

International Labour Organisation: Future of Work Initiative

Theme 2: Decent Jobs for All

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9 January 2017

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Introduction

‘Decent jobs for all’ has long been a rallying call of the ILO. The Future of Work Initiative has brought this issue to the fore once again. Given the current global economic situation, the concepts of employment creation and decent jobs have become ever more contested. Within a country struggling to deal with what is termed the ‘triple challenge’ of unemployment, poverty and inequality the contestation is even more intense.

Work and employment are often used interchangeably and might look the same but differ from each other from a legal perspective, although non-compliance and weak enforcement create a large grey area of informality between the two. Changes in the world of work and broader society have forced us to look at these concepts more critically as we seek to come to terms with the growing levels of poverty and inequality, and consequential social unrest.

A strong argument is made in South Africa that the immediate goal should be a job rather than a decent job if the high unemployment levels are to be lowered as targeted by the National Development Plan (NDP). Put bluntly, having any job, even if low paid and in poor conditions, is far better than being unemployed. Given slow growth and a shrinking manufacturing sector, some argue that the type of low-skilled, low-wage jobs that are created in the government’s existing public works programmes, should be replicated in the private sector. An aspect of the argument is that jobs are needed in the short-term for the capabilities of the existing unemployed and not high-skilled end of the labour market. Of course, counter-arguments to this approach have been advanced. These include greater state intervention in driving industrialisation, the introduction of a national minimum wage, and improvements to the social security system. The arguments tend to overlap with regard to the issue of skills development, calling for better training for the low-skilled unemployed as well as training geared to meet the demand for highly skilled employees, but the problem is that the skills development system in the country is not delivering as it should.

The ILO has also identified the care and green economies as presenting opportunities for increased employment levels. The former is an outcome of the aging population (especially in the global North), the latter a direct consequence of the move towards sustainable development.

This paper will examine the long-stated ILO goal of full employment and decent work, and whether under current global, regional, and more specifically, national circumstances, such a goal is achievable in the next 20 years. The concepts of work, employment and unemployment will also be unpacked. The paper will further examine, within the context of slow growth, rapid technological advance and the changing nature of work, what threats and opportunities present themselves for pursuing the goal of full employment and decent work in South Africa, including to what extent the care and green economies present decent job-creation opportunities for South Africa.

The global economy and work

Work and employment

For the purposes of this paper the terms work, employment and jobs are defined as follows:

- Work = the activity to produce a good or service that has value;
- Employment = the performance of work for material reward in a regulated employment relationship (i.e. compliant with labour regulations);
- Informal employment/work = work done by a self-employed person or a person in an unregulated employment relationship (i.e. non-compliant with labour regulations); and
- Job = a term that generally encompasses work and employment.

Part of the challenge with regard to poverty reduction and development is the working poor, i.e. those who are in work that are paid such a low wage that they remain in poverty. Many of these people are in informal employment or are self-employed. The other part of this challenge is the number of people who are not in work or employment at all. Those on the economic right argue that the optimal impact on poverty will be to get people in any kind of job rather than requiring the job to be decent. Others argue that in order to escape from poverty a worker must have a more productive job. According to the World Bank:

“What makes a difference in sustaining the escape from poverty is increasing the earnings from work; that is, having a more productive job”.

Unemployment

Unemployment, as a concept, has been around since the development of industrial capitalism. Initially it was conceived of as a choice of those who were deemed to be ‘idle’, i.e. being without work was seen as a personal rather than a social problem. Changes in production processes led to what Marx called the creation of a “disposable industrial reserve army”.¹ It is not the purpose of this paper to provide a critique of capitalism save to indicate that even at the height of the ‘Keynesian revolution’ unemployment in the major economies was in the region of 2%. In other words, besides people who voluntarily choose not to work, there would always be a certain number of people who would not be in remunerated employment of one form or another.

However, perhaps we should begin to reconsider the way we view the unemployed, not as a problem, but rather as untapped human capital. The biggest challenge is therefore facilitation of contractual arrangements that involve material rewards which are conducive to regulation. It is within such an approach that the concept of decent work and the agreed indicators would

¹ J Garraty, *Unemployment in history – Economic thought and public policy* New York 1978.

need to be tackled.

The changing characteristics of work

Information and communication technologies have become the driving force in transforming economic and social activity, with the result that we increasingly live in a digital society that has significantly changed almost every aspect of our lives.

In the industrial era, work was in the main restricted to a set time, a set place and a set employer. As illustrated in the Theme 1 paper, work is no longer confined to a factory or office, and many jobs can be performed almost anywhere.² The information age is transforming work in a way that challenges labour regulation and requires it to adapt to where and how employees work.³ At the same time, the challenge in developing countries is to transition the large number of people who are locked into informal work in the undeveloped sectors of the economy into formal employment that is capable of being regulated.

The goal of decent work for all will require systemic change capable of “sustaining the escape from poverty” for the unemployed and the working poor as well as providing adaptable mechanisms to maintain regulation of the much more flexible forms of work emerging in the developed sectors. It will require extraordinary leadership to face the monumental challenge of restoring human dignity in the future world of work.

The global economy, work and unemployment

Global economic growth projections made during the past two years are much lower than the projections of the pre-2008 crisis period. Hardest hit by the current low growth rates are the emerging and developing economies – mostly as a result of falling commodity prices. The factors contributing to this sluggish growth include a decline in long-term capital investment, which also leads to slower productivity gains; a slowdown in working-age population growth; and the uneven distribution of gains from growth.

An assessment of the prevailing and projected global economic situation points to the immense challenges to fulfilling the ILO’s objective of full employment within a decent work paradigm. This is particularly so if our focus is solely on economic growth as the means by which jobs will be created. Guy Ryder, the director-general of the ILO, referring to the global economy ‘sliding into a permanent state of slow growth’, pointedly questioned the source and quality of jobs in the quest for full employment.⁴

By 2030 six hundred million new jobs will need to be created across the globe to cater for youth entering the labour market and to meet internationally agreed targets to increase the

² FOWI – South Africa Theme 1 paper.

³ <http://www.organisationsolutions.com/Resources/Strategy-Execution/Workplace-Transformation-and-the-Changing-Nature-of-Work#sthash.VFdZzNfT.dpuf>

⁴ ILO: Report of Director General – The future of work centenary initiative Geneva 2015 11.

employment numbers of women.⁵ Even if these targeted employment figures are reached it will only restore employment levels to what they were prior to the recent global economic crisis. Unfortunately, it seems highly unlikely that the targets will be reached.

The negative trends in the global economy will therefore contribute to an ever-worsening unemployment situation across the world. The number of unemployed stood at 197 million in 2015. While the unemployment rate is expected to remain constant over the next two years, mainly due to improving economic conditions in the developed countries, the number of unemployed is set to increase by 2.3 million in 2016 and a further R1.1 million in 2017.⁶ This will impact mainly in economies that are reliant on commodity exports.

The bulk of employment creation will be in private sector services given the shrinking of the manufacturing sector. Manufacturing jobs currently constitute 22% of global employment but the proportion is projected to fall to below 12% by 2019.⁷ The majority of the jobs being created in services are of a poor quality and are difficult to regulate.

