	34%	15.9%	15.8%
Manufacturing	11.3%	11.0%	-24.0%	-15.8%	9.8%	9.7%
Mining and quarrying	2.5%	2.8%	-31.8%	-8.8%	2.0%	2.6%

¹⁷³ Nattrass and Seekings, "The Economy and Poverty in Twentieth Century South Africa."

¹⁷⁴ Bhorat et al., *Structural Transformation, Inequality, and Inclusive Growth in South Africa*.



	2017 Q1 proportion of employed		Absolute employment growth		2022 Q2 proportion of employed	
	15-34	Overall	15-34	Overall	15-34	Overall
Private households	5.2%	8.1%	-25.9%	-14.8%	44%	7.2%
Transport, storage, and communication	6.1%	6.0%	-25.7%	-6.1%	5.2%	5.8%
Wholesale and retail trade	23.5%	19.8%	-9.5%	-14%	24.3%	204%
Grand total	100.0%	100.0%	-12.8%	-4.1%	100.0%	100.0%

While some sub-sectors of the service industry are able to absorb low- and medium-skilled workers, the overall absorption capacity of the sector is severely restricted, particularly since most young job-seekers have limited formal qualifications.

One diagnosis of the youth unemployment problem is a 'supply-side problem'. Here it is argued that the primary driver of youth unemployment is that young people do not have the right qualifications, technical or 'soft' skills to meet the needs of a changing labour market. This includes the skills demanded by a growing digital economy, as well as the shift to a high-skill, service-oriented sector.

As the economy becomes more service sector-oriented and digitisation and automation play a bigger role, some argue that South Africa will need to produce 1.7 million more tertiary graduates to take advantage of the opportunity that an increasingly digitising economy presents, and alleviate job losses.¹⁷⁵

Supply-side solutions work off a deficit model that positions young job-seekers as lacking the capacities that industries and employers need. In doing so, they arguably place the burden of responsibility on young people to equip themselves for work, with little guarantee that the labour market will be able to absorb them or that they will have the support, recognition and resources required to secure a job.¹⁷⁶

The previous section about transitions into the labour market suggests that skills deficits are not the only, or necessarily the primary, barrier to entry for young people. Indeed, young people's experience of social and financial deficits are as, if not more, pressing. More so, young women may experience gender discrimination in the labour market regardless of their level of their qualification. While we know that more education and training generally equates to higher employment and higher earnings for youth, and demands proper investment, the relationship is not inevitable. There also must be livelihood opportunities to absorb these better-skilled young people.

Young people in the informal sector

Over the period Q1 2017 – Q2 2022, the proportion of young people employed in the formal sector shrunk by 16%, relative to 6.5% overall (see Table 6). While employment prospects for young people also contracted in agriculture and private households, the informal economy was the only sector in which young people experienced a growth in employment. This is all the more impressive considering the sector was also hardest hit by the Covid-19 pandemic. Among young people, informal employment increased 4% over the period, despite decreasing 23% compared to the formal sector's 15% in South Africa's first lockdown.

¹⁷⁵ McKinsey & Company, "The Future of Work in South Africa: Digitisation, Productivity and Job Creation," 2019, 24.

¹⁷⁶ Louise Fox et al., "Africa's 'youth Employment' Crisis Is Actually a 'Missing Jobs' Crisis," Brooke Shearer Series, 2020.

Table 6: Youth versus overall proportion of employed across sectors

	2017 Q1 proportion of employed		Absolute employment growth		2022 Q2 proportion of employed	
	15-34	Overall	15-34	Overall	15-34	Overall
Agriculture	6.6%	54%	-9.5%	-0.1%	6.8%	5.6%
Formal sector (non-agricultural)	71.1%	69.9%	-16.1%	-6.5%	68.3%	68.1%
Informal sector (non-agricultural)	17.2%	16.5%	4.0%	10.6%	20.5%	19.1%
Private households	5.2%	8.1%	-25.9%	-14.8%	44%	7.2%
Grand total	100.0%	100.0%	-12.7%	-4.0%	100.0%	100.0%

