Public employment and livelihood trajectories in South Africa's constrained labour market

Zak Essa

Working Paper Series
Number 311

About the Author(s)

Zak Essa: London School of Economics & Political Science, Department of Geography and Environment; Presidential Employment Stimulus; SALDRU Affiliate

Acknowledgements

I am deeply grateful to Dr Kate Philip whose generous mentorship and incisive ideas shaped this paper's development. The implementing agencies of the Presidential Employment Stimulus offered invaluable insights from the frontlines of practice, enriching this research with their practical wisdom. I owe special thanks to the Social Employment Fund for multiple workshops, site visits, and opportunities to talk to wonderful participants which grounded this paper's recommendations. Thank you also to Dr Joshua Budlender for thoughtful engagement with an earlier draft that helped sharpen both the argument and its expression. And finally thank you to the DG Murray Trust for supporting this research more broadly.

Corresponding email addresses: zaakiressa01@gmail.com

Recommended citation

Essa, Z. (2025). Public employment and livelihood trajectories in South Africa's constrained labour market. Cape Town: Southern Africa Labour and Development Research Unit, University of Cape Town. (SALDRU Working Paper Number 311)

Public employment and livelihood trajectories in South Africa's constrained labour market

Zak Essa*

Saldru Working Paper 311
University of Cape Town
March 2025

Introduction

This year more than one million people will participate in Public Employment programmes (PEPs) in South Africa. These programmes involve the provision of work that is state funded but outside the usual structure of the public service. In a context where unemployment is the main determinant of poverty, Public Employment offers a form of social assistance to protect people from social and economic vulnerability. But when South Africa's social protection landscape changed with the advent of the Social Relief of Distress Grant (SRD) to support the working aged, unemployed population, the policy conversation shifted alongside it with a renewed emphasis on the ways work matters beyond income. This is particularly in relation to the way that participation in meaningful work could build skills, capabilities, and networks that can lead to improved economic participation and livelihoods. From this perspective Public Employment is articulated as multi-purpose policy tool, where well-designed and well-implemented programmes can ideally act as a safety net *and* a springboard into more productive and resilient livelihoods.

The theory of change for the springboard function of public employment is built on an assumption: the ability of unemployed people to access economic opportunities is partly hampered by barriers including a lack of resources (income and productive assets,) limited hard and soft skills, a lack

*Affiliations: [1] London School of Economics & Political Science, Department of Geography and Environment; [2] Presidential Employment Stimulus; [3] SALDRU Affiliate

Acknowledgements: I am deeply grateful to Dr Kate Philip whose generous mentorship and incisive ideas shaped this paper's development. The implementing agencies of the Presidential Employment Stimulus offered invaluable insights from the frontlines of practice, enriching this research with their practical wisdom. I owe special thanks to the Social Employment Fund for multiple workshops, site visits, and opportunities to talk to wonderful participants which grounded this paper's recommendations. Thank you also to Dr Joshua Budlender for thoughtful engagement with an earlier draft that helped sharpen both the argument and its expression. And finally thank you to the DG Murray Trust for supporting this research more broadly.

of work experience, and market know-how (searching for a job, networks, gaining market access, or running an enterprise.) One role for public employment, then, is to equip participants with the capabilities to overcome some of these barriers, derived from participation in work and ideally combined with opportunities for skills development and training, asset accumulation, and networking.

However, the success of this claim is often judged solely on the ability of Public Employment to propel participants directly into sustainable, market-based employment or entrepreneurship. One problem with this framing is that this is an unlikely outcome for the majority given South Africa's context of low labour demand and high barriers to entry for entrepreneurship. Another is that it neglects a growing body of anthropological and sociological research which reveals that livelihoods transcend labour market status (Cooper, 2024; Honwana, 2012; Neves & Du Toit, 2013). That is, in a precarious economic landscape where millions of working aged people do not have access to stable waged labour, livelihood strategies are complex, people may make a living through a portfolio of activities: combining and moving between short term waged labour or gig work, informal trade, social grants, subsistence activities, co-operatives, and reciprocal exchanges with kinship networks. Measuring success solely as the transformation from unemployment to sustainable employment, then, means that Public Employment is seen as a transitionary labour market status rather than one activity within a person's livelihood. In the policy discourse, this means that any economic opportunities that emerge from Public Employment which improve people's portfolio of livelihood activities and living conditions along the way are lost. But promoting these activities can improve economic inclusion and resilience and contribute to the fight against poverty.

This paper challenges the conventional view of Public Employment programmes by exploring their multifaceted impact on livelihoods in South Africa. Drawing inspiration from Sabates-Wheeler & Devereux's (2013) study of graduation from social protection, it is guided by the following question: **How do Public Employment programmes in South Africa contribute to more productive livelihoods, and under what conditions will this lead to improved economic outcomes?** Over four sections, the paper develops a conceptual framework to answer this question which moves beyond the dichotomy of unemployment versus sustainable employment, instead recognising a continuum of livelihood pathways and activities that participants may pursue. It avoids the narrow implication that sustainable employment is the only desirable outcome: embracing the idea that economic progress in a labour constrained economy encompasses various forms of increased economic participation as part of a livelihood portfolio. The aim is to provide a richer understanding of how Public Employment programmes can contribute to meaningful economic advancement and trajectories out of poverty, even amidst challenging labour market conditions.

The remainder of this paper is structured as follows: it begins by challenging the view that these programmes can act as 'springboards' to wider labour market opportunities for all participants, instead acknowledging that progress in South Africa's constrained labour market is more incremental and gradual. Building on this foundation, the next section presents a conceptual framework for how Public Employment programmes can promote and improve livelihood strategies. The third section unpacks this framework in more detail and examines the mechanisms that enable these strategies: wage transfers, participation in work, and complementary support. The fourth section delves into the complex interplay of enabling and constraining factors that shape these livelihood trajectories. Finally, it discusses the implications of this framework for policymakers and practitioners aiming to support transitions into more productive livelihoods, arguing for a more holistic approach that recognises incremental progress, differentiates strategies based on participants' proximity to labour market opportunities, and leverages partnerships to provide comprehensive support.

Reframing the role of Public Employment in promoting livelihoods

Public Employment in this paper is defined as the creation and provision of state-funded work that is outside the usual structure of public service (Philip, 2023). With a labour market that is unable to create work at the scale required and where unemployment is the main determinant of poverty[2], the National Development Plan (NDP) advocates for the social provision of work, describing it as "one of the most effective forms of social protection" (p. 360.) It is in this context of severe and structural unemployment that Public Employment contributes to both labour market and social protection policy.

The NDPs view of social protection is ambitious, aiming to support transitions into more productive livelihoods wherever possible (p. 382.) This vision, illustrated in Figure 1 below, builds on the 'Transformative Social Protection' framework[3] which encourages policymakers to maximise synergies between interventions that prevent and protect against deprivation while promoting productivity and encouraging transformation, enabling people to escape poverty sustainably. To visualise this in a different way: it is about the provision of life jackets to protect and prevent people from drowning, building the capabilities to get back to shore (promotive and developmental,) and addressing the causes for people being vulnerable to drowning in the first place (transformative.) The expectation, therefore, is two-fold: to act as both a safety-net and a springboard towards a better life.

[2] See Leibbrandt et al. (2000) who show that access to wage income is central to understanding household poverty dynamics in post-Apartheid South Africa.

[3] The 'Transformative Social Protection' framework was developed by Devereux & Sabates-Wheeler (2004), partly in response to the dominant 'Social Risk Management' framework supported by the World Bank in the early 2000s.