The South African economy, work and employment

The economic situation in South Africa

South Africa has not been left untouched by the fall-out from the 2008 global economic crisis, although the main economic challenges it faces are structural rather than cyclical. While it recorded an average growth rate of approximately 5% between 2004 and 2007, growth has slowed significantly since then. The period between 2008 and 2012 saw a growth rate just above 2%. Since then the growth rate has fallen below 2%, declining in first quarter of 2016 to -0.2 percent.⁸

Unemployment has been extremely high for many years, but the situation has been exacerbated by the economic downturn. Unemployment at the end of the first quarter of 2016 stood at 26.7 percent, its highest level since September 2005. The number of unemployed persons was 5.7 million, up from 5.2 million at the end of 2015. The unemployment rate rises to 36.3% if one uses the expanded definition of unemployment.⁹

⁵ Ibid.

⁶ ILO World Employment Social Outlook Trends Geneva 2016.

⁷ ILO World Employment Social Outlook Trends Geneva 2015.

⁸ Quarterly Labour Force Survey 1st Quarter 2016, Stats SA.

⁹ Statistics South Africa defines the unemployed as persons who were not employed in the reference and actively looked for work or tried to start a business alternatively had not actively looked for work in the prior four weeks but had a job or business to start at a definite date in the future. The expanded definition includes what are termed as discouraged work-seekers. These persons took no active steps to find work during the past four weeks due to no available jobs in the area, inability to find work suited to the person's skills or had lost hope of finding any kind of work. It is important to note that the definition of an employed persons includes someone who during the reference week did work for at least an hour.

Given current economic conditions, changes to production processes because of new technologies, and the shift from manufacturing to services as the locus of new jobs, there is no realistic prospect of achieving the reduced unemployment targets set in the NDP unless, it has been argued, the jobs that will be created will not necessarily be decent jobs, i.e. regulated employment.

The shift of jobs from manufacturing to services

The shift away from manufacturing jobs to service sector jobs is often portrayed as being synonymous with a decline in the quality of jobs. This is true mainly in the private sector. While wage rates in some private sector service jobs might be lower than jobs at a comparable level in manufacturing sectors, the same is not true for jobs in the public sector. When one factors in access to health and retirement benefits, health and safety considerations, job security, and opportunities for advancement, the difference between public sector jobs and jobs in the manufacturing and private service sectors becomes even more stark.¹⁰

Within a South African context, employment in the services sectors makes up 8.9 million of the 15.6 million people employed in the informal and formal segments of our economy. Of that number, 3.6 million are in community and social services (which includes the public sector) and 2.2 million in the finance sector. Both these sectors are characterised by, in the main, decent work. The latest labour force figures indicate that it is within the community and social services sector that employment continues to grow.¹¹ This would not necessarily constitute a problem if the public service was effective and efficient and if the jobs created broadly fall within notion of decent work.

The changing nature of work in South Africa

Like the rest of the world, South Africa has seen the erosion of standard employment and the corresponding growth of non-standard employment within a context of growing unemployment. Standard employment has generally been defined as constituting full-time, indefinite employment in formal (i.e. regulated) workplaces. The past few decades have seen the fragmentation of production and, as a consequence, a change in the composition of the workforce in formal workplaces. Fewer workers are in standard employment and an increasing number are employed on a temporary or part-time basis, or are employed via labour brokers or in the form of service providers. Consistent with the economic trajectory of the country, these jobs have been, in the main, in the elementary occupations.

¹⁰ J Meisenheimer The services industry in the good v bad jobs debate *Monthly Labour Review* 1998.

¹¹ Quarterly Labour Force Survey 1st Quarter 2016, Stats SA.

Employment, the working poor and unemployment: the role of labour regulation

In considering and advancing the ILO objective of decent jobs for all we need to examine whether or not this means the same thing as full employment. At the same time, we need to establish exactly what is meant by full employment, i.e. does it mean 100% employment, and by implication 0% unemployment (which, given the current method of measuring employment and unemployment would allow for significant underemployment). We would argue that while full employment is a noble goal and a rallying call in support of decent work, the term is unreal and, within the dominant world economic system, unachievable. A realistic objective would be to strive for low unemployment and limited involuntary underemployment; in other words, a labour market that is creating jobs at a much faster rate and allowing those who are already working to earn enough to lift them out of conditions of poverty.

Recent studies show that poverty is not simply a problem of unemployment but that there are many persons in paid forms of work – especially given the broad definition of what constitutes work: anyone who has worked for more than an hour in a given week, whether paid or unpaid – that continue to live below the poverty line. According to Rogan and Reynolds¹² South Africa has both an unemployment and a working poverty problem. Figures indicate that at least one-fifth of South Africans workers are poor and that 50% of all poor South Africans live with at least one employed person. This, the writers suggest, indicates that the contribution of the labour market to human development is in deficit. Put another way, while unemployment remains a major concern for about half of the poor population, low earnings and/or the poor quality of work is of concern to the other half.

While overall levels of poverty have shown signs of declining, this has primarily been as a result of the extension of the social grant system. While the rate of the social grant contribution to absolute poverty alleviation has remained fairly stable, wages and other forms of income have come to play an increasingly smaller role in the reduction of poverty.

Invariably, the contribution (or absence thereof) of paid work to poverty alleviation has fed into the debate on labour market flexibility and regulation. The argument for labour market flexibility is advanced by persons who generally support the right of individuals to freely decide on the conditions under which they would be prepared to work as a means to tackling the unemployment problem. For them the South African labour laws are too restrictive and that “in the absence of strict labour laws, no-one who really wants to work will be without a job”.¹³ It has been said, furthermore, that South Africa’s “wicked labour laws are not only throwing millions of people in the dustbin of joblessness, not only crippling our economy, not only the cause of hideous poverty and humiliation, not only the primary reason for South

¹² Mike Roagn and John Reynolds ‘How high unemployment has eclipsed the plight of SA's working poor’ Mail and Guardian 12 August 2015

¹³ Herman Mashaba of the Free Market Foundation speaking on the Foundation’s court challenge to the extension of bargaining council agreements.

Africa being the most unequal society on the planet, but they are a violation of human rights. Our labour laws deny South Africans a fundamental human right: the right to work”.¹⁴

Such crude attacks on labour laws are not new locally or internationally. Besides the fact that they focus the blame for structural unemployment solely on labour laws, ignoring all other factors, studies undertaken by the OECD have found that there is little evidence that labour legislation in South Africa is restrictive. The OECD found that a complex interaction of demand and supply-side factors had contributed to low employment levels. These included, amongst others, the failure of South Africa in a world of skills-based growth to improve education and training sufficiently to allow the skills of the labour force to keep up with the demand; the spatial distribution of the population due to apartheid; high rates of illness in the working age population; and low per-capita income growth.¹⁵ South Africa’s minimum standards were no higher than in many other countries – both developed and developing. We return to this point below when considering the job creation targets in the National Development Plan.