Literature on youth employment in South Africa often falls into two camps with respect to its approach to the formal economy. For some, shrinking possibilities in the formal sector, both within South Africa and globally, compel us to think differently about work. They argue that 'the prevalence and persistence of "informal", "precarious", and "non-standard" employment in so many sites around the world... requires a profound analytical decentring of waged and salaried employment as a presumed norm or telos, and a consequent reorientation of our empirical research protocols'.¹⁷⁷ Others argue that stimulating formal wage employment is the only way to transform the economy at the scale required to shift livelihood prospects. By looking to expand livelihoods for young people outside the formal wage job, those in the former camp might be accused of valorising 'precarious work' and placing the burden on young people themselves to transform their own prospects. Meanwhile, those who view job creation in the formal economy as the only solution to youth unemployment often invoke a false binary between the informal and formal sectors. Here, interventions in the formal economy are perceived as systemic and sustainable, while those in the informal economy are seen piecemeal and individualised; formal work is understood as decent and secure, while informal work is not.¹⁷⁸

Given the lower earnings and poor access to social protection for informal workers, we cannot romanticise the informal economy. But we also cannot ignore it. Nor can we continue to hold rigid dichotomies that fail to capture a much more complex reality. The lines between the formal and informal economies often blur, with connections and overlaps between them. Stereotypes that describe 'decent, dignified work in the formal economy' and 'insecure, exploitative work' in the informal economy often do not hold. Despite apparent job security, wage-workers in the formal economy can also be exploited, treated as 'disposable', and forced to work in unsafe conditions.¹⁷⁹ In South Africa, low-paid wage work has been coupled with colonialism and apartheid,¹⁸⁰ and relatedly forced migration, oppression and abuse.¹⁸¹ This is part of why some young South Africans report opting for insecure self-employment as opposed to the indignities of certain forms of wage labour.¹⁸²

¹⁷⁷ J Ferguson and TM Li, "Beyond the 'Proper Job': Political-Economic Analysis after the Century of Labouring Man.," *PLAAS UWC Working Paper* 51 (2018).

¹⁷⁸ Sumberg et al., "Formal-Sector Employment and Africa's Youth Employment Crisis: Irrelevance or Policy Priority?" *Development Policy Review* 38 (2020): 428–40.

¹⁷⁹ KA Siegman and Schiphorst, F, "Understanding the Globalising Precariat: From Informal Sector to Precarious Work.," *Progress in Development Studies* 16, no. 2 (2016): 111–23.

¹⁸⁰ Genevieve Lebaron and Alison Ayers, "The Rise of a 'New Slavery'? Understanding African Unfree Labour through Neoliberalism," *Third World Quarterly* 34, no. 5 (2013): 873–92.

¹⁸¹ H. J. Dawson and E. Fouksman, "Labour, Laziness and Distribution: Work Imaginaries among the South African Unemployed," *Africa* 90, no. 2 (February 2020): 229–51, <https://doi.org/10.1017/S0001972019001037>.

¹⁸² Chris Webb, "These Aren't the Jobs We Want': Youth Unemployment and Anti-Work Politics in Khayelitsha, Cape Town.," *Social Dynamics* 16, no. 2 (2016): 111–23.



Descriptions of work outside the boundaries of a formal wage job often rest on what it is not: *informal*, *non-standard*, *unstable* or *insecure*. This leaves us with far less research or description of what it is, and how we might meaningfully respond to it.

In South Africa, young people in the informal economy are often understood in terms of 'entrepreneurship', with the assumption that young people's innate entrepreneurial potential needs only to be unlocked through training and skills.¹⁸³ While some see young people in the informal sector as untapped vessels of entrepreneurial potential, others see them as a 'ticking time bomb'. Outside of formal employment young people are regularly assumed to be lazy, idle and dangerous.¹⁸⁴ With persistently high rates of youth unemployment, post-apartheid South African has been awash with images of 'waiting youth',¹⁸⁵ pushed to the margins of society by under-employment and unemployment, and growing increasingly detached from their aspirations for their lives and livelihoods. But rarely are young people just waiting. Instead, research illustrates that young people without jobs are routinely creating new strategies to navigate changing labour markets.

In a recent ethnographic study, Hannah Dawson¹⁸⁶ explored social connections among young men working in-and-around a car wash in Zandspruit informal settlement, Johannesburg. Rather than operating in isolation, the car wash business formed part of a web of informal business activity, connected to the taxi industry, informal mechanics and the 'chesanyama' (a buy-and-braai informal butchery). The car wash offered young men a place to socialise, pass time, and 'hustle' for work. In 2022, a survey conducted by Youth Capital¹⁸⁷ found that neighbourhood hubs, including train stations, schools, clinics and community centres, play a key role in linking young people to opportunity.