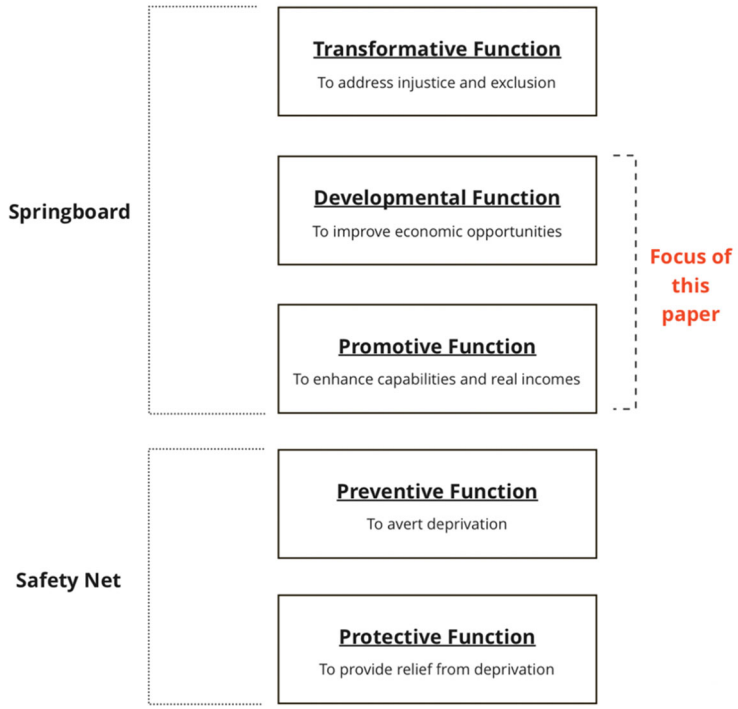

Figure 1: Functions of Social Protection
(adapted from Devereux & Sabates-Wheeler, 2004 and NPC, 2011)

Even though Public Employment is important for protection and prevention, the extent to which it can provide a 'springboard' into the labour market through its promotive and developmental functions is of central concern within recent policy debates (Philip, 2025). The rhetoric underlying these claims – for the 'springboard' function of Public Employment - predominantly focuses on the ability of participants to transition into formal employment or viable entrepreneurship[4]. Put differently: this discourse portrays Public Employment as a 'springboard,' 'bridge,' 'trampoline,' and 'ladder' that can propel people from unemployment *directly into* market-based, ongoing, and secure work that is paid adequately (McCord & Slater, 2015)[5] . This is overly optimistic. While there are anecdotal accounts of Public Employment enabling such transitions for some, existing evidence suggests that this is an unlikely outcome for most participants[6].

[4] McCord (2004, 2017) has documented the gap between policy demands and programme realities which highlight the tension of promoting livelihoods alongside reducing poverty through Public Employment. McCord & Slater (2015) argue that policymakers often overlook the structural issues that hinder the ability of social protection to contribute to sustainable employment outcomes. But despite these structural constraints, political rhetoric remains focused on transitions into sustainable employment (see for example Philip, 2023, p. 373).

[5] The NDP (2011), for example, suggests that "Public employment opportunities provide a bridge between social grants and sustainable employment" (p. 280). The Expanded Public Works Programme (EPWP) has compared Public Employment to a 'ladder' into the 'core economy' (see McCord, 2005). While Harambee Youth Employment Accelerator (2024a) see Public Employment as a 'trampoline' into work opportunities.

[6] Domestically, a review of the third phase of the EPWP (2014 – 2019) concluded that "most participants did not find formal employment" (SA Cities Network, 2021). Among participants who exit the EPWP programme, a recent presentation from the Department of Public Works and Infrastructure found that only 22% find employment (with no definition provided for what kind of employment). Overall, however, there are limited data on transitions from PEPs.

To understand the inability of Public Employment to transition people directly into sustainable employment means confronting "wider factors such as labour demand and labour market structures" (p. 134.) These issues are underscored in labour market statistics which communicate a fundamental constraint in the economy: there are limited market-based opportunities available for people entering the labour market. Between 2014 and 2024, for example, the labour force added approximately 5.5 million people (22.5 million to 28 million, including discouraged work seekers.) While the number of jobs in the formal sector over the same period increased by only 700 000 (10.8 million in 2014 to 11.5 million in 2024) (Statistics South Africa, 2024).

With limited labour market opportunities, many look to entrepreneurship and the informal economy to take up this significant slack. This essentially shifts the burden of economic survival onto the unemployed, expecting them to overcome macroeconomic development failures through self-employment (Li, 2017). But the structure of the economy creates significant barriers to entry which restrict these possibilities[7]. These challenges are compounded for a large proportion of Public Employment participants who generally live in remote or peripheral areas (Philip, 2013). So even when opportunities do become available, a considerable number of participants are likely to be at the bottom of the queue to access them.

Social protection, to paraphrase Devereux (2012), cannot be the solution to an economic policy failure to generate sufficient employment opportunities. The reality is that the ability of Public Employment to facilitate transitions into market-based employment hinges on the broader economic context. When an economy's capacity to absorb labour stagnates, "there is little a public employment programme can do to ensure that participants are able to exit into wider opportunities" (Philip, 2013, p.34.) From this vantage, seeing Public Employment as a bridge between unemployment and jobs in the wider labour market might be overly optimistic. For most participants, it is then important to ask the questions: What does this 'springboard' realistically look like, what forms of additional economic engagement can be supported that lead to improved livelihoods?

Rather than expecting these interventions to catalyse rapid transitions into formal employment or swift 'exits' from poverty, Philip advocates for focusing on the incremental economic participation shifts and complementary livelihood activities that Public Employment can facilitate.

Illustrated in Figure 2 below, Public Employment alone may not overcome the well-documented structural barriers to sustainable employment. Nonetheless, it can support participants in engaging in

[7] Economists Kingdon & Knight (2004) seek to explain high unemployment in South Africa. They uncover that barriers to entry into informal employment are high, and where entry is possible, earnings are extremely low. Philip (2010) lends further weight to this by showing how structural inequality means that markets in poor and rural communities are thin and corporate saturation high, resulting in limited scope for micro-and-small enterprises to succeed. This point is elaborated later on in this paper.

additional income-generating and livelihood activities, thereby making their livelihood portfolio more resilient and sustainable. From this perspective, the 'springboard' looks more like a set of stairs which underscores the reality that progress – especially for those at the margins - is often a series of incremental steps rather than a single leap to economic stability[8]. Not everyone will make it all the way to sustainable employment, especially if economic conditions remain constrained. Some will even take steps backward given the risks that households living below or close to the poverty line face[9]. This remainder of this article is predominantly about the mechanisms and constraints for how Public Employment can lead to improved economic participation: steps further away from poverty and closer to a sustainable livelihood.

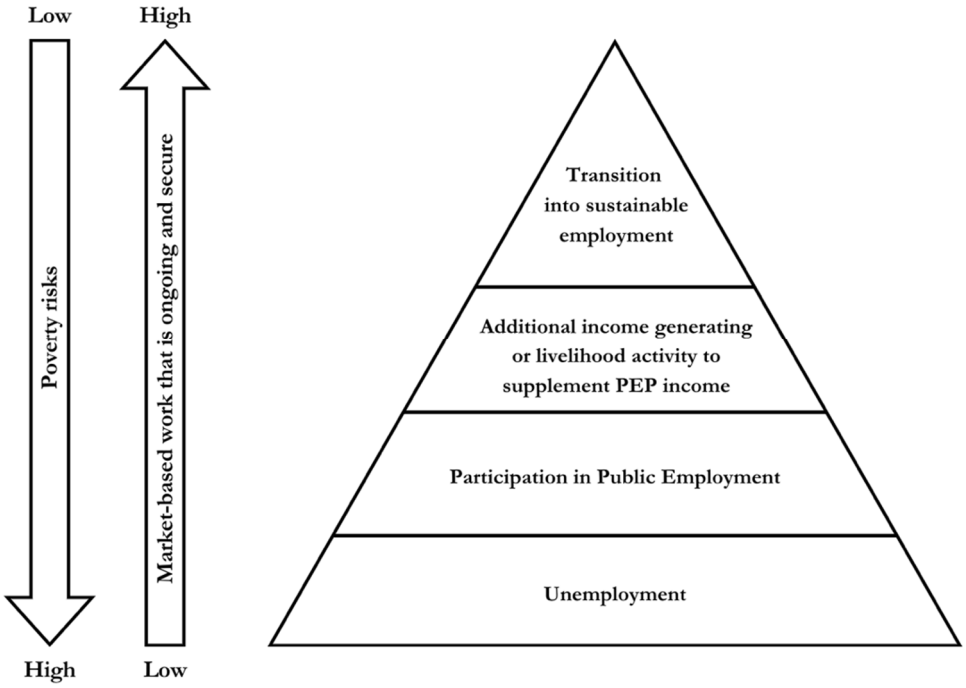

Figure 2: Stages of economic inclusion for Public Employment participants (adapted from Philip, 2013)

A conceptual framework to think about diverse livelihood trajectories through Public Employment programmes

The conceptual framework shown in Figure 3 below is about the role of Public Employment in promoting livelihoods, focusing on how participation in these programmes may contribute to additional income

[8] Harambee's (2024) Breaking Barriers report shows how young South Africans face "non-linear" experiences in the labour market: ebbing and flowing between short-term formal jobs, side-hustles, gig work, and unpaid work within their communities.
[9] Using longitudinal data, Schotte et al. (2022) demonstrate that overlapping inequalities and deprivations mean that households experiencing chronic and transient poverty have few opportunities for economic mobility but face many threats that risk pushing them further into deprivation.

generating and livelihood activities that supplement the wage income that participants earn. Drawing from Hajdu et al. (2020) these activities can include: (1) enhancing participants' ability to invest in or utilise productivity-boosting assets (e.g. forming savings groups); (2) engaging in activities that increase productivity (e.g. agricultural activities); and (3) facilitating engagement with economic opportunities, including informal enterprises and self-employment opportunities. Focusing on livelihoods is not about saying that a combination of activities to survive is preferable to a "proper job". It is about saying that stable, well-paid jobs are not always accessible, especially in South Africa, and that diverse strategies for survival and resource accumulation need to be supported so they are more sustainable and resilient.