As noted above, the argument advanced by those who allege that labour legislation is too rigid is that to tackle the unemployment problems we must move away from the notion of ‘decent jobs’ to one of simply ‘jobs’. The Centre for Enterprise Development has argued that policy-makers have for the past 20 years been driven by ideas that are unsuitable to existing South African conditions. Rather, what should be attempted, as a means tackle the ‘triple challenge’, is a phase of low level employment targeting the millions of unemployed. This means that the priority should be to create jobs for elementary-level occupations. This, the Centre also submits, is an approach that should encompass both the private and public sectors. Whether this strategy would succeed is debateable, but it is also unlikely to win the support of all the social partners, and it would mean that the jobs that are created would be adding to the existing decent work deficits in the labour market.

The characteristics of unemployment are best illustrated in Table 1 below. The table shows that the largest proportion of unemployed people was previously working in elementary occupations, although clerical, sales and craft workers also feature prominently. The biggest job losses occurred in trade and construction, which reflects the impact of the economic downturn.

Table 1. Unemployment in South Africa by previous occupation and industry

OCCUPATION	Number unemployed (000s)	Percentage of unemployed	Number employed (000s)	Percentage of employed
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¹⁴ A Kenny, ‘ ‘Wicked’ labour laws deny basic human right to work’ *Business Day* 19 April 2011; republished at <http://www.bdlive.co.za/articles/2011/04/19/andrew-kenny>. Although it can be argued that the right of the unemployed to work, in terms of Article 23 of the Universal Declaration of Human Rights, has been violated, the current economic conditions do not permit us to approach this challenge in a mechanical manner. Global, regional and national conditions need to be factored in.

¹⁵ Bob Hepple ‘*Is South Africa’s labour law fit for the global economy*’ in Le Roux and Rycroft (eds) *Reinventing Labour Law: Reflecting on the first 15 years of the Labour Relations Act and future challenges* 2-3.

Manager	39	1.6	1,314	8.5
Professional	48	2.0	857	5.5
Technician	123	5.2	1,495	9.6
Clerk	276	11.7	1,621	10.4
Sales and services	377	15.9	2,437	15.7
Skilled agriculture	4	0.2	66	0.4
Craft and related trade	394	16.6	1,890	12.2
Plant and machine operator	208	8.8	1,218	7.8
Elementary	730	30.8	3,634	23.4
Domestic worker	168	7.1	1,013	6.5
	2 367	100	15,545	100

INDUSTRY	No. of unemployed	% of unemployed	Employed	% of employed
Agriculture	143	6.0	825	5.3
Mining	55	2.3	447	2.9
Manufacturing	304	12.8	1,712	11.0
Utilities	11	0.5	111	0.7
Construction	375	15.8	1,388	8.9
Trade	527	22.3	3,136	20.2
Transport	116	4.9	862	5.5
Finance	296	12.5	2,220	14.3
Community & Social Services	314	13.3	3,544	22.8
Private Households	227	9.6	1,296	8.3
Other	0	0.0	4	0.0
	2,368	100	15,545	100

One of the main responses of government to the unemployment crisis has been the initiation of public works programmes. These have expanded over time, leading to an increase in the number of (what government has termed), ‘job opportunities’, in programmes such as the Expanded Public Works Programme (EPWP) and the Community Works Programme (CWP). Jobs created by these programmes, which are intended as poverty alleviation interventions, are meant to incorporate a skills transfer component and prepare participants for permanent jobs. The extent to which this objective has been realised requires further research.

The CWP provides a bridging opportunity for the unemployed and underemployed, especially youth, actively seeking employment opportunities. During the year April 2014-March 2015 there were 202,599 participants employed at 185 sites in 159 municipalities across South Africa. Different types of work are carried out including care work, support work at schools, early childhood development and looking after the local environment

The impact of regional migration on employment and decent work

South Africa's economy, calculated in terms of GDP, remains the largest in Africa. Migration in the country from beyond its borders, for a number of reasons, continues unabated. Global trends, according to the ILO, reflect growing irregular migration and employment, greater labour migration within the countries of the South, and a massive increase in formal and informal remittance flows.

The number of foreign-born people in South Africa stood at close to one million in 2001, 67% of which were from the South African Development Community (SADC) countries. The 2011 census places this number at 2.1 million. These figures include both economically active migrants and their dependents. Further work needs to be done to determine the number of employees and workers in this number and the conditions under which many of these persons are employed.

What is apparent from research is the reduction of employment of foreign migrant labour in the mining sector, which is due to an overall decline in mining employment in the mining sector as well as a reduction in the recruitment of foreign migrant workers. To the extent that employment has occurred, South Africans been the major beneficiaries. The internal migration that has characterised this shift in employment patterns has brought with it new socio-economic dynamics and challenges as witnessed at Marikana. The shift away from the hostel system has led to the growth of informal settlements adjacent to the mines and increasing demand for municipal services.

While foreign nationals working in South Africa impact on the labour market in various ways, it is at the level of perceptions that the impact is arguably greatest: there is a widespread belief amongst South Africans that foreign nationals are 'taking' their jobs. However, a 2007 government report indicates that only 2% of persons interviewed had directly experienced losing a job to a foreign national. This misconception is a primary cause of ongoing xenophobia. However, a more complex question is the impact that labour migration has on wage levels and other conditions of employment. The example of the mining industry, where sub-contractors prefer to engage foreign nationals at wage rates and other conditions lower than those paid to local workers, suggest that there is downward pressure on wages and conditions.

Decent work: the origins of the concept and measures

Origins of the decent work concept

The notion of decent work has permeated ILO literature for decades, but it was only in 1999 that it was conceptually crystallised. In the words of the director-general of the ILO, the broad goal of the Decent Work Agenda is 'to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equality, security and human

dignity.¹⁶

The concept is based on a number of early ILO conventions, including those related to the rights to freedom of association and collective bargaining, and the elimination of child and forced labour. Early human rights instruments influenced some ILO conventions and ultimately fed into the formulation of the decent work concept.

Article 23 of *The Universal Declaration of Human Rights*, adopted by the United Nations in 1948, provides for the right to work as follows:

- Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.
- Everyone, without any discrimination, has the right to equal pay for equal work.
- Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.
- Everyone has the right to form and to join trade unions for the protection of his interests.

In 1964, in response to the obligations placed on it by the Declaration of Philadelphia and the Universal Declaration of Human Rights (UDHR), with regard to promoting programmes to achieve full employment and the right to work, the ILO adopted the *Employment Policy Convention, 122 of 1964*.

Article 1 calls on Members to pursue policies designed to promote full, productive and freely chosen employment subject to the stage and level of economic development of a country, to its social objectives, and by nationally appropriate methods.

Article 2 calls for continuous review of implementation measures for attaining full employment and necessary steps for applying these measures.

The International Covenant on Economic Social and Cultural Rights (ICESCR), a treaty adopted pursuant to the UDHR in 1966, also made reference to certain employment rights that influenced the decent work concept (see further below).

While the concept of decent work launched at the 87th session of the ILC in 1999 defined it to be broadly aimed at promoting “opportunities for women and men to obtain decent and productive work, in conditions of freedom, equality, security and human dignity”, the concept was subsequently unpacked and then repackaged into four strategic pillars. The component parts are as follows:

- Employment opportunities;
- Adequate earnings and productive work;
- Decent working time;

¹⁶ ILO Report of the Director General – *Decent Work to the 87th session*, 1999 at 3.