By becoming visible to potential employers and business partners, young men at the Zandspruit car wash gained leverage in their local economy. Their livelihoods were created and sustained by "making plans with other people".¹⁸⁸ Those who currently had money or work could support those who didn't, offering a form of informal insurance that held them from one job to the next.¹⁸⁹ These relational and reciprocal aspects of self-employment are often muted in the literature on entrepreneurship, which has historically centred on individual agency and self-reliance.¹⁹⁰

As it turns out, entrepreneurship is a particularly limiting frame for the work that young people are undertaking outside the formal economy and in the interstices of formal and informal work. This work includes forms of self-employment, side-hustle and opportunism, and enterprises ranging from at-home businesses to sole-proprietors to sophisticated networks of employees.

The vast majority of young South Africans will be forced, at some point in their lives, to create their own living through forms of self-employment. But only a small percentage will be able to create businesses that employ others. There is limited crossover between these two types of entrepreneur; not very many microenterprises will develop into Small and Medium-size Enterprises (SMEs). Yet both micro-enterprises and SMEs regularly operate in hostile economic environments with limited capital or networks.

Programmes aiming to 'unlock' entrepreneurship through business training, financial literacy, access to finance, business plan development, and mentoring are widespread. What is less common are interventions to improve key infrastructure – like electricity, broadband, transport and other infrastructure – that would allow businesses to thrive.

¹⁸³ Fox et al., "Africa's 'Youth Employment' Crisis Is Actually a 'Missing Jobs' Crisis."

¹⁸⁴ Dawson and Fouksman, "Labour, Laziness and Distribution."

¹⁸⁵ Alcinda Honwana, "Waithood: Youth Transitions and Social Change," in *Development and Equity. An Interdisciplinary Exploration by Ten Scholars from Africa, Asia and Latin America* (Leiden: Brill, 2014), 28–40.

¹⁸⁶ Hannah Dawson, "'Making Plans through Other People': The Social Embeddedness of Informal Entrepreneurship in South Africa," *Social Dynamics* 47, no. 3 (2021).

¹⁸⁷ Youth Capital, "Linked in: Rising through Social and Economic Connections."

¹⁸⁸ Dawson, "'Making Plans through Other People': The Social Embeddedness of Informal Entrepreneurship in South Africa."

¹⁸⁹ Dawson.

¹⁹⁰ H Dawson, "'Be Your Own Boss': Entrepreneurial Dreams on the Urban Margins of South Africa," in *Beyond the Wage: Ordinary Work in Diverse Economies* (Bristol: Bristol University Press, 2021), 115–38.

KEY INTERVENTIONS TO ALLEVIATE YOUTH INEQUALITY OVER THE LIFE COURSE

To alleviate youth inequality demands that we attend to vulnerabilities and protective factors throughout the life course. This is particularly pertinent for their economic participation, around which most of the concern about young people's vulnerability has circulated. Equalising opportunities at birth and in early childhood, for example, sets the foundation to allow for more merit-based systems later on. Similarly, by supporting young people to stay in school and attain formal qualifications, they might gain a firmer foothold in the labour market. If we fail to support young people in their early lives, inequalities only widen as they grow older. But we also cannot afford to fail young adults, who will in turn become the parents of future generations. The recommendations listed below are by no means exhaustive. But they do suggest critical interventions at key moments of the life course that can help alleviate structural inequality and ignite young people's potential.

Perinatal

Advance the Maternal Support Grant

Research shows that childhood stunting, together with other aspects of children's physical and mental wellbeing, is driven in part by mothers' mental health and nutrition during pregnancy.¹⁹¹ Research suggests that in South Africa's most disadvantaged communities, pregnant women are experiencing high rates of mental illness and food insecurity.¹⁹² Yet these women will not be able to access any income support from the state until their child is born, and even then, access to the Child Support Grant within the first year of life is low. By extending social protection to caregivers, before they give birth, we can safeguard the health and wellbeing of both mother and child, and take the first steps to disrupting intergenerational poverty. Income support, together with affordable antenatal care, can improve pregnant women's nutrition and psychological wellbeing, as well as the physical and cognitive functioning of their babies.⁷¹ Research suggests that if stunted children receive extra nutrition and cognitive stimulation, their life-time earnings potential can increase by 25-40%.⁷²

Schools must implement national policy by supporting pregnant learners and young mothers to stay in school