It is important here to expand on what is meant by livelihoods in practice. There is a robust empirical literature that illustrates how households experiencing poverty navigate a "complex (…) portfolio of activities" rather than relying on a single activity such as wage income (Scoones, 2013, p. 172.) Whereas an employment-based approach primarily focuses on formal employment in the labour market, a livelihood approach is about the diverse strategies people use to sustain themselves in contexts where formal employment is limited (Cooper, 2024). The focus on a "proper job" as the ultimate goal of development, Ferguson & Li (2018) point out, means that anything outside of formal employment is usually defined only by what it lacks (e.g. informal, unemployment, instability, insecurity). This is particularly unhelpful because millions of people are unable to access stable, waged jobs and increasingly have "non-standard" ways of making a living (ibid.) This perspective also aligns with recent research on labour market experiences in South Africa, where young people navigate a complex, non-linear landscape of short-term formal jobs, side hustles, gig work, and community engagement (Harambee, 2022).

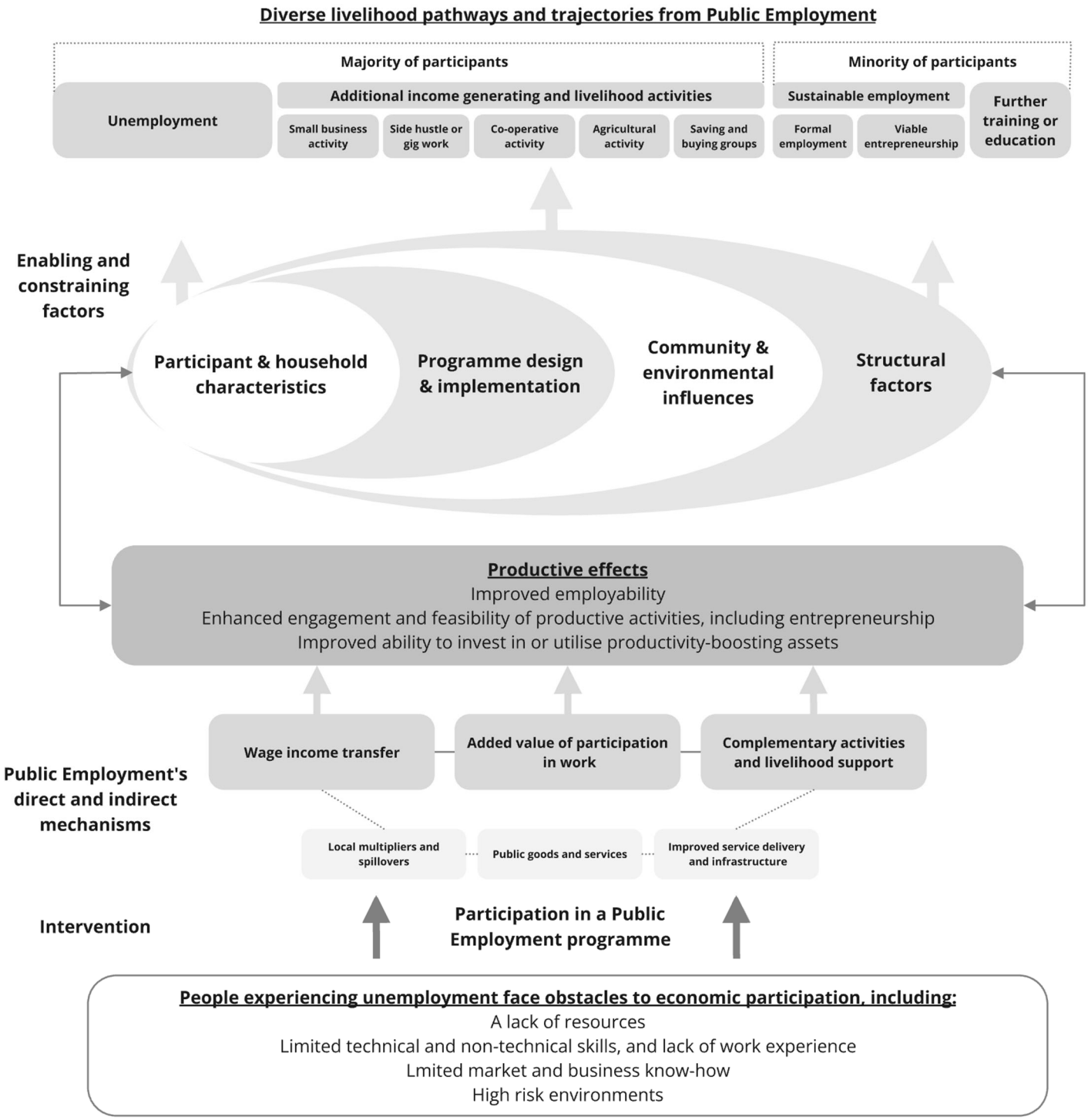

Figure 3: A conceptual framework for transitions from Public Employment

The framework starts with an assumption: the ability of unemployed people to access economic opportunities is partially hampered by barriers including: (1) a lack of resources (income and productive assets); (2) limited work experience, technical and non-technical skills; (3) high risk environments; and

(4) limited market and business know-how (Sabates-Wheeler & Devereux, 2013). The direct promotive and developmental role of Public Employment is then to equip participants with the capabilities to overcome some of these barriers, derived from participation in work and wage income, and ideally combined with opportunities for skills development and training, asset accumulation, and networking. Beyond the direct mechanisms, the framework also recognises that indirect mechanisms – including economic spillovers, improved service delivery, and delivering public goods and services – can augment promotive and developmental potential.

The productive and developmental mechanisms can play a range of functions which generate productive effects for participants. These effects include: (1) improved employability; (2) enhanced engagement and feasibility of livelihood and income generating activities; and (3) an improved ability to invest in or utilise productivity-boosting assets. However, the translation of these effects into tangible improvements in economic participation and livelihoods is not uniform. Instead, it is mediated by an interplay of contextual, programmatic, and structural factors. In other words, the framework illustrates that Public Employment can generate productive effects for participants, while also highlighting the complex interplay of factors that determine how these effects translate into improved economic participation and livelihood outcomes. This echoes Amartya Sen's seminal 'Capabilities Approach' which recognises that different people have differing abilities to convert the same resources into capabilities to pursue the kind of lives they have reason to value[10]

Depending on the interaction between these factors and the productive effects, there are a range of outcomes and pathways. While a minority of participants may achieve the ideal outcome of sustainable employment or progress to further training and education, others may unfortunately return to unemployment with minimal improvement in their wellbeing. Between these two groups, however, the framework delineates a continuum of outcomes, encompassing a variety of income generating and livelihood activities. This spectrum includes, but is not limited to, micro-entrepreneurship initiatives, engagement in the gig economy or side hustles, participation in cooperative or agricultural activities, and involvement in savings and buying groups[11]. The activities are not mutually exclusive: participants may engage in multiple activities simultaneously (including remaining in a Public Employment programme), creating diverse livelihood portfolios (Scoones, 2013). These intermediary outcomes represent an improvement to people's living standards and recognising them allows for the possibility to consider how to maximise their potential. Moreover, a portfolio of activities, when combined with

[10] Chapter 12 of Sen's (2008) book, "The Idea of Justice" challenges Rawls's focus on "primary goods" which does not account for the relative (dis)advantages between different individuals to convert resources into capabilities.

[11] Many income generating and livelihood activities are, as Hadju et al. (2020) suggest, "contextually dependent, varied, and unfold over time- making them difficult to capture analytically" (p. 2.) So, this list is almost surely incomplete. The challenge for researchers and practitioners is to make visible and recognise these activities to better support participants in their journeys towards sustainable livelihoods.

Public Employment income, may collectively meet the threshold for a sustainable livelihood – that is a livelihood that can cope with stresses and shocks, and maintain or enhance its capabilities (Chambers & Conway, 1992) – and a trajectory out of poverty. The remainder of this paper elaborates on the components of this framework and provides practical recommendations for policy makers and practitioners.