- Combining work, family and personal life;
- Work that should be prohibited;
- Stability and security of work ;
- Equal opportunity and treatment in employment;
- A safe work environment;
- Social security; and
- Social dialogue, employers’ and workers’ representation.

These elements are consolidated into the following four strategic pillars:

- promotion of employment and income opportunities;
- promotion of fundamental principles and rights at work;
- promotion of expansion and improvement of social protection coverage; and
- the promotion of social dialogue and tripartism.

The influence of earlier human rights instruments can be seen when one compares the four strategic pillars to the ICESCR worker rights.

Table 2. The pillars of the Decent Work Agenda and the ICESCR worker rights

Decent Work Agenda pillars	ICESCR worker rights
Rights at Work Freedom of association Elimination of forced labour Abolition of child labour Elimination of discrimination	Article 8: Union Rights Article 6(1): Freely chosen work Article 10(3): Protection of children and young people Articles 2 & 7(a)(i): Non-discrimination
Fostering Employment	Article 6(2): Full employment Article 7(a)(i)(ii): A decent living
Social protection	Article 7(b): Workplace safety Article 7(d): Reasonable working hours Article 9: Social security
Social Dialogue	Article 8: Union rights

Since 1999 the decent work concept has been included in one form or another in global instruments such as the World Summit Outcome Document (2005), the high level segment of ECOSOC (2006), the Second United Nations Decade for the Eradication of Poverty (2008-

2017), the Conference on Sustainable Development (2011), and in the UN's 2030 Agenda for Sustainable Development (2015)¹⁷.

At the 2005 World Summit, United Nations Member states, cognisant of the effects of a globalising world economy, strongly supported a fair globalization and the attendant goals of full and productive employment and decent work for all, particularly through policies and efforts designed to achieve the Millennium Development Goal of cutting extreme poverty and hunger in half by 2015. This poverty alleviation focus was shifted 10 years later with the global agreement on Sustainable Development Goals, which emphasises decent work for all.

Chapter 6 of the 2015 Human Development Report emphasizes the need for an employment-led development strategy that would include interventions such as:

- Removing barriers critical to employment-led development;
- Strengthening links between small and medium-sized enterprises (typically labour intensive) and large (typically international) capital-intensive firms;
- Upgrading workers' skills over the lifecycle;
- Focusing on sectors where the poor live and work;
- Designing and implementing a conducive legal and regulatory framework to tackle informal work; and
- Adjusting the distribution of capital and labour in public spending to create jobs.

These instruments, in one form or another, point to the ever-present challenge to work and employment that has confronted the world since the first industrial revolution. Significant changes in the global landscape do not render the intentions behind these instruments invalid, but rather point the need to confront the quest for decent jobs for all in a much more bold way. It is particularly within the context of growing concentrations of wealth and burgeoning inequalities that the notion of decent work and social justice requires much greater impetus. We return to this point below.

Measuring decent work

A 2008 initiative by ILO partners that focused on the measurement of decent work was guided by five considerations. Four of these seem highly relevant within the South African context:

- a. The main goal of measuring decent should be to assist the social partners in assessing progress made at a national level to achieve decent work in accordance with a set of indicators common to all countries;
- b. Country information should be presented in a format and a methodology that facilitates comparisons;

¹⁷ <http://www.ilo.org/global/topics/decent-work/lang--en/index.htm>

- c. A composite ranking system would serve little purpose given differing national contexts. The same would apply in respect of numerical indicators in that qualitative considerations would vary from country to country.
- d. Numerical indicators alone cannot adequately capture the wide-ranging and inherently qualitative nature of the many aspects of decent work. Some indicators, like employment, wages, income, working time and social security, lend themselves more easily to quantitative measurement, while other dimensions such as social dialogue, the functioning of the labour market, and the application of international standards, require different methodologies to generate objective measures.

The key conclusion of the discussions was that any measurement of decent work should be based on two types of information – ‘firstly statistical indicators on work and working conditions and secondly on rights at work and the legal framework for decent work, including the effective application of rights.’¹⁸

Decent work indicators should also reflect the needs and constraints confronting women in respect of unpaid care work and reproductive work.¹⁹

The following indicators and measures were identified:

Table 3. Decent work indicators and measures

Indicators	Measures
Employment opportunities	Labour force participation rate Employment-to-population ratio Wage employment Unemployment rate Youth unemployment rate
Adequate earnings and productive work	Average earnings in selected occupations Recent job training
Decent hours	Excessive hours Under-employment
Stability and security at work	Tenure less than one year Temporary work
Balancing work and family life	Employment rate of women with children below

¹⁸ Ibid at 5.

¹⁹ Ibid at 5.

	<p>school age</p> <p>Children in wage employment</p>
<p>Equal opportunity and treatment in employment</p>	<p>Occupational segregation by gender</p> <p>Female share of managerial posts</p> <p>Share of women in employment in the non-agricultural sector</p>
<p>Safe work environment</p>	<p>Occupational injury rate</p> <p>Fatal injury rate (per 100 000 employees)</p> <p>Number of inspectors per 100 000 employees</p> <p>Occupational injury insurance</p>
<p>Social protection</p>	<p>Public social security expenditure (% of GDP)</p> <p>Share of population aged 65 and above benefiting from a pension</p> <p>Health care expenditure not financed out of pocket by private households</p> <p>Public expenditure on needs-based support (child grant, disability grant and pension) as % of GDP</p>
<p>Social dialogue and worker representation</p>	<p>Union density rate</p> <p>Number of enterprises belonging to employer organisations</p> <p>Collective wage bargaining coverage</p> <p>Strikes and lockouts (per 1 000 employees)</p>
<p>Socio-economic context of decent work</p>	<p>Growth rate of GDP per person employed (labour productivity)</p> <p>Inflation</p> <p>Adult literacy rate</p> <p>Poverty (per cent): proportion of people living below US\$1 (PPP) per day</p>

Achieving decent work: Formalising the informal

As noted above, the decent work concept has become concretised into four pillars, none of which explicitly refers to the formalisation of informal work. Similarly, none of the above measures refer to informal work or workers. Yet, if one acknowledges that informal work is primarily defined by its non-compliance with labour regulation, then the decent work concept is at its core a programme to formalise the informal – at least this is the case in most developing countries. Importantly, given the economic conditions in most developing countries, the Decent Work Agenda is a process. In other words, it is not simply a mechanical

process of identifying decent work deficits and eradicating them; decent work will go along with economic development.

The effort to formalise the informal was given a boost recently with the adoption by the ILO of Recommendation 204 at its 104th ILC session (June 2015). The Recommendation provides guidance to members to take steps to:

- a) facilitate the transition of workers and economic units from the informal to the formal economy, while respecting workers' fundamental rights and ensuring opportunities for income security, livelihoods and entrepreneurship;
- b) promote the creation, preservation and sustainability of enterprises and decent jobs in the formal economy and the coherence of macroeconomic, employment, social protection and other social policies; and
- c) prevent the informalization of formal economy jobs.

These objectives capture the main decent work challenges facing most developing countries, including South Africa. The key to achieving decent work, where it is conceptualised as a process that must be married to economic development, is social dialogue. There is going to have to be constant negotiation and agreement for the progressive formalisation of informal work in a way that will not lead to unemployment.