Pregnancy can disrupt young women's schooling in a range of ways. First, pregnant learners often need to take leave from school for antenatal visits, as well during and after the baby is born. This can disrupt their learning and make it difficult to catch up later. Second, in addition to the physical difficulties of pregnancy, many pregnant learners also suffer shame and bullying in their homes, schools, neighbourhoods and health facilities. The admonishment pregnant learners face both on the journey to school and from their peers can discourage their attendance. Just as judgement and bullying might cause pregnant learners to drop out of school, those who fall pregnant after having dropped out might be discouraged to return, fearing hostility from teachers or classmates. Finally, having a child puts additional responsibilities and financial pressures on parenting learners, which can come at the expense of their schooling if they are not adequately supported.¹⁹³

¹⁹¹ Von Fintel D, Richter L. Intergenerational transfer of health inequalities: exploration of mechanisms in the Birth to Twenty cohort in South Africa. *BMJ Glob Health*. 2019;4(e001828).

¹⁹² GrowGreat. 2021. Cocare Maternal Support Study. Available at: <https://www.growgreat.co.za/wp-content/uploads/2021/03/GG-COCAREREPORT-final-1.pdf>

¹⁹³ Zero Dropout, "School Dropout: Gender Matters."



In light of the interplay between pregnancy and dropout, policy and programming must support pregnant learners to stay in school and young mothers to return to school as soon as possible after giving birth. This has been the driving force behind recent (2018) national policy.¹⁹⁴ Indeed, evidence¹⁹⁵ shows that the longer a new mother waits to return to school, the more at-risk she is of dropout. But, even when they want to return to school, attitudes among school staff and classmates often keep young mothers from doing so.¹⁹⁶

But the implementation of new recommendations has varied across schools and provinces with some places completely ignoring policy in favour of expelling pregnant learners.¹⁹⁷ More often, schools have chosen to follow a more outdated government policy¹⁹⁸ that keeps young mothers from school for the first year of their child's life. Schools remain hostile environments for pregnant women and young mothers, and very few have baby-changing or childcare facilities. Schools can also create other barriers for pregnant learners. In some schools, learners that are more than six months pregnant must submit a doctor's note indicating whether they are fit to learn; in others, pregnant learners must be accompanied to school by a guardian.¹⁹⁹

At the level of policy and implementation, we must support both expectant and new mothers to stay in school. Pregnancy and early motherhood are critical moments, both in the life course of the pregnant learner themselves, and in the life course of children born to learners, affecting the future chances of both parent and child.

Early childhood

Government must invest in the ECD workforce and quality ECD services

In the critical first 1,000 days of a child's life, infants and caregivers are expected to receive Early Childhood Development (ECD) services at home, from community health workers, hired as part of clinic-based outreach teams. Community health workers form part of a cadre of about 270,000, mostly Black, women delivering ECD services across the country.²⁰⁰ These women, who operate largely informally, are all-too-often underpaid, under-resourced and unprotected. The achievement of minimum wage for informal care workers (now R23.19 per hour) has been an essential lever in reducing the gender wage gap at the lower end of South Africa's wage distribution.²⁰¹ As they grow older, children are most likely to receive care through an Early Learning Programme (ELP), but with limited government subsidies, access to these services is dependent on caregivers' ability to pay fees.

Research shows that investing in early childhood accrues benefits over the life course, with returns for schooling, tertiary education, employment prospects, and ultimately national budgets. Some models suggests that the elimination of stunting, alone, could generate an additional R62 billion a year,²⁰² which would be enough to subsidise a national early learning programme for 0–5-year-olds, while also reducing the funding shortfall at tertiary institutions.

¹⁹⁴ Department of Education, "DBE National Draft Policy on the Prevention and Management of Learner Pregnancy in Schools," 2019, <https://www.education.gov.za/Portals/0/Documents/Policies/Draft%20Pregnancy%20Policy%202018.pdf?ver=2018-06-26-142235-687>.

¹⁹⁵ J Jochim, A Groves, and L Cluver, "When Do Adolescent Mothers Return to School? Timing across Rural and Urban South Africa," *South African Medical Journal* 110, no. 9 (2020): 850–54.

¹⁹⁶ Stoner et al., "The Relationship Between School Dropout and Pregnancy Among Adolescent Girls and Young Women in South Africa."

¹⁹⁷ Zero Dropout, "School Dropout: Gender Matters."

¹⁹⁸ Department of Education, "Measures for the Prevention and Management of Learner Pregnancy," 2017, https://www.gov.za/sites/default/files/gcis_document/201409/learnerpregnancy0.pdf.

¹⁹⁹ P Mokoena and A van Breda, "School Dropout among Female Learners in Rural Mpumalanga, South Africa," *South African Journal of Education* 41, no. 3 (2021): 1–9.

