Within South Africa, it is estimated that the **care economy contributes 13.8%** towards total employment, most of which is undertaken by women. Women who do manage to enter the labour market face the additional hardship of time poverty – a consequence of the 'double load' of women's paid work responsibilities combined with their domestic and family responsibilities and unpaid care work. QLFS data reveals that women carry the brunt of unpaid care responsibilities – 750 000 young women indicate they are not economically active due to being a homemaker, which is **5 times the comparable number for men**. This is also a loss of potential and productivity to the economy and our society.

The Early Childhood Development (ECD) sector provides a triple impact opportunity for economies: a source of employment, the provision of physical, socio-emotional and early learning input for children, and support for primary caregivers to access childcare and reduce this time poverty. There remains a growing need for ECD care – with the 2030 ECD Strategy aiming to reach 1.2 million additional children in need of quality care over the next 5 years. If addressed, **270,000 direct jobs could be generated and up to half a million women** and caregivers enabled to re-enter the labour market.

And yet, despite this growing need, many ECD providers struggle to access existing budgeted subsidies to scale and grow. With only 40% of ECD centres being registered, and 33% receiving the government's ECD subsidy, formalisation within the ECD sector has traditionally been associated with high costs, bureaucratic processes, misinformation and geographic inconsistencies. Efforts however are being made **to reduce the barriers to ECD registration and enable the flow of funds to create sustainability and expand access**. Work is being done within the Red Tape Reduction Unit to review the municipal requirements of the ECD registration process, identifying innovations across municipalities that can be adopted.

In July 2024, the Department of Basic Education (DBE) launched the ECD Mass Registration Drive with the objective to register 20,000 Early Learning Programmes (ELPs) in South Africa over the next 18 months, streamlining the process for ELP owners to achieve regulatory compliance whilst ensuring quality standards. Harambee's contact centre provides operational support for ECD registration through our phone and WhatsApp channels. The initiative, piloted in Johannesburg South so far, has already reached over 400 ECD practitioners, enabling the application of 221 ELPs, and formally registering 62 to bronze status – all within the first month. This is already 20% of all new ECD centres registered in Gauteng last year. A critical enabler to the mass registration model is partnership with local NGOs, who have a track record of supporting ECD centres on the ground. By utilising their networks, the campaign can obtain both the buy-in and reach required for scale to other provinces from September 2024. By leveraging systems, processes and sector partners, formalisation of ELPs can be inclusive and respond to the needs and realities of ECD practitioners.

Formalisation of ECD centres also provides a blessing in the form of access to the ECD subsidy for low income households. Estimated at a maximum of R4 488 per child per annum, the subsidy alone is insufficient to cover all costs experienced within an ELP. However, the provision of this public funding is catalytic in easing the financial burden of ECD access. Through the ECD Mass Registration campaign, an additional R700 million of public funding could be unlocked in the next year through new ELP registration. With 2030 plans by the DBE to both increase the amount of the subsidy to cover 65% of ECD costs and to treble the expanded reach of the subsidy, this would channel a total of R18.93 billion in public funding through the ECD subsidy – making early learning more affordable.

Winning the war on the gender gap requires **targeted interventions to promote gender inclusion in the jobs of tomorrow; dismantling specific barriers to inclusion** for jobs of today, and **rendering the care economy** visible. There are no highways out of exclusion and poverty, particularly for women. The work ahead is painstaking but has to be intentionally inclusive. In particular, while waiting for the economy to move, we need to unlock opportunities closer to – and even within – home, to have them intentionally support women. We all stand to benefit as a result.

5 Youth Capital (2023). Beyond the Cost Report.
6 The Growth Lab (2023). Growth Through Inclusion in South Africa.

Quarterly Labour Force Survey Release – 14 August 2024

The latest Quarterly Labour Force Survey results continue to reflect the dire state of youth employment, particularly amongst young women. For the broad population, employment has decreased by 92 000 in the past quarter, with both the official and expanded unemployment rates increasing to 33,5% and 42.6% respectively in Q2. This overall drop is made up of a 43 000 increase in employment for those over 35, offset by a 135 000 decrease in youth employment. This tendency of our economy to provide growth in jobs for experienced workers at the expense of youth jobs has persisted for as long as Stats SA has been tracking this level of data, and points to deep rooted barriers to youth employment compared to non-youth. Youth employment still hovers below 6 million people, a number lower than the one recorded in 2008. In contrast, employment of non-youth (those above 35) increased from 8 million to 11 million over that same time period. We are leaving our young people behind.