Decent work and social security

Social security schemes are generally categorised into social assistance and social insurance. These two broad categories have further internal distinctions between public and private arrangements. The primary responsibility for ensuring adequate social security coverage on an international level lies with the ILO, which is evident from an examination of ILO conventions and recommendations. A key objective of the ILO is the extension of the right to social security to all persons, to the extent that in 2001 the ILO declared it a basic human right. At the national level the right to social protection extends to all persons regardless of employment status and, as such, is primarily the responsibility of the state.²⁰

The 1952 Social Security (Minimum Standards) Convention No 102 provides the basic information necessary for determining the parameters of the right to social security. Convention 111 on Discrimination (Employment and Occupation) provides further guidance within the employment context regarding equal treatment and prohibiting discrimination.

Of real relevance and importance to the extension of social security benefits and rights within the concept of decent work is Recommendation 202 concerning National Floors of Social Protection. Article 2 of this recommendation provides for a nationally defined set of basic social security guarantees which secure protection aimed at preventing poverty, vulnerability and social exclusion.

The recommendation also provides that basic social protection guarantees should consist of essential healthcare and basic income security for children, older persons and persons unable

²⁰ See the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102) and Social Protection Floors Recommendation, 2012 (No. 202).

to earn an income. The latter is defined as persons who are unable to earn sufficient income due to sickness, unemployment, maternity and disability.

It goes further to provide that social protection should include income support and that member states should promote economic activity and formal employment through considering policies that include public procurement, government credit provisions, labour inspection, labour market policies and tax incentives, and that promote education, vocational training, productive skills and employability. This must be guaranteed by national legislation but, where relevant, must be implemented and supplemented at workplace and sectoral level.

The key decent work indicator is the one dealing with social protection. This is measured by per capita expenditure on social security as a percentage of GDP, the share of population over 65 benefitting from a pension, the percentage of health care expenditure not financed by the private household or out of pocket, and the percentage of public expenditure on needs based support like child-care grants and disability grants.

Financial support, according to the ILO, is an essential component of social protection. It has set down three objectives which will contribute to the extension of social protection. These are:

- e. Extending coverage and effectiveness of social security schemes;
- f. Promoting labour protection, which comprises decent conditions of work, including wages, working time and occupational health and safety.
- g. Working through dedicated programmes and activities to protect vulnerable groups such as migrant workers and their families; and workers in the formal economy. Moreover, the world of works full potential will be used to respond to the AIDS pandemic, focusing on enhancing tripartite constituents' capacity.

Extending protection to workers who are excluded from the existing social security institutions presents a special challenge. ILO Recommendation 204 addresses this question in the context of transition from the informal economy to a transformed formal economy. Among other things, it calls on member states to “progressively extend the coverage of social insurance to those in the informal economy and, if necessary, adapt administrative procedures, benefits and contributions, taking into account their contributory capacity”.²¹ The same principle can be applied at the level of sectors and value chains.

Decent work in South Africa

Employment creation the foundation for decent work

The Constitution of the Republic of South Africa (1996) and the Reconstruction and Development Programme adopted at the inception of democracy provided a broad legal and policy framework to address the social and economic imbalances of the apartheid legacy and to improve the quality of life of all South Africans. While the right to work is not enshrined

²¹ Para 20.

in the Constitution, as a member state of the UN South Africa is covered by Article 23 of the UN Declaration of Human Rights.

South Africa has ratified all eight ‘core’ ILO Conventions, among others. Although reference is made to Employment Policy Convention (No. C122 of 1964) in South Africa’s Decent Work Country Programme, it has not been ratified. The convention provides a compelling framework within which the concept of decent work could be pursued in South Africa in general and within the parameters of the Decent Work Country Programme.

It calls on member states to declare and pursue, as a major goal, an active policy designed to promote full, productive and freely chosen employment, with the aim of ensuring that there is work for all who are available for and seeking work; such work is as productive as possible; and there is freedom of choice of employment and the fullest possible opportunity for each worker to qualify for, and to use his skills and endowments in, a job for which he is well suited, irrespective of race, colour, sex, religion, political opinion, national extraction or social origin.

It goes further to state that any policy shall take due account of the stage and level of economic development and the mutual relationships between employment objectives and other economic and social objectives, and shall be pursued by methods that are appropriate to national conditions and practices.

The unemployment rate²² in 2013 for countries in Southern Africa which have ratified C122 when compared with South Africa points to the possible impact of the Convention.

Country	Population	Unemployment rate	Unemployment rate (female)
Madagascar	19,926,785	3.6	4.6
Mauritania	3,422,901	31.0	28.0
Mozambique	22,762,525	8.3	9.3
Zambia	12,109,620	13.3	11.3
South Africa	49, 344 228	24.9	28.0

Latest employment figures provide some idea as to the extent that decent work indicators apply to the 15.6 million workers. The conditions of employment in respect of 13.4 million of these workers were surveyed. While about 83% are employed for 40 hours or more per week, only:

- 8.7 million get paid leave and 9.4 million get paid sick leave;
- 3.4 million women and 4.1 million men get maternity and paternity leave respectively;
- 6.3 million are members of a retirement fund;
- 4 million receive medical aid benefits; and
- 8.1 million are registered for UIF.

²² Source : World Bank 2013.

The situation is improved in respect of written contracts of employment, where there are 10.7 million employees with written contracts, of which 8.3 million are of permanent duration and 1.8 million and 3.2 million identified as being of unspecified and limited duration respectively.

Only 3.7 million of the workers are members of a trade union. This appears to be consistent with the fact that the wages of 7.5 million workers are set unilaterally by the employer with 3.9 million covered by collective bargaining, including bargaining council agreements.

While South Africa has a fairly comprehensive social security system, many workers who find themselves in non-standard forms of employment display a bigger deficit in this regard.

The current levels of organisation and representivity present major challenges for both organised labour and organised business. Organisation underpins the self-governance of sectors in a manner that is able to take cognisance of all types and sizes of employers within that sector along with securing and creating decent jobs. Such self-governance goes beyond merely setting wages and minimum conditions of employment: the Labour Relations Act permits parties to bargaining councils to develop proposals for “submission to NEDLAC or any other appropriate forum on policy and legislation that may affect the sector and area”, to “provide industrial support services within the sector” and “to extend services and functions to workers in the informal sector and home workers”.²³

It must also be noted that men dominate the world of paid work, women that of unpaid work. Women also bear an unequal share of unpaid care work, which includes mainly house work and care work in the home and community. This is particularly evident in the dominance of women participating in the government Community Works Programme (CWP), a poverty relief programme for unemployed adults requiring them to perform what could be described as community care work. The care economy has been flagged as a key growth sector and initiatives such as the CWP ought to be harnessed as a stepping stone to full employment, especially for women. These job opportunities, although broadly framed as poverty alleviation initiatives, should be measured against agreed decent work indicators. These work opportunities are regulated by Ministerial Determination. A review of the determination might be necessary to deal with any decent work deficits.