²⁰⁰ Department of Social Development and Economic Policy Research Institute, "Audit of Early Childhood Development Centres National Report" (Department of Social Development, 2006).

²⁰¹ M Oosthuizen, "Inequality and the Generational Economy: Race-Disaggregated National Transfer Accounts for South Africa," Working Paper, Inequality and the Generational Economy (UNU-WIDER, 2019).

²⁰² L Jamieson, L Berry, and L Lake, "South African Child Gauge" (University of Cape Town: Children's Institute, 2017).

If universal access to early learning translated into better basic education outcomes and a fully-literate working-age population, some researchers suggest the country's GDP would be expected to grow by a quarter.²⁰³

But investing in ECD goes far beyond a return on investment, presenting an opportunity to radically shift intergenerational inequality in South Africa. This is not only because it unlocks the developmental potential of children, but also because it means supporting quality jobs in the community and social services sector, where women are heavily represented. Community, social, and personal services is the only sector that added jobs for young people from 2017 Q1 to 2022 Q2, most of which (over 60%) have been to women.

Expanding quality, affordable childcare not only has benefits for young children and young women in the early childhood sector, it also enables more caregivers (usually women) to participate in the labour market. Given that caregiving responsibilities can often delimit young women's labour participation, this is essential to unlocking their economic potential and alleviating gender inequality in the labour market.

Key levers for the government to unlock the multiplier effects of early childhood development:

- *Unlock public financing* to pay and skill the ECD workforce through Sector Education and Training Authorities or Public Employment Programmes; and
- *Develop more inclusive regulatory frameworks* that allow unregistered sites to access funding and quality support.

Adolescence: basic education

Implement early warning systems

For young people to reap the benefits of basic education, they must be supported to complete their schooling. This starts by developing and supporting thoughtful dropout-prevention programmes. Schools can implement early warning systems²⁰⁴ for school dropout by tracking signs of learner disengagement, and then delivering the right support at the right time. Research suggests that three indices are critical to identify early signs of disengagement: academic performance, behaviour change, and chronic absenteeism.

Academic performance: when learners' grades begin to drop, it may mean they are falling behind in the curriculum. Without the right support, this can put them at risk of grade repetition, which research shows is a leading predictor of dropout.²⁰⁵

Behaviour change: disruptive or disengaged behaviour can be an early warning sign, especially if it appears alongside other indicators.

Chronic absenteeism: absenteeism usually increases over time. Documenting this can help to trigger support to absent learners before they drop out.

Open access to psychosocial support

Many children in South Africa are exposed to trauma, violence, loss of family members, hardships at home, inadequate living conditions and limited access to services. This can have both short- and long-term consequences for children's emotional wellbeing, mental health, academic performance, and ultimate ability to finish school.²⁰⁶

²⁰³ M Gustafsson et al., "The Costs of Illiteracy in South Africa," Working Paper (University of Stellenbosch, 2010).

²⁰⁴ Zero Dropout Campaign, "Early Warning System (EWS) Toolkit" (Cape Town: DG Murray Trust, 2021), https://zerodropout.co.za/wp-content/uploads/2021/09/Learner_Dropout_Early_Warning_System_How_to_Guide_Spreads-1.pdf.

²⁰⁵ van der Berg et al., "The Cost of Repetition in South Africa."

²⁰⁶ Zero Dropout, "Learning Brief: School Dropout Prevention Strategies," 2020, <https://zerodropout.co.za/wp-content/uploads/2020/07/Zero-Dropout-Final.pdf>.



Evidence from South African longitudinal research shows that adolescents struggling with mental illness are less likely to have completed secondary school or be formally employed, and more likely to report psychological distress.²⁰⁷ Psychosocial support services for children can include role modelling, mentoring and monitoring from trusted adults and peers. It may also involve individual and group counselling, life-skills training or referral to professional state services. These support interventions are reliant on early warning systems that help trigger the right support at the right time.

Adolescence: post-school education

Support alternative pathways to a matric qualification

Recent research suggests that, at any given time, there are as many as a quarter of a million young people pursuing a matric outside the full-time school system.²⁰⁸ That equates to a third of the annual matric cohort.²⁰⁹ This includes young people who are seeking to rewrite their matric exams as well as those who left school before reaching Grade 12. Government must expand and support these alternative routes to a matric qualification, which include the National Senior Certificate, the Senior Certificate and the National Senior Certificate for Adults. As a first principle, this should include easily accessible application information, academic resources, and support services that help young people navigate second-chance matric qualifications.