How Public Employment promotes income generating and livelihood activities

This section presents the direct promotive and developmental mechanisms through which income generating and livelihood activities could materialise. Table 1 below collates the mechanisms, distinguishing between: (1) a wage income transfer; (2) the added value of participation in work; and (3) complementary activities and livelihood support. While the first two mechanisms are common across Public Employment programmes, the third mechanism varies across programmes.

There are also indirect mechanisms which are not included. For instance, wage payments to participants increase incomes and spending, thereby stimulating local economies[12]. The higher demand for goods and services could correspond to higher aggregate employment and more economic opportunities (Franklin et al., 2024). Another is that the assets and services delivered through Public Employment programmes can support local economic development and, in turn, promote livelihoods[13]. When Public Employment enhances public goods and services—such as upgrading informal settlements, ensuring food security, recycling, irrigation, sanitation, managing catchments, maintaining roads, schools, and hospitals, and providing early childhood services—it bolsters service delivery and human capital formation, leading to better health, education, nutrition, and social cohesion. Improved infrastructure and service delivery also creates a more conducive environment for businesses, both of which have promotive and developmental benefits.

Wage income transfers

Wage income transfers can enhance the ability of participants, who may otherwise be constrained, from engaging in income generating and livelihood activities. Several studies in the South African context show that cash transfers to households – even in modest value – can have productive impacts on livelihoods[14]. The first function of wage income is de-risking risking investments into productive

[12] In a recent example of multiplier effects, Bassier & Budlender (2024) study the stimulus effects of the Basic Education Employment Initiative in South Africa calculating that at least R13 million per month from programme payments translates into increased wages and local incomes, suggesting a boost to local economies.

[13] Philips (2013, p. 32 – 34) outlines the role of Public Employment in supporting local economic development and inclusive growth in communities. Lal et al. (2010, p. 9) go one step further and expand on the regional and national economic benefits too.

[14] Hadju et al. (2020) demonstrate that the Child Support Grant has some long-term productive effects on rural households in South Africa, notably in asset accumulation and agricultural activities. A series of other qualitative and quantitative studies

activities. Households experiencing poverty are exposed to various risks which affects the types of activities people can engage in and the earnings they can achieve (Schotte et al., 2022; Dercon, 2006). The fear – and very severe consequences- of potential losses prevents people from investing in high-return activities like entrepreneurship for example. The reduced risk and vulnerability that predictable income transfers guarantees means that participants have less risk and are able pursue more ambitious and potentially profitable livelihood activities.

validates the claim that grant income is used to make productive investments in livelihood activities (see for example Patel et al., 2023; Granlund & Hochfeld, 2020; Neves et al., 2009).

Table 1: Mechanisms and functions through which Public Employment promotes livelihoods

Public Employment Mechanism	Function	Link the to income-generating or livelihood activities	
Wage income transfer	Capital accumulation and savings	Wage income can reduce liquidity constraints and enable participants to save and invest in productive assets (e.g., tools, seeds, livestock) and engage in economic activities (e.g., starting a small business).	Common across Public Employment programmes
	De-risking productive activities	With regular income, participants are able to take risks associated with investing in productive activities.	
Added value of participation in work	Technical skills derived through work experience	Acquiring new technical skills opens doors to previously inaccessible activities or enhances productivity in current livelihood and income-generating activities	
	Work place skills derived through work experience	Working with other people, confronting new situations and workplace norms builds soft skills which can increase the likelihood of success in other productive activities	
	Access to networks and information	Participation in work builds social capital which can provide support systems, access to markets, and information relevant to livelihood and income-generating opportunities	
	Psychosocial benefits	Participation in work enhances mental well-being, self-esteem, motivation, sociability, and ones locus of control, leading to a greater willingness to pursue livelihood and income-generating activities	
Complementary activities and livelihood support	Skills training	PEPs can provide formal training to enhance workers' skills to promote livelihood and income generating activities	Varies across Public Employment programmes
	Enhanced market access	PEPs can facilitate engagement with markets by aggregate produce or goods, streamline regulatory standards, or secure take-off agreements for participants that would not necessarily be feasible at the individual level	
	Entreprennuership support	PEPs can provide enterprise training or deliberate pathways into economic opportunities, including informal enterprises	
	Access to productive assets or inputs	PEPs can provide access to capital or inputs that reduce barriers to entry into livelihood or income-generating activities	
	Financial inclusion services	PEPs can facilitate saving groups, improve financial management skills, and increase access to credit so that participants can engage more effectively in income-generating or livelihood activities	

A second related function is that income transfers may reduce liquidity constraints that enable investment into productive activities. Capital investment is a significant barrier to livelihood and income generating activities, including in the informal economy (Fields, 1990). The activities that arise from market opportunities and have potential for higher earnings have larger capital requirements (Grimm et al., 2011). If worthwhile entrepreneurial or livelihood activities require some level of capital, then individuals who cannot access capital may be prevented from entry and get stuck in low-productivity

activities[15]. For participants who are trapped in low-productivity activities due to these barriers, wage income transfers could provide the necessary capital to cover fixed costs and invest in high-return activities. An increase in monthly income can also be used to leverage additional credit at lower interest rates to invest in productive activities. But when wage transfers are too low or unpredictable, and when the duration of a programme is too short, these positive effects are tempered (Gehrke & Hartwig, 2018).

The added value of participation in work

The wage income earned through access to decent work matters for productive activities, but it is the participation in work that differentiates Public Employment from a cash transfer. The added value of participation in meaningful work means that participants can experience a range of benefits, which enhances the ability to access additional income generating and livelihood opportunities[16].

The first and second functions involve the acquisition of skills gained through the experience of work. In economic terms, the transfer of skills through working improves the quality of labour supply, broadening participants' employment opportunities and income streams (Lal et al., 2010). On the one hand, this encompasses technical skills and on-the-job training, enabling participants to engage in new economic activities or enhance productivity in their current livelihoods[17]. While on the other, the experience of work itself means that participants need to confront new situations, work with other people, and follow work-place norms which can improve non-technical skills or "soft skills." These skills are needed for employability, but also for livelihood and income generating activities where punctuality, maintaining relationships, and problem solving are important too[18]. However, the effectiveness of skills acquisition depends on the quality, adequacy, and transferability of these skills to other productive activities (McCord, 2005).

The third function of participation in work is exposure to networks and access to information. The role of social capital – arising from membership in a network of relationships - for accessing economic opportunities is well documented in economic and sociological literature[19]. In some cases, Public Employment could build "bridging" social capital where participants can connect to wider

[15] See for example Banerjee et al. (2019)

[16] See for example the Report of the United Nations Special Rapporteur on extreme poverty and human rights, Olivier De Schutter (2023), on "The employment guarantee as a tool in the fight against poverty" and Guidance note 13 of the International Labour Organisation's (2017) book titled "Towards the right to work: A guidebook for designing innovative public employment programmes."

[17] For example, participants who took worked in soil and water conservation projects in Ethiopia's Productive Safety Net Programme (PSNP) reported applying these skills to their own land and farming activities (Campbell cited in ILO, 2017). While 80% of school assistants working in the Basic Education Employment Initiative in South Africa report learning new work-related skills (Presidency, 2024, p. 7.)

[18] Habiyaremye et al. (2022) study the National Rural Youth Service Corps in South Africa and conclude that improvements in "soft skills" are strongly associated with higher chances of employment and successful entrepreneurship. Additionally, these skills are found to be more significant than technical skills in determining labour market outcomes.

[19] For a sociological view of social capital see Bourdieu (1986), for an economic perspective Chetty et al. (2022) and Glaeser et al. (2002).

networks, opportunities, or influential members of their community[20]. Although this is particularly difficult in South Africa's context of racial spatial planning that structurally limits socioeconomic integration (Keswell & Burns, 2022). Public Employment can more easily build "bonding" social capital which strengthens relationships and networks among participants which fosters solidarity, mutual aid, access to information, and social support[21].

The fourth function involves the psychosocial benefits of participation in work[22]. A powerful narrative in development is that stable employment provides both "a stable livelihood and of a kind of social membership or incorporation for all" (Li & Ferguson, 2018, p. 1.) Without access to work, unemployed people are likely to experience psychological distress, social isolation, and an inability to achieve culturally recognised milestones[23] which all have long term implications for labour market outcomes (De Lannoy et al., 2015). Participation in meaningful work offers a counterfactual: social inclusion, increased dignity and self-esteem, and community recognition which are important for livelihood outcomes and transitions out of social protection (ILO, 2017, p. 18.)