Despite the increase in the number of women in the South African labour force, gender inequalities continue to undermine decent work objectives. Pay differentials, discrimination on grounds of maternity and family responsibilities, and difficulties in balancing family and work life are some of the problems that confront women. Women are also mainly found in feminized professions such as teaching and nursing.²⁴

²³ Sections 28 (1)(h), (k) and (l), Labour Relations Act 66 of 1995 Section 28

²⁴ T Cohen and L Moodley Achieving decent work in South Africa? *PER/PELJ* 2012(15)2

The latest Commission for Employment Equity report notes that at top management levels, women only constitute 20% and 30% in the private and public sectors respectively. The figures are 30% and 39% at senior management level, and 38% and 61% in the professionally qualified group. The figure for the latter group for the public sector is high due to many of the jobs being traditionally occupied by women.²⁵

Decent Work Country Programme, South Africa

The South African social partners have been grappling with the vexing challenges of job creation within a decent work paradigm. As referred to above, this engagement has not always proceeded smoothly given the differing perspectives on tackling unemployment and creating more jobs in the country.

One outcome of this engagement has been the Decent Work Country Programme. Decent work country programmes are promoted by the ILO to translate the decent work concept into concrete objectives at the national level that can be measured and monitored. The Decent Work Country Programme, 2010-2014 is a Memorandum of Understanding between the Government of South Africa and the ILO:

“To cooperate for the implementation of the Decent Work Country Programme ... in accordance with its strategic objectives, with the view to enhance the capacities of each of the tripartite constituents in South Africa to achieve these objectives.”

Whereby:

“The decision to extend the programme in case of incompleteness of its implementation will be made in accordance with these provisions.”

The Decent Work Country Programme is founded on the four pillars that constitute the ILOs Decent Work Agenda. Of importance to any debate on quality jobs for all is the necessity to appreciate what was intended by the second pillar - the promotion of employment creation and income opportunities. It is not just about the creation of jobs but the creation of jobs of acceptable equality. Jobs attain this objective when all forms of employment are accompanied by non-discriminatory treatment, safe working conditions, collective bargaining rights and social security.

The 2013 mid-term review of the DWCP reflected on the government’s primary employment creation programme, the EPWP. While recording certain gains insofar as the reach of the EPWP, it also highlights many shortcomings in respect of prioritized outputs. These include the failure on the part of government to adopt more labour-intensive initiatives, a technical

²⁵ RSA 16th Commission for Employment Equity Annual Report 2015 - 2016

capacity deficit at a local level, and problems in respect of service providers earmarked to deliver training.²⁶

The approach proposed by the Centre for Enterprise Development for public works programmes to span both the public and private sectors should be seriously considered. Deficits identified in the public sphere should be addressed and sufficiently catered for in private sector initiatives.

Education, skills development and job creation

One of the reasons advanced by some for the high level of unemployment in SA is the poor skills level of the labour force. Having regard to the current economic trajectory of the country, this argument does not appear to be empirically supported. Only 6% of South African employers, when compared to employers in similar countries, report difficulties in filling jobs. Figures in other countries are upwards of 30%.²⁷ Country data in fact points to a growing percentage of skilled employment in the labour market with a decline in employment levels of low-skilled and semi-skilled workers. Notwithstanding the increase in skilled employment in the country, South Africa remains a low skills-based economy founded on its mining and agricultural base. The decline of these sectors is a primary reason for growing unemployment rather than a lack of skills.

Data also reveals that there is an ever growing number of the unemployed youth who possess university qualifications. If the ‘lack of skills’ argument is followed then it would stand to reason that a higher educational qualification should potentially create greater job opportunities. This is however not the case. The disconnect between existing skill levels and the needs of the labour market and its ability to absorb new entrants must be addressed. Leaving this simply to economic growth is not an adequate response.

Semi and low-skilled labour – elementary occupations - constitute 74.7% of all employed people. This supports the argument that the economy is historically and continues to be primarily a low skills-based economy. Growing levels of mechanisation and increasing technological advances have not reached the critical point where the skills shortage argument gathers any traction.

The idea of decent jobs for all presents an opportunity to consider the untapped potential of human capital in the unemployed. Job creation and skills development has to be mindful of the ever-changing organization of work and production, covered under Theme 3. Any strategies towards decent jobs for all that seeks to address the growing problem of poverty and inequality would need to include a principle of redistribution of wealth.

²⁶ South African Decent Work Country Programme. Country Programme Review Final Report 2013.

²⁷ Statistics South Africa, *Youth employment, unemployment skills and economic growth 1994-2014* (September 2014).

As whole industries adjust and new ones are born, many occupations will undergo a fundamental transformation and will generate new categories of jobs and occupations while partly or wholly displacing others. They will change the skill sets required in both old and new occupations in most industries and transform how and where people work.²⁸ A critical question is whether these jobs will remain low skilled.

Most South African children are performing significantly below the required standards, often failing to acquire functional numeracy and literacy skills.²⁹ Understanding the drivers of change and their impact is critical for development of appropriate and relevant curricula.

The sub-standard quality of education provided to most South African youth has severe economic consequences for those affected. The percentage of 18 to 24 year olds who are not in education, employment or training (NEET) has increased from about 30% in 1995 to 45% in 2011, while the percentage enrolled in education has decreased from 50% to 36% over the same period. The unemployment rate for the youth has also increased from 36% in 1995 to 50% in 2011. Of those unemployed in 2011, more than 70% had never been employed before.³⁰ Efforts to place unemployed youth in apprenticeships in certain job categories through targeted skills training may be self-defeating if skills requirements in that job category are likely to be drastically different in just a few years' time.³¹

The skills framework adopted by the government, represented by the Skills Development Act (SDA) and the National Skills Development Strategy, has as its main aim the transformation of a poorly skilled workforce into a skilled workforce. This will be facilitated in the main by Sector Education and Training Authorities (Setas) operating all economic sectors/industries.³² The logic of Setas at the level of all economic sectors/industries was to create an equilibrium between the demand and supply side of skilled labour informed by the specificities of the sector/industry needs.³³ In addition to the Setas, further education and training colleges were to play an instrumental role in contributing to a more skilled labour force. However, almost fifteen years into the new skills system there is very little, if any, improvement in the quality of college graduates and their employability. This situation undermines any notion of a 'demographic dividend' that could derive from a fairly youthful population.

Most existing education systems at all levels provide highly siloed training and continue a number of 20th century practices that are hindering progress.³⁴ Careful consideration should

²⁸ WEF 2016. Global Challenge Insight Report. The Future of Jobs. Employment, Skills and Workforce Strategy for the Fourth Industrial Revolution/ January 2016 8.

²⁹ Nicholas Spaull. 2013. South Africa's Education Crisis: The quality of education in South Africa 1994-2011. Centre for Development & Enterprise 7.

³⁰ Ibid 8.

³¹ WEF 2016. Global Challenge Insight Report. The Future of Jobs. Employment, Skills and Workforce Strategy for the Fourth Industrial Revolution/ January 2016 26.

³² The number of Setas established in 2000 totalled 25, covering all economic sectors/industries.

³³ Kraak, A, *Shifting Understandings of Skills in South Africa*, Chapter 5. The funding of Setas comes from a legislated levy (Skills Development Levies Act) of 1% of an employer's wage bill, payable to the South African Revenue Services (Sars), which distributes it to the National Skills Authority (NSA) and the respective SETAs.