Improve TVET education in terms of access and quality

To boost tertiary education rates and equip young people for the labour market, we must increase access to quality Technical and Vocational Education and Training (TVETs). Despite a radical expansion in access to tertiary education since democracy,²¹⁰ fewer than two in 10 young people who start Grade 1 will be eligible to attend university, let alone afford university fees or have enough support to finish their degrees.²¹¹ Six out of 10 young people will not leave school with a matric certificate and will need to find pathways to further education where this is not a requirement. TVETs can help prepare young people for the labour market through targeted skills training and opportunities for workplace-based learning. When they work well, these colleges can equip young people with knowledge, skills, and professional know-how that improve their employability and open up networks to potential employers.

High schools must educate Grade 8 and 9 learners about the learning pathways available, including TVET colleges and courses on offer.

The Department of Basic Education's (DBE) introduction of the General Education Certificate offers hope for a national qualification for Grade 9 graduates, but for this to serve them, the DBE must ensure that this is a meaningful benchmark qualification that is recognised by employers and tertiary institutions. More so, the DBE should work in collaboration with the Department of Higher Education and Training to help bridge learners leaving school in Grade 9 to a post-school environment.

TVET colleges should build strong relationships with industry to ensure the relevance of their curricula, facilitate workplace-based training, and improve the industry reputation of TVET qualifications.

²⁰⁷ Linda M. Richter et al., "Adolescent Mental Health Problems and Adult Human Capital: Findings From the South African Birth to Twenty Plus Cohort at 28 Years of Age," *Journal of Adolescent Health* 69, no. 5 (2021): 782–89, <https://doi.org/10.1016/j.jadohealth.2021.04.017>.

²⁰⁸ Youth Capital, "Matrics on the Fringe," 2021, <https://youthcapital.co.za/wp-content/uploads/2021/04/YC-SECOND-CHANCE-MATRIC-REPORT-final-digital.pdf>.

²⁰⁹ Youth Capital.

²¹⁰ Institute for Social Inequality, "Trends in Multidimensional Inequality and Socio-Demographic Change in South Africa during 27 Years of Democracy," 2022, <https://www.inclusivesociety.org.za/post/trends-in-multidimensional-inequality-and-socio-demographic-change-in-sa-during-27years-of-democracy>.

²¹¹ N Spaull, "Important Research Inputs on #FeesMustFall," Blog, 2016, <https://nicspaull.com/2016/09/29/important-research-inputs-on-feesmustfall/>.

These post-school approaches are about building young people's qualifications and skills. But this, on its own, is not enough. Young people's disadvantage in the labour market needs redress through wrap-around support, receptive employers, social security, and an enabling environment. These are addressed in the recommendations below.

Early adulthood: transitions into work and between jobs

As young people exit the schooling system, there are few readily accessible or reliable points of information about how to apply for jobs, how to compile a CV, or how to access further education and training opportunities. Instead, young people must often feel their way through the systems with little to no guidance, mentorship or knowledge-sharing in the process.²¹² This means that many young people find themselves floundering in the job search, applying with masses of other applicants to jobs that do not match their qualifications or aptitudes, and with little knowledge of how to signal their particular skills to employers. Endless applications and trips to interviews can be time-consuming and extraordinarily costly, with little payoff, leaving many young people feeling discouraged.²¹³

Employer readiness

Relative to the literature focused on building young people's aptitudes and preparedness for the world of work, there is far less research about employer-driven drivers of youth unemployment in South Africa. This includes employers' attitudes and practices with respect to hiring young people.²¹⁴ Employers can be supported and incentivised to hire young people through interventions like the Employment Tax Incentive and including youth employment as a pillar on the BB-BEE scorecard.²¹⁵ Employee hiring practices must shift from exclusionary norms that necessitate prior work experience and unnecessary educational qualifications. Instead, attention needs to be paid to alternative signals of a young person's capability.²¹⁶

Matching

Matching support is about building bridges between young people and employers, where there is often an information chasm, with both parties struggling to find the right people at the right time.

Recent South African research²¹⁷ shows the impact of providing a young job-seeker with a documented assessment of their skills and capabilities, including not only their educational qualifications, but also their soft skills, experience, and learning potential. When job-seekers were able to provide employers with a summary skills report, their chances of finding work improved by up to 17% and their earning potential increased by up to 32%.²¹⁸

Matching is not only about making young people visible in the right ways to their first potential employer, it is also about linking them to their next opportunity, given the rate of churn in the South African labour market.²¹⁹

²¹² De Lannoy et al., "Why Is Youth Unemployment so Intractable in South Africa? A Synthesis of Evidence at the Micro-Level."