Complementary activities and livelihood support

Public Employment programmes often bolster their promotive and developmental potential by integrating work experiences with complementary activities and livelihood support. Skills training modules are the first, and most common, complementary activity to Public Employment programmes[24]. The rationale is straightforward: work experience alone does not suffice to improve labour market outcomes (McCord, 2005). Training modalities typically fall into three categories: (1) vocational or technical training directly related to the work at hand; (2) life skills training; or (3) training in unrelated skills that enhance existing income-generating or livelihood activities. However, the effectiveness of these training programs is often undermined by the scale and spatial reach of Public Employment

[20] "The Role of Social Capital in Combatting Poverty" by Warren et al. (2001) provides an overview and discussion of the differences between "bridging" and "bonding" social capital.

[21] A regular finding in qualitative studies on the EPWP and Community Work Programme (CWP) is that participation in work builds support networks and kinship among participants (see for example Dladla, 2023; Hough & Prozesky, 2013; Stuart, 2022). These networks can form the basis of stokvels (savings groups) and provide access to information about further economic opportunities.

[22] Hussam et al. (2022) for instance, study the psychosocial value of employment among Rohingya refugees in Bangladesh compared to cash transfers and find that access to work improves mental health, reduces depression, and enhances cognitive function and physical health. These benefits are not replicated by cash transfers alone.

[23] Honwana's (2012) book, "The Time of Youth" provides an excellent overview of the social and cultural implications of youth unemployment. For a different approach, du Toit et al. (2022) explore the personal and social experiences of unemployment in two South African townships, highlighting the psychological distress, stigmatisation, and marginalisation that unemployed people face.

[24] The core objective of EPWP, for example, aims to "provide poverty and income relief though temporary work for the unemployed to carry out socially useful activities while at the same time **equipping participants with a modicum of training and work experience, which should enhance their ability to earn a living in the future"** (Growth and Development Summit, 2003). In Phase II, formal training was made a compulsory component for EPWP implementing partners and agencies, although this was later dropped due to a series of difficulties outlined by McCord (2017).

initiatives, exacerbated by limited budgets that compromise the quality of skills acquisition[25]. In other words, it is hard to run effective and high-quality skills training across many worksites, geographies, and contexts with very limited budgets.

Public Employment programmes can also play a range of roles to create interfaces and pathways into small enterprise or co-operative activities. The first function is through entrepreneurship support, which can include business training, business plan development, business registration assistance, or mentoring. Entrepreneurship links can also extend by expanding the range of "what is possible" by exposing participants to new livelihood opportunities- for example, using alternative business models (e.g. co-operatives, mutual benefit societies, social franchises, etc.) and avenues for income generation (e.g. early childhood development centres, regenerative agriculture, urban food gardens, etc.) embedded into the work experience[26].

The second way is by enhancing market access which makes livelihood and income generating activities more feasible. This includes aggregating produce so that small scale farmers can access markets, providing a market for consumer goods, streamlining regulatory standards or securing off-take agreements[27]. A third function is for Public Employment programmes to facilitate access to productive assets or inputs and inputs, such as farming, welding, or construction equipment available outside of work hours, and even land or production inputs for expanded livelihood activities. Although there are risks, as Philip (2013) recognises, of expecting these programmes to function as enterprise development agencies.

Finally, Public Employment programmes can promote livelihoods through financial inclusion by facilitating the formation of saving groups, financial literacy training, and linkages to financial services which improve access to credit.

Factors that enable or constrain livelihood trajectories from Public Employment

The promotive and developmental mechanisms of Public Employment and their accompanying functions must be understood in relation to the circumstances that impose real constraints on different groups of people and influence the opportunities available to them. These variations for Sen (2008) are not just due to personal characteristics, they "reflect pervasive variations – large, small and medium –

[25] McCord (2005) critiques EPWP's training components as inadequate to improve labour market outcomes due to its misalignment with labour market demands and the limited- short term nature of job opportunities. Institutional constraints further diminish its impact. Shai (2021) also acknowledges that training faces severe challenges due to "limited training funds, public bodies failing to allocate the minimum 5% for training in project budgets, limited number of accredited providers and delays in the procurement of accredited service providers" (p. 28.)

[26] See for example Shai (2021) who shows how a social franchising model can be used to incubate early childhood development enterprises through Public Employment programmes.

[27] In the Presidential Employment Stimulus, for example, the Municipal Infrastructure Support Agency established a waste management programme where waste was separated at source. The scale of the waste collection provided the volumes required for 141 recycling enterprises to be viable (Presidency, 2023).

in the human condition *and* in relevant social circumstances" (p. 261.) The relationship between access to resources and escaping from poverty is therefore "both variable and deeply contingent on the characteristics of the respective people and the environment in which they live – both natural and social" (p. 254.) Put differently, social inequalities and differences matter greatly for people trying to convert resources and opportunities into improved livelihoods.

This section recognises numerous factors – simultaneously working at different levels– that enable or constrain the promotive and developmental mechanisms of Public Employment. This is in tune with Sabates-Wheeler et al. (2018) who validate that "context is an obvious determinant and influencer of livelihood trajectories" but is not sufficiently considered when analysing transitions from social protection. Visualised in Figure 4, this section focuses on four factors that could enable or constrain livelihood trajectories: (1) participant and household heterogeneities; (2) programme design and implementation; (3) community and environmental influences; (4) South Africa's unique set of structural constraints. This is not an exhaustive list, but the overall implication is that Public Employment's promotive and developmental mechanisms will not lead to the same livelihood trajectories – or labour market outcomes – for all participants.

Participant and household heterogeneities

Participants in Public Employment programmes are not homogenous. These programmes reach people with different work histories and skill sets, and cut across age brackets, educational qualifications, and gender. They reach people with different levels of social capital and access to information – and people with disabilities too. These differences do not exist in isolation but intersect with broader social norms, hierarchies, and forms of discrimination, creating varying livelihood trajectories and influencing the extent to which different groups of people can capitalise on additional economic opportunities through public employment.