³⁴ Ibid 32.

be given to integrated curricula with, yet to be identified, core competencies starting at primary level.

Given the high levels of unemployment in South Africa, and insufficient profile data on the sector, it may be necessary to compile a baseline study of skills and qualifications of the unemployed in order to establish more accurately the need for skills development or re-skilling as a means for improving employability.

Government initiatives

The Presidency: Employment Tax Incentive (ETI)

The ETI or Youth Wage Subsidy, as it has commonly been referred to, was introduced by government as a means encourage employment of persons aged between 18 to 29 years. This is the segment of the labour market most affected by unemployment. The ETI has attracted a fair amount of criticism from organized labour. Key arguments advanced by organized labour related to the deadweight³⁵ and substitution effects and the recycling of jobs.

Subsidies claimed in the period 1 January 2014 to 29 February 2016 amounted to R6.3 billion. In the first year subsidies amounted to R2.26 billion in respect of 645 973 jobs. A further R4 billion was claimed in the second year. Although the exact number of jobs subsidized is not readily available, this is estimated to be as high as one million. If the current rate is maintained, the figure will reach R10 million by the end of the third year. This is more than double the predicted R5 billion.

The largest number of subsidies was claimed in the lowest income bracket. This is where security guards and contract cleaners are located – two categories of employment that fall within the main sectors accessing the subsidy. It is however unclear from the data whether or not the subsidies saved jobs, created jobs, recycled jobs or applied in respect of jobs that would in any event have been created. Until more reliable data is available, some of the arguments advanced by organized labour remain to be empirically tested.

Treasury: Jobs Fund:

The objective of the Jobs Fund is to co-finance projects by public, private and non-governmental organisations that will significantly contribute to job creation.

Department of Public Works : Expanded Public Works Programme:

Labour intensive public works programmes have taken root since the advent of democracy in South Africa. They have variously targeted youth, women and people living with disabilities

³⁵ Jobs that would have been created in any event even without the ETI.

and are often delivered in collaboration with the local communities where the programmes are being implemented. In the period 2004 to 2009 over 1 million ‘job opportunities’ were created. This number has now increased to 1.6 million.

Fiscal grants to local government and social services are intended to ensure dedicated resources for :

- Labour-intensive programmes for building of roads, for environmental projects, and for water, sanitation and other social and economic services;
- Permanent capacity for the maintenance of infrastructure on a sustainable basis;
- Providing community service in health, welfare and other areas; and
- Launching a large-scale programme for Early Childhood Development (ECD) as a deliberate human resource investment.

While the regulation of these work opportunities is via a Ministerial Determination, the social partners carry a large responsibility to maximise the incorporation of decent work indicators into the EPWP, given that these work opportunities will remain the dominant form of employment creation economic growth picks up and industrial policy for the manufacturing sector gains traction.

Department of Economic Development:

The Industrial Development Corporation’s primary objective is facilitation of sustainable direct and indirect employment.

Department of Trade and Industry (DTI): Employment Creation Fund (ECF)

The primary purpose of the ECF is to support the ESEC to implement initiatives that will have a positive impact on employment creation. The DTI has a number of financial incentive schemes which promote job sustainability and job creation. This includes support for co-operatives and SMMEs as sources of job creation.

Full employment and decent work in SA: 2016-2030

Sustainable Development Goals (SDGs)

On 25 September 2015 countries adopted the sustainable development goals: Transforming our world: the 2030 Agenda for Sustainable Development. The SDGs are a set of goals to **end poverty, protect the planet, and ensure prosperity for all** as part of a new sustainable development agenda. Each goal has specific targets to be achieved over the next 15 years.

Goal 8 calls for the promotion of sustained and inclusive economic growth and full and productive employment and decent work for all. Very ambitious job creation targets are set. By 2020 it was envisaged to substantially reduce the proportion of youth not in employment, education or training. It is also intended that by 2030 countries will achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

The Sustainable Development Goals had been preceded by the Millennium Development Goals (MDGs). The notion of full employment and decent work did not feature in the original text of the Millennium Development Goals when it was adopted in 2000. It did however incorporate under MDG 1 the goals of increasing the share of women in paid employment and addressing youth unemployment.³⁶ It was only after the 2005 World Summit on Sustainable Development, where it was resolved ‘*to make the goals of full and productive employment and decent work for all..... a central objective of our relevant national and international policies as well as our national development strategies*’, that a new sub-goal to this effect was included under MDG 1.

Two reasons have been advanced for the initial absence of full employment and decent work from the original MDGs. One is that an over-emphasis on poverty alleviation led to a neglect of employment and related issues, and the second is the absence of a measurable indicator in the implementation plan.³⁷

On 1 January 2016, the 17 SDGs adopted in September 2015 officially came into force. While the SDGs are not legally binding, governments are expected to take ownership and establish national frameworks for their achievement. Nationally-owned and country-led sustainable development strategies will require resource mobilization and financing strategies. All stakeholders - governments, civil society, the private sector, and others - are expected to contribute to the realisation of the new agenda. The ILO Future of Work Initiative dialogue provides such an opportunity for South African stakeholders.

The link between poverty elimination and improved livelihoods runs through most major international policy and legislative interventions in pursuit of full employment and decent work. The best way to avoid poverty, it is argued, is to find decent work.³⁸ Remunerated work is the means by which income needed for food, clothing, housing, education and health care is acquired and also serves to provide opportunities for skills development and broader social integration.³⁹

The formulation of SDG 8, however, is potentially problematic from a human rights perspective for a number of reasons. The goal appears promotional rather than one demanding the achievement of specific human development outcomes. Goals on poverty,

³⁶ R van der Hoeven *The inclusion of full employment in MDG1, what lessons for a post-2015 development agenda*, Working Paper Series, The Hague 2013.

³⁷ Ibid.

³⁸ D Frey and G MacNaughton A human rights lens on full employment and decent work in the 2030 sustainable development agenda *Journal of Workplace Rights* Sage Open 2016.

³⁹ Ibid.

hunger, health, education, gender equality, water, and sanitation all aim to end, ensure or achieve specific outcomes, whereas SDG 8 simply seeks to promote full employment and decent work. This constitutes a major shift in emphasis from the intention to include a goal of full employment and decent work that aimed to ‘achieve’ the right rather than to simply promote it.⁴⁰

In terms of SDG 8, full employment and decent work are linked to economic growth. This places it at odds with the unconditional human right to full employment and decent work. Making the realisation of full employment and decent work dependent on economic growth is problematic within current global economic conditions.

National Development Plan (NDP)

South Africa, 22 years after the democratic breakthrough, remains a highly unequal society where too many people live in poverty and too few work. The National Development Plan (NDP) is currently government’s primary policy framework to reduce inequality and eliminate poverty by 2030.