²¹³ De Lannoy et al.

²¹⁴ De Lannoy et al.

²¹⁵ The Presidency, "Putting South Africa to Work: An Integrated Approach to the Working Age Unemployed," 2022, https://www.groundup.org.za/media/uploads/documents/putting_sa_to_work_-_outlining_an_integrated_approach_29072022.pdf.

²¹⁶ K Soni, "The Economy and Business Environment – without a Silver Bullet, We Need Collective Action on the Youth Unemployment Crisis," *Daily Maverick*, 2022, <https://www.dailymaverick.co.za/article/2022-11-24-youth-unemployment-no-silver-bullets-no-scapegoats/>.

²¹⁷ Harambee, "It's All about Employability," 2019, <https://harambee.co.za/its-all-about-employability/>.

²¹⁸ Harambee.

²¹⁹ Spaull et al., "Synthesis Report Wave 5."



SAYouth.mobi offers one route to doing this. Through a zero-rated mobile site, SAYouth.mobi provides young people with work-seeking content, from listings of available income-generating opportunities, to interview techniques and CV-building software. Because it is digital, young people can access and apply for work opportunities without incurring transport or printing costs. SAYouth.mobi also helps to directly link young job-seekers to employers seeking talent, combating inefficient work-seeking behaviours. Matching is based on a range of criteria, including socio-economic circumstances (household income and access to a social grant), geography (proximity to opportunity), capabilities (numeracy, literacy, and skills), gender, and disability.

Social protection

About a third of South Africans benefit from a social grant. The introduction of the Covid-19 Social Relief of Distress (SRD) grant over the past few years had added a further 10 million recipients, meaning that, by 2022, close to half of the country is supported by social welfare.²²⁰

The rapid expansion of South African social welfare is informed by a robust body of evidence that shows the impact of social grants on poverty alleviation, labour participation, sustainable economic growth, and social cohesion. Quantitative analysis suggests that the introduction of the SRD has alleviated household poverty and inequality, while stimulating labour market participation. Access to an SRD increased the likelihood of looking for work by 25%.²²¹ In a 2021 Youth Capital survey of over 2,000 youth, nearly three in 10 young people said they had used grant money to support their job search.²²²

Given this effect, the National Treasury is considering proposals to transform the SRD into a job-seekers support grant. However, both the South African Federation of Trade Unions (SAFTU) and the Institute for Economic Justice (IEJ) have slammed these proposals, arguing that the eligibility requirements currently being tabled for the job-seekers grant would exclude the vast majority of current SRD recipients, by imposing a range of unfounded conditionalities and ignoring non-financial barriers to job-seeking.²²³

Welfare policy in both developed and developing countries, including South Africa, remains focused on providing social protection to those physically unable to enter the labour market: children, the elderly, the sick and the disabled. Everyone else is expected to rely on waged work or entrepreneurship, despite limited opportunities for either.

The young workforce

Enabling environments

For young job-seekers, informal workers and entrepreneurs alike, mobile data is increasingly critical. Data-light platforms can help bridge the digital divide by functioning on low-end smartphones, slow and unreliable networks, and requiring very little data to operate.²²⁴ Reliable electricity, telecommunications, and transport infrastructure are equally important for industry to thrive. The Presidency's Operation Vulindlela, for example, recognises the energy shortfall²²⁵ as a critical inhibitor to employment and growth.

²²⁰ BusinessTech, "South Africa's Unemployment Rate Is One of the Highest in the World – but Companies Struggle to Hire for These Jobs" (BusinessTech, June 5, 2022), <https://businesstech.co.za/news/business/583766/south-africas-unemployment-rate-is-one-of-the-highest-in-the-world-but-companies-struggle-to-hire-for-these-jobs/>.

²²¹ T Kohler and H Bhorat, "Can Cash Transfers Aid Labour Market Recovery? Evidence from South Africa's Special Covid-19 Grant," Working Papers (Cape Town: University of Cape Town, 2021).

²²² Youth Capital, "Beyond the Cost: What Does It Really Cost Young People to Look for Work?"