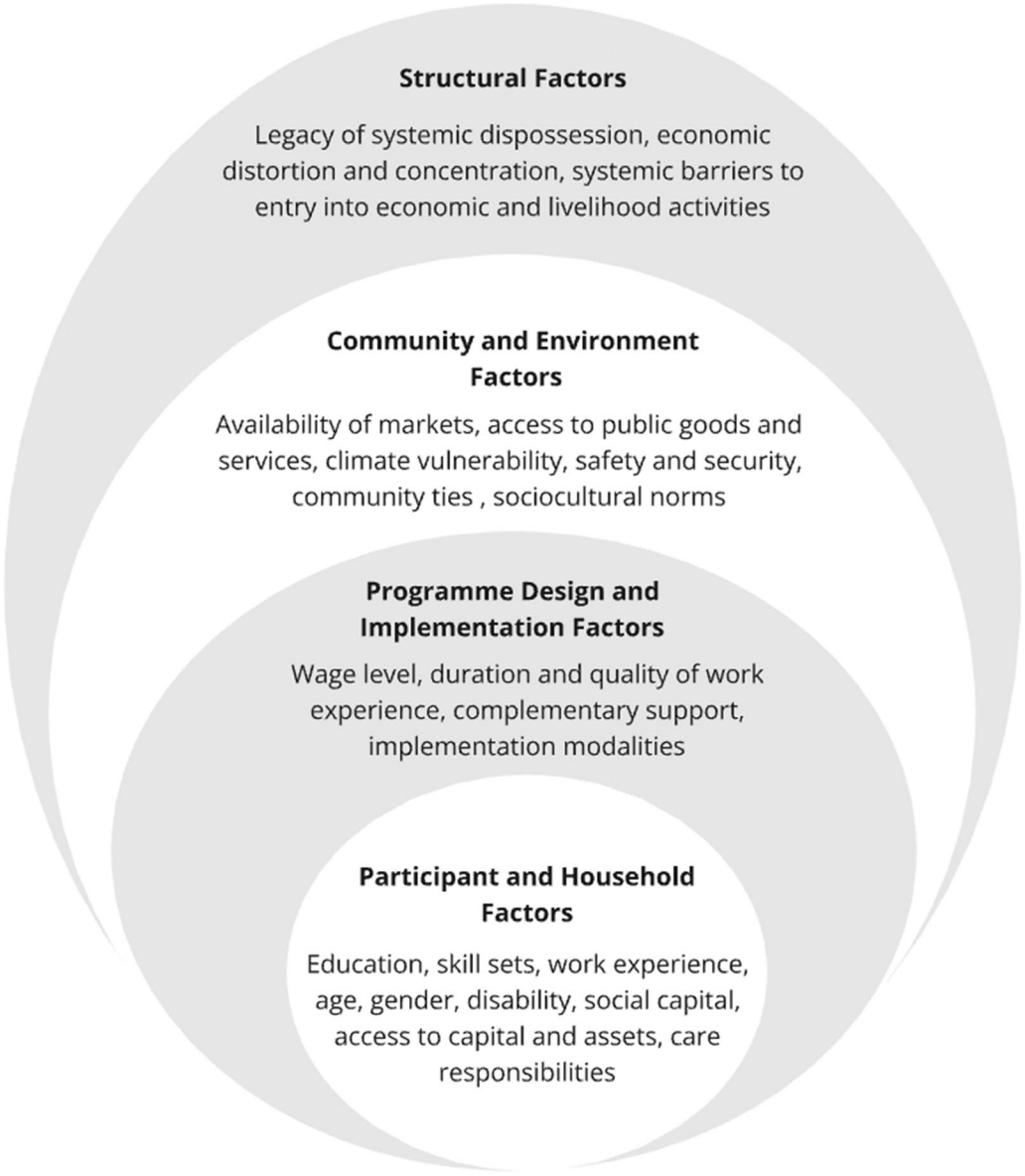

Figure 4: A typology of enabling and constraining factors

Household composition and access to resources or assets can influence livelihood pathways too. Households with some productive assets like land or livestock are better positioned to build on programme support, while those starting from a very low asset base may struggle more (Sabates-Wheeler & Devereux, 2013). The composition influences the extent to which participants can convert additional resources from Public Employment into productive opportunities (Sabates-Wheeler et al., 2019). For instance, households with higher dependency ratios have less capacity to spend wage income on livelihood activities (ibid.). While heavy care responsibilities, disproportionately shouldered by women, can limit participation in productive activities[28].

[28] Analysing time-use surveys, Budlender (2010) shows that South African women spend 246 minutes on unpaid care work each day, while men spend just 89 minutes per day.

Programme design and implementation factors

Public Employment programmes vary considerably with a diversity of programme design choices (McCord, 2008). While programme design is partly a function of technocratic policymaking, the choices are often influenced by ideological and fiscal considerations[29]. Depending on these factors, programmes can take on different forms that vary in terms of wage levels, scale, duration, implementation modalities, quality of work experiences, and complementary support (McCord, 2008) – all of which have implications for their promotive and developmental potential.

The size of wage transfers is an evident example. If the transfer size is large enough it can overcome liquidity constraints and increase disposable income to invest in productive assets (Sabates-Wheeler & Devereux, 2015). With the same fiscal envelope, however, there is a trade-off between the size of the wage and the number of people that can be included leading to "transfer dilution" (p. 928.) For instance, the EPWP justifies their minimum wage – which is 45 percent lower than the national minimum wage – through the rationale that more people can be reached (Philip, 2025). Although dilution increases incomes and provides work for more people, it can undermine the ability of participants to pursue income generating and livelihood opportunities.

The duration of Public Employment work experiences can also influence livelihood trajectories. If a work experience is too short, it may undermine the benefits of participation in work and be inadequate for meaningful skills transfers or capital accumulation. The evidence that short term Public Employment can improve labour market engagement is thin, with benefits being largely limited to income transfers (McCord & Slater, 2015)[30]. While evidence from Ethiopia suggests that a longer duration of employment improves asset accumulation (Berhane et al., 2014). Some Public Employment programmes seek to overcome this barrier by offering part-time work for a longer duration of time, where participants are expected to use non-work time to pursue skills development, income generation, and livelihood opportunities[31].

[29] Devereux & Sabates-Wheeler (2007) summarise the debates and ideological considerations implicated in the design and rationale underpinning different approaches to social protection programmes.

[30] One exception is the Travaux à Haute Intensité de Main d'Oeuvre (THIMO) in Cote d'Ivoire which offered seven months of temporary employment in road maintenance paying at the national minimum wage. Participation in the programme, according to Bertrand et al. (2017), led to a shift away from self-employment during participation, as youth took up the better paid and more secure public works jobs. However, one year after completion of the program, the public works participation had increased monthly earnings from self-employment activities by 32%, with no increase in the likelihood of being self-employed. The authors suggest that mechanisms for these higher entrepreneurial earnings seem to be increased savings and investments in microenterprises facilitated by earnings during the program, as well as potential skills and signalling effects from work experience and training.

[31] In the Presidential Employment Stimulus, the Social Employment Fund and National Youth Service both offer a maximum of 100 days of work per year paid at the national minimum wage. The rationale for part-time employment is that it serves as a "support scaffolding" where participants have a minimum level of income security combined with the networks, structure, and social inclusion associated with participation in work (Presidency, 2023). The expectation is that participants use non-work time to pursue skills development, income generation and livelihood opportunities, although the extent to which this happens in practice is uncertain.

Constraints and enablers also emerge from a range of other design choices related to targeting and the presence and appropriateness complementary support and livelihood activities. For example, some interventions like the Community Work Programme (CWP) aim to provide a safety net and economic inclusion in areas where unemployment and deprivation are severe (Philip, 2013). It is designed as an ongoing programme that offers 100 days of work per year and has limited complementary support and livelihood activities. In contrast, the much smaller Water Graduate Employability Programme, that was part of the Presidential Employment Stimulus, targeted unemployed graduates to participate in a four-month work experience to improve labour market outcomes (Presidency, 2023). Alongside employment, participants received intensive mentorship, skills training, stipends for fieldtrips, and access to equipment.

Finally, to maximise the promotive and developmental potential of Public Employment, delivery and implementation matters. It matters that payments are reliable and on time. It matters that work experiences are meaningful. It matters that participants are treated with respect and dignity. It matters that the work complies with labour regulations and standards.

Community and environmental influences

Where people live can influence prospects for economic improvement, regardless of individual efforts or characteristics. Jalan & Ravallion (2002) call these influences "geographic poverty traps," whereby a community's endowments influence livelihood trajectories of otherwise identical households[32]. In other words, a household living in a community with better public and privately provided goods and services is more likely to escape poverty than an identical household living in a poorly endowed community. This means that Public Employment participants located in different communities may have varying abilities to leverage the promotive and developmental benefits into improved livelihoods.

For instance, the economic environment of a community - including availability of markets, infrastructure, service delivery, and economic diversity - can all influence livelihood trajectories. However, this may not always work in predictable ways. In one respect, proximity to urban centres with more robust markets and higher per capita incomes could make small enterprise activities more

[32] Their study, located in rural China during the 1980s, found that residing in a poor area reduces the productivity of a farmer's investments, potentially trapping areas with insufficient "geographical capital" (such as inadequate roads or access to healthcare) in poverty. The authors find that the household registration system or *hukou*, which ties social services to specific locations, as well as thin rural land markets and uncertain property rights hinder consumption growth among otherwise identical households.

feasible[33]. Less intuitively though living in a rural area that has limited market linkages may increase the likelihood of small enterprise success because of lower competition with multinational retailers[34].

In the context of a rapidly changing climate, environmental context matters too. Public Employment reaches a disproportionate number of people living in poverty compared to the formal labour market. People living in poverty face higher exposure to environmental hazards, being forced to settle in riskier areas prone to floods, droughts, and other disasters (Hallegate et al., 2020). When environmental – or non-environmental – shocks and disasters occur, recovery is particularly difficult, leading to setbacks in health, education, and economic prospects (ibid.) There is a vicious cycle in relation to livelihoods: disasters can push people into poverty or keep them trapped there, while the threat of disasters can discourage investments that could improve economic outcomes.

Finally, variations in social factors at a community level matter including: the levels of safety and security, the nature of community ties and support systems, as well as social norms and gender roles (Sen, 2008, p. 254 – 57.)

South Africa's unique set of structural constraints on livelihood activities

The legacy of Apartheid and colonisation in South Africa created enduring inequalities and structural constraints which contribute to high open unemployment (Klasen & Woolard, 2009). The nature and sheer extent of these challenges is captured in the Reconstruction and Development white paper:

> Our history has been a bitter one dominated by colonialism, racism, apartheid, sexism and repressive labour practices. (…) The economy was built on systematically enforced racial division in every sphere. Rural areas were divided into underdeveloped bantustans and well-developed, white-owned commercial farming areas; towns and cities were divided into townships without basic infrastructure for blacks and well-resourced suburbs for whites. Segregation in education, health, welfare, transport and employment left deep scars of inequality and economic inefficiency. (…)
>
> In commerce and industry, very large conglomerates dominated by whites control large parts of the economy. Cheap labour policies and employment segregation have concentrated skills in white hands. Workers are poorly equipped for the rapid changes taking place in the world economy. Small and medium-sized enterprises are

[33] For instance, a study of informal enterprises in South Africa by Woodward et al. (2011) finds that businesses in urban areas have significantly higher income and sales compared to rural areas, although proximity to shopping centres may negatively affect informal retailers.

[34] For example, in a Concern Worldwide graduation programme implemented in Rwanda, Sabates-Wheeler et al. (2018) unexpectedly find that households from Kibeho, a remote rural sector, were significantly more likely to improve their livelihoods compared to those from Rusatira, a less remote area near a main road. However, the authors emphasise that the sector variable likely captures various unidentified factors beyond just remoteness which may have biased results.

> underdeveloped, while highly protected industries lower investment in research, development and training. The informal sector and 'survival sector' include many of South Africa's women workers, who are underpaid and exploited.
>
> The result is that in every sphere of our society — economic, social, legal, political, moral, cultural, environmental — South Africans are confronted by serious problems.
>
> Reconstruction and Development Programme (1994, p. 7)

Take agriculture which accounts for half of total employment across Sub-Saharan Africa but employs just 5.4 percent South Africa's workforce (Our World in Data, 2024; Stats SA 2025). This is a discrepancy that can be traced directly to the systemic dispossession of assets from the black majority by colonial and Apartheid authorities. Land and livestock, the basis for agricultural livelihoods, were forcibly stripped through racist legislation like the 1913 Natives Land Act. The Act's effects were a poison that slowly diminished black land ownership and agricultural livelihoods (Beinart & Delius, 2014.) It restricted African land purchase, undermined sharecropping arrangements, and over time, transformed many independent black farmers into wage labourers on white-owned farms (ibid.) This has not only limited agricultural self-employment opportunities but also entrenched rural poverty and contributes to exceptionally high levels of open unemployment. "Generations later, labour supply now far exceeds labour demand," Philip points out, "yet there is no easy return to land- based livelihoods for people who can no longer be absorbed into the labour market" (2025, p. 8.)

The legacy of systemic dispossession went hand in hand with economic distortion, which means that barriers to informal activities and small enterprise development are equally significant. The country's economy is characterised by an unusually high degree of concentration and monopolisation, a direct consequence of apartheid-era sanctions and exchange controls which trapped capital within the country and forced conglomerates to diversify domestically[35]. This resulted in a market structure where large corporations dominate not just heavy industry, as Philip (2025) show, but also the production of basic consumer goods typically produced by small-scale manufacturers in other developing contexts.

The consequence is that aspiring entrepreneurs in poor communities face an uphill battle: they must contend with established multinationals who control production, distribution, and brand recognition even in the most remote areas (ibid.) This leaves little room for small-scale manufacturing

[35] See Havemann (2014) who argues that apartheid-era exchange control systems contributed to long-lasting structural distortions in the economy. It deterred foreign investment, increased industrial concentration, and hindered development of export-oriented manufacturing. These effects, alongside other apartheid policies like land dispossession, created unique economic challenges that persist in post-apartheid South Africa, including a less competitive industrial structure and a smaller informal sector compared to other developing countries.

or agro-processing of everyday items, forcing many into retail or service-oriented businesses instead[36]. The informal sector, typically a refuge for those excluded from formal employment, is notably constrained in South Africa, comprising only 19.6% of non-agricultural employment (Stats SA, 2024). In policy terms – although some informal activities offer poverty relief – pursuing large-scale informality neither matches South Africa's economic context nor serves as an ideal solution to poverty or inequality given how informality perpetuates poverty traps in other economies on the continent (Philip, 2025),

More to the point: structural impediments to entrepreneurship, coupled with the devastation of land-based livelihoods due to historical dispossession, significantly narrows the pathways available for self-employment and informal economic activities. The implication is that in a context where "policies have systematically distorted almost every economic market and social institution" (Carter & May, 1999, p.28), leveraging Public Employment opportunities or cash transfers into livelihood or income-generating activities, and eventually sustainable employment is extremely difficult[37]. This does not negate the promotive and developmental mechanisms of Public Employment but calls for realistic optimism for what can be achieved through social protection alone.

The implications for policymakers and practitioners looking to support transitions into more productive livelihoods

This paper sought to challenge the oversimplified notion that Public Employment programmes can single-handedly overcome structural inequalities and serve as a direct bridge between unemployment and sustainable employment. As an alternative, it presents a framework for promoting livelihoods through Public Employment which underscores the reality that for many, pathways out of unemployment – and, oftentimes, by extension poverty- are rarely characterised by a single leap from deprivation to prosperity. In other words, it recognises the complex and often non-linear nature of livelihood development – especially for people at the margins. For many participants, the journey towards economic stability and improved livelihoods is typically an incremental process: marked by small but significant steps forward. This understanding presents several avenues for policymakers and practitioners aiming to deepen the productive potential of Public Employment.

Understanding that transitions for many people are non-linear means that policymakers should facilitate movement through or combinations of various forms of support aimed at bringing people closer to sustainable employment. Put differently, the 'springboard' role of Public Employment is also

[36] This is reflected in the Survey of the Employed and Self-Employed which is a cross-sectional dataset designed to study informal enterprises in South Africa. Data from its latest round in 2017 suggests that retail or service-orientated businesses make up at least 75% of all enterprises, while less than 10% of businesses focus on manufacturing (Stats SA, 2019).

[37] See for example Hadju et al. (2020) for a realistic analysis of the productive potential of the Child Support Grant in South Africa.

about moving participants *towards*, rather than only directly *into* sustainable employment. The concept here is termed 'developmental graduation' and the principle is that when people leave a social protection programme they should transition into different forms of support, rather than exiting all forms of support (Samson, 2015). It also involves connecting existing participants to additional, relevant interventions so that they can transition sustainably from a Public Employment programme.

There is no one-size-fits-all model that will allow participants to transition towards sustainable employment. Instead, an effective strategy would involve delivering appropriate interventions to different groups of people in different contexts. Not everyone wants to be – or can be – an entrepreneur. Livelihood opportunities that hold potential in urban centres may not find fertile ground in rural areas with thin markets. Similarly, a young person living in a city may just want to get a job, while a caregiver with access to farmland in a rural area may not want to move to the city for a job. Ignoring contextual factors that enable or constrain the ability of people to capitalise on opportunities will result in interventions that bear little resemblance to lived realities: a kiss of death for any initiative aiming to improve livelihoods.

From a policy perspective, this approach is beginning to take hold. In particular, the Presidential Employment Stimulus has advocated for an approach termed 'Work SA' which emphasises the current lack of strategic coherence and integration of strategies focussed on economic inclusion for unemployed people and makes the case for layered approaches and stronger interfaces between different dimensions of support. This takes as its starting point that multiple interventions are needed at different levels of economic engagement and that there need to be differentiated strategies depending on people's proximity to labour market opportunities – along with stronger interfaces between different forms of support. For those furthest away, one starting point could involve better integration of cash transfers and Public Employment programmes to enhance livelihood prospects. For instance, while the Social Relief of Distress grant lifted millions of unemployed people above the food poverty line, it also increased their probability of labour market activity (Orkin et al., 2023.) The next level of economic engagement for people receiving the grant could be the option to transition into a Public Employment programme. The integration of these two policy tools – cash transfers and Public Employment – could create a more robust and dynamic pathway towards broader economic participation.

While Public Employment programmes can form part of pathways to more advanced forms of economic engagement, the sombre reality is that for the foreseeable future most unemployed people will remain excluded from sustainable employment opportunities, unless there is comprehensive structural transformation of the economy to support such a transition. This means, crucially, that many participants may remain in programmes for extended periods, where programmes can act as long-term incubators of economic progress. The Social Employment Fund, for example, offers a promising model,

with part-time work providing a stable income base while allowing time for skill development and other income-generating and livelihood activities (Presidency, 2023.)

For Public Employment programmes, this also means strengthened interfaces with the enterprise development sector – including through the Department of Small Business Development, the Small Enterprise Development Agency, and the private sector – to provide extension services, including access to finance, market linkages, and entrepreneurship training. It can also include more modest interventions that encourage participation in savings groups, improve food security, or health and wellness support. These are important outcomes that take time, and this approach requires a recalibration of expectations for quick transitions that can undermine livelihood improvements. Instead, the focus should shift to gradual, sustainable improvements in economic standing and overall well-being, recognising these as valid and valuable outcomes in their own right.

For those closer to labour market entry, however, Public Employment programmes can be strategically positioned within the broader framework of active labour market policy. Here, programmes can be designed to enhance employability through a three-pronged approach: skill retention, practical application, and critical work experience acquisition. In a labour market where employers hesitate to hire people without prior work experience, Public Employment programmes can offer valuable first work experiences – breaking a paradoxical cycle where experience is required to gain experience (Harambee, 2024.) Moreover, programmes can provide a practical arena for skill application, counteracting the rapid erosion of unused abilities and preserving society's investment in skills development (Philip, 2013.) They can be integrated with job matching and placement services – such as Employment Services of South Africa or National Pathway Management Network. Additionally, programmes can incorporate support for CV writing, securing reference letters, and accessing psychosocial support.

Finally, the financial constraints of Public Employment programmes necessitate a shared responsibility approach to improving livelihood outcomes. With budgets already stretched thin- for instance, 80 percent of the Social Employment Fund and 95 percent of the Basic Education Employment Initiative budgets allocated to wages- there is limited capacity for *any* additional livelihood support, let alone multifaceted support for a range of forms of economic engagement. Meaningful partnerships with state and non-state actors are essential to supplementing work experiences with tailored livelihood support. Local examples such as the Basic Package of Support and Year Beyond, as well as international models like BRAC's ultra-poor graduation programme, demonstrate the potential for collaboration to achieve better outcomes than government efforts alone. Already programmes in the Presidential Employment Stimulus have embedded a whole-of-society approach in their design and are required to build partnerships within and beyond the state. Leveraging the resources and expertise of multiple

government departments, civil society, and the private sector can significantly enhance efforts to promote sustainable livelihoods.

References

Banerjee, A., Breza, E., Duflo, E., & Kinnan, C. (2019). *Can microfinance unlock a poverty trap for some entrepreneurs?*(No. w26346). National Bureau of Economic Research.

Bassier, I., & Budlender, J. (2024). Stimulus effects of a large public employment programme. *Agence française de développement, working paper no. 305*.

Beinart, W., & Delius, P. (2014). The historical context and legacy of the Natives Land Act of 1913. *Journal of Southern African Studies*, *40*(4), 667-688.

Berhane, G., Gilligan, D. O., Hoddinott, J., Kumar, N., & Taffesse, A. S. (2014). Can social protection work in Africa? The impact of Ethiopia's productive safety net programme. *Economic Development and Cultural Change*, *63*(1), 1-26.

Bertrand, M., Crépon, B., Marguerie, A., & Premand, P. (2017). *Contemporaneous and Post-Program Impacts of a Public Works Program: Evidence from Côte d'Ivoire*. World Bank.

Bourdieu, P. (1986). The forms of capital. In *The sociology of economic life* (pp. 78-92). Routledge.

Budlender, D. (2010). What do time use studies tell us about unpaid care work? Evidence from seven countries. In *Time use studies and unpaid care work* (pp. 23-67). Routledge.

Carter, M. R., & May, J. (1999). Poverty, livelihood and class in rural South Africa. *World development*, *27*(1), 1-20.

Chambers, R., & Conway, G. (1992). Sustainable rural livelihoods: practical concepts for the 21st century.

Chetty, R., Jackson, M. O., Kuchler, T., Stroebel, J., Hendren, N., Fluegge, R. B., ... & Wernerfelt, N. (2022). Social capital II: determinants of economic connectedness. *Nature*, *608*(7921), 122-134.

De Lannoy, A., Leibbrandt, M., & Frame, E. (2015). A focus on youth: An opportunity to disrupt the intergenerational transmission of poverty. *South African child gauge*, *2015*, 22-33.

De Schutter, O. (2023). *The employment guarantee as a tool in the fight against poverty: Report of the Special Rapporteur on extreme poverty and human rights*. United Nations General Assembly, Human Rights Council. A/HRC/53/33.

Dercon, S. (2006). Risk, growth and poverty: What do we know, what do we need to know. *Department of Economics, Oxford University*, *148*, 1-27.

Devereux, S. (2011). Social protection in South Africa: exceptional or exceptionalism?. *Canadian Journal of Development Studies, 32*(4), 414-425.

Devereux, S., & Sabates-Wheeler, R. (2004). *Transformative social protection* (Vol. 232). Institute of Development Studies.

Devereux, S., & Sabates-Wheeler, R. (2007). Editorial introduction: Debating social protection. *IDS Bulletin*, *38*(3), 1-7.

Dladla, L.G. (2023). *Public Employment Programmes and their contribution to service delivery and rural livelihoods in South Africa (Doctoral Thesis)*. Durban: University of KwaZulu-Natal.

du Toit, M., De Witte, H., Rothmann, S., & Van den Broeck, A. (2018). Unemployment experiences in context: A phenomenological study in two townships in South Africa. *Journal of Psychology in Africa*, *28*(2), 122-127.

Ferguson, J., & Li, T. M. (2018). Beyond the "proper job:" Political-economic analysis after the century of labouring man.

Fields, G. S. (1990). Labour market modelling and the urban informal sector: Theory and evidence.

Franklin, S., Imbert, C., Abebe, G., & Mejia-Mantilla, C. (2024). Urban public works in spatial equilibrium: Experimental evidence from Ethiopia. *American Economic Review*, *114*(5), 1382-1414.

Gehrke, E., & Hartwig, R. (2018). Productive effects of public works programs: What do we know? What should we know?. *World development*, *107*, 111-124.

Glaeser, E. L., Laibson, D., & Sacerdote, B. (2002). An economic approach to social capital. *The economic journal*, *112*(483), F437-F458.

Granlund, S., & Hochfeld, T. (2020). 'That child support grant gives me powers'–exploring social and relational aspects of cash transfers in South Africa in times of livelihood change. *The Journal of Development Studies*, *56*(6), 1230-1244.

Grimm, M., Krüger, J., & Lay, J. (2011). Barriers to entry and returns to capital in informal activities: evidence from sub-Saharan Africa. *Review of Income and Wealth*, *57*, S27-S53.

Habiyaremye, A., Habanabakize, T., & Nwosu, C. (2022). Bridging the labour market skills gap to tackle youth unemployment in South Africa. *The Economic and Labour Relations Review*, *33*(4), 786-805.

Hajdu, F., Granlund, S., Neves, D., Hochfeld, T., Amuakwa-Mensah, F., & Sandström, E. (2020). Cash transfers for sustainable rural livelihoods? Examining the long-term productive effects of the Child Support Grant in South Africa. *World Development Perspectives*, *19*, 100227.

Hallegatte, S., Vogt-Schilb, A., Rozenberg, J., Bangalore, M., & Beaudet, C. (2020). From poverty to disaster and back: A review of the literature. *Economics of Disasters and Climate Change*, *4*, 223-247.

Harambee Youth Employment Accelerator. (2024). Breaking Barriers Quarterly Report, February 2024. Available: https://www.harambee.co.za/breaking-barriers-feb-2024/.

Harambee Youth Employment Accelerator. (2022). Breaking Barriers Quarterly Report, November 2022. Available: https://www.harambee.co.za/breaking-barriers-q4-2022/.

Havemann, R. (2014). The exchange control system under apartheid. *Economic History of Developing Regions*, *29*(2), 268-286.

Hough, J. A., & Prozesky, H. E. (2013). 'I don't want to go back to the farm': A case study of Working for Water beneficiaries. *South African Journal of Science*, *109*(9), 1-8.

Hussam, R., Kelley, E. M., Lane, G., & Zahra, F. (2022). The psychosocial value of employment: Evidence from a refugee camp. *American Economic Review*, *112*(11), 3694-3724.

International Labour Organisation. (2017). Towards the right to work: A guidebook for designing innovative public employment programmes. *Geneva: United Nations.*

Jalan, J., & Ravallion, M. (2002). Geographic poverty traps? A micro model of consumption growth in rural China. *Journal of applied econometrics*, *17*(4), 329-346.

Keswell, M., & Burns, J. (2022). *Activating Social Capital among young people in South Africa*. Southern Africa Labour and Development Research Unit. Available: https://www.saldru.uct.ac.za/2022/10/28/activating-social-capital-among-young-people-in-south-africa/.

Kingdon, G. G., & Knight, J. (2004). Unemployment in South Africa: The nature of the beast. *World development*, *32*(3), 391-408.

Klasen, S., & Woolard, I. (2009). Surviving unemployment without state support: Unemployment and household formation in South Africa. *Journal of African economies*, *18*(1), 1-51.

Lal, R., Miller, S., Lieuw-Kie-Song, M., & Kostzer, D. (2010). *Public works and employment programmes: Towards a long-term development approach* (No. 66). Working Paper.

Li, T. M. (2017). After development: Surplus population and the politics of entitlement. *Development and Change*, *48*(6), 1247-1261.

Leibbrandt, M., Woolard, I., & Bhorat, H. (2000). Understanding