A major criticism of the NDP by one of the social partners is that it proposes an orthodox macroeconomic vision. The NDP, it is argued, reveals the old GEAR paradigm of macroeconomic stability and fiscal restraint, within liberalised financial markets. The focus on ‘spending efficiency’ is code for fiscal restraint; the focus on ‘investment vs consumption’ spending is code for reducing spending on salaries and grants etc. There is, furthermore, no talk of a systematic programme of macroeconomic stimulus to respond to current global conditions. In fact, the NDP supports the current line in government and the ANC of the need for some monetary policy easing, combined with more fiscal restraint.⁴¹

While the NGP and IPAP place the re-industrialisation of the South African economy and the region at the heart of the new growth path with a radically expanded manufacturing sector, the NDP fails to take this vision of industrialisation forward. This would support the argument that work opportunities, where these occur, will continue to be provided in within elementary occupations.

While the achievement of the objectives of the National Development Plan requires progress on a broad front, three priorities have been identified – raising employment through faster economic growth; improving the quality of education, skills development and innovation; and building the capability of the state to play a developmental, transformative role. The social partners will have to work together if these priorities are to be realized.⁴² There is however nothing in these three priorities which explicitly commit the government to achieving full employment and decent work, rather than the creation of jobs. While economic growth is important, as indicated above, the human right to

⁴⁰ D Frey and G MacNaughton A human rights lens on full employment and decent work in the 2030 sustainable development agenda *Journal of Workplace Rights* Sage Open 2016.

⁴¹ COSATU Summary of Critique of the National Development Plan, March 2013.

⁴² RSA, National Development Plan.

employment is not conditional on economic growth, and other interventions can be considered to promote full employment and decent work in the absence of economic growth. There is also evidence that suggests that, in some instances, increases in workers' wages can drive economic growth rather than private sector investment.

As a means to eradicate poverty and reduce inequality the NDP proposes that employment numbers be increased from 13 million in 2010 to 24 million in 2030.⁴³ The NDP does not clearly or consistently differentiate between work and employment in the labour law differentiates between the two, i.e. where there is a defined relationship and where there is a work arrangement. It has been argued by Theron that there is no realistic prospect of ameliorating unemployment and achieving the kind of targets the NDP has set unless it is accepted that the jobs that will be created will not necessarily be jobs in an employment relationship or, for that matter, so-called standard jobs. It will therefore be necessary, if the country was to reduce the inequality and create a more inclusive economy, to have safeguards regarding the quality of all jobs, i.e. employment and work.

Given the changing nature of work and the consequential impact on job security and employment conditions referred to below, including the growth in non-standard forms of employment, meeting these targets must take into account South Africa's international law obligations to full employment and decent work but with cognisance of South African conditions (and regional conditions).

A 2016 ILO report on the state of non-standard work at the global scale, provides valuable guidance on addressing any decent work deficits that accrue to non-standard work. The two-fold approach adopted by the ILO is firstly making non-standard jobs better and secondly supporting all workers regardless of their contractual status.

Full employment and decent work in South Africa: 2020-2030

Developing countries expect a particularly large impact from the mobile internet given that the technology has the potential to bring millions of formerly unconnected workers and consumers into the formal economy for the first time.⁴⁴ The computer and mathematical job family is anticipated to experience very high growth, least pronounced in the information and communication technology (ICT) sector itself, hinting at the accelerated demand for ICT literacy and data analysis skills by other industries.⁴⁵

Many observers expect a substantial increase in the number of jobs in the healthcare sector due to demographic trends such as longevity and ageing populations in advanced economies. The trend is also true for developing economies. The SA government's initiative in the form of care work - a poverty relief programme - provides a platform for further growth in the

⁴³ Ibid

⁴⁴ WEF 2016. Global Challenge Insight Report. The Future of Jobs. Employment, Skills and Workforce Strategy for the Fourth Industrial Revolution/ January 2016 10.

⁴⁵ Ibid 15.

sector. Locating care work at the centre of decent work will provide recognition of the communal good that society derives from stable households.

The growth of jobs in what has been termed the green economy – that is a shift away to the greatest extent possible from the main cause of climate change, viz. the reliance on fossil fuel sources of energy - to one based on the use of more sustainable natural resources provides a further opportunity to introduce decent work elements into jobs created in energy reliant and intensive agriculture, manufacturing and service sector jobs.

There are a number of job creation initiatives already in place, but in an institutional environment too fragmented to be optimally effective in reducing unemployment and tackling existing decent work deficits.

Beyond 2016?

South Africa's economic growth prospects for the foreseeable future do not inspire much confidence. What we do have in place are a number of plans and policies. The social partners do not share a consensus on the way forward for the country.

Given the general level of disagreement amongst social partners on both macro and micro economic policy and given the very disparate and in many instances uncoordinated interventions by government, we are not overly optimistic about the realisation of a decent work agenda in the short to medium-term.

As we indicate, a major emphasis has been placed by all the social partners on what is deemed to be a skills deficit in the country. A deficit, it is argued, that places South Africa in a position that it will not be able to confront the ongoing changes taking place within the workplace, including the rapid expansion of the gig-economy. While the latter will have some impact on jobs, driverless trucks, deliveries by drone, cashier-less check-out points will not contribute significantly to what people have termed 'technological unemployment'. This is not to say that these developments do not require attention but rather to argue that the most pressing problem is to be located at the lower end of the employment scale.

As we point out, South Africa remains on a low wage, low-skill economic trajectory. We do not see this changing over at least the next two decades. The number of university graduates will more than meet the labour demands at the high-skill end of the economy. As we have also indicated, the number of unemployed graduates continues to escalate. The TVET college graduates, mainly due to the dislocation between these colleges and the skills that are required in the labour market, will also continue to supply relatively low-skilled labour.

Advanced technology, in our view, will have a limited impact on the unemployment rate. Given the economic trajectory referred to, we are of the view that the main focus should be the elementary occupations. This cohort comprises by far the largest section of the labour

force and will continue to do so given the inherent problems in our ECD, primary and secondary education system. Currently 39% of youth in the 15 – 24 year age group drop out of school. Only when we correct this situation will we be in a position to shift over to a more high-skill economic trajectory.

The social partners need to consider how best those who currently fall within the elementary occupations and the cohort which will replenish current numbers in this layer of the EAP can be transitioned into more 'productive jobs' as described by the World Bank. This will be best addressed by the determination of basic infrastructural needs that must be met to contribute to creating safe and secure communities that have an acceptable reasonable standard of living. This process will also require of the social partners to give serious consideration to concepts like a basic income grant and the enhancement of our social security system.

A basic wage in and of itself will not contribute greatly to poverty alleviation, even less to poverty eradication. It is the introduction of the other decent work elements – the sequence and timing of which can be the subject of negotiation – that will contribute to social cohesion and have a positive impact on economic stability.

There seems to be no shortage of opportunities and space created for facilitating employment within a decent work paradigm in South Africa, including an enabling legislative and policy framework. Yet, unemployment is growing as poverty and inequality increases.

A major contributing factor is a fragmented and dysfunctional education and training system. A system which is unresponsive to what the economy demands. This along with very little transformative initiatives aimed at bringing about substantive redistribution within our society will make decent work for all a very distant goal.

All societies have a notion of decent work, but the quality of employment can mean many things. It could relate to different forms of work, different conditions of work, as well as feelings of value and satisfaction. The challenge for the social partners is to devise social and economic systems which ensure basic security and employment while remaining capable of adaptation to a rapidly changing global environment and its impact on the national and environments.