²²³ SAFTU, "Plans to Evade the Basic Income Grant Must Be Rejected," 2022, <http://saftu.org.za/plans-to-evade-the-basic-income-grant-must-be-rejected/>; Mary-Anne Gotsana, "Government Documents Outline New Social Grant Plans," *Groundup*, 2022, <https://www.groundup.org.za/article/government-documents-outline-new-social-grant-plans/>.

²²⁴ Youth Capital, "Beyond the Cost: What Does It Really Cost Young People to Look for Work?"

²²⁵ The Presidency, "Putting South Africa to Work: An Integrated Approach to the Working Age Unemployed."

A number of additional key strategies have recently been identified by The Presidency to create a more enabling environment for employment.²²⁶ These include enabling private sector employment, and small and medium enterprises, by reducing their regulatory burden, and shifting towards labour-intensive growth sectors. For young people, this will mean investing in the services sector in particular, with special focus on the social economy together with wholesale and retail. Global Business Services (GBS) is another sector showing significant growth potential in an increasingly digitised economy.

Creating enabling environments for self-employed young people is particularly important in a South African context. Here, self-employment represents just 10% of jobs, relative to 30% in most upper- and middle-income countries. Some suggest that by boosting self-employment rates, South Africa might halve its unemployment rate.²²⁷

Public employment

NIDS-CRAM survey data showed that between February 2020 and March 2021, young people experienced the largest employment-to-population ratio increase.²²⁸ At this point industry-level data was already suggesting gains in community, social, and personal services (likely attributable to large-scale, youth-targeted public employment programmes), and wholesale and retail trade. Both industries also had a high level of youth intensity of employment.

One such youth-targeted public employment programme was the Basic Education Employment Initiative (BEEI), launched in April 2020 as part of The Presidential Employment Stimulus Package, which sought to stimulate work in response to the economic effects of Covid-19. The BEEI is a large-scale public employment programme, ring-fenced particularly for young people (aged 18–35), who are recruited through the SAYouth.mobi platform and placed as education assistants or general school assistants in schools across the country, remunerated at minimum wage. Phase I of the BEEI was executed between 1 December 2020 and 31 March 2021, with the QLFS showing that the sector added some 115,000 jobs in the final quarter of 2020 and the first quarter of 2021. According to the Presidency, 65% of those placed were young women.²²⁹ Recruiting through SAYouth.mobi enabled scale, because of the reach of its online network. It also meant democratised opportunity beyond employers' social networks.

Evidence shows that public employment can offer short-term earnings, a funded entry into the labour market, and valuable work experience for young people that can improve their long-term stability and success in the labour market.²³⁰ But without transferable skills and supported pathways to their next opportunity, it risks being yet another stop-gap as young people trampoline in and out of the labour market.

Youth citizenship and political participation

Factors beyond the control of youth can cause huge inequality. Youth today must grapple with serious social, political, and environmental problems inherited from their elders. Even though they possess the energy, creativity, and passion to take on the intractable problems they have inherited, they are systematically excluded from policy decisions.

²²⁶ The Presidency.

²²⁷ The Presidency.

²²⁸ Espi, Ranchhod, and Leibbrandt, "Age, Employment and Labour Force Participation Outcomes in COVID-Era South Africa."

²²⁹ Rudi Dicks, Stakeholder Engagement, 2022.

²³⁰ Graham et al., "Siyakha Youth Assets Study: Developing Youth Assets for Employability."



Achieving youth equality requires active participation and involvement of youth in decision-making at all levels, starting in the home and extending to the highest levels of government. Yet youth are largely excluded from formal political processes and government policy. Participation equality implies political representation at national, provincial, and municipal level. The Ladder of Citizenship Participation (LCP) holds that representation and participation of all groups in society is key and fundamental to the existence of a vibrant democracy.²³¹ In other words, a vibrant democracy requires that all social groups have a voice in how they wish to be governed, while institutions tasked with the exercise of this civic duty must provide spaces that allow for full and effective participation.

In spite of the growth in the number of political parties, there has been a noticeable decrease in voter turnout in South African elections since 1994. The poor and disjointed participation by the youth in particular is concerning. If the process of participation is skewed and twisted to benefit only a select group, then the electorate's disenchantment with political processes becomes a threat to democracy. Reasons for voter apathy and political disengagement, particularly by youth, include a lack of political party membership and low levels of political participation, a disinterest in electoral politics, high levels of cynicism about politics and a low level of confidence in the country's democracy.²³²

²³¹ LCP, "Ladder of Citizen Participation."

²³² ACCORD, "Political Fatalism and Youth Apathy in South Africa."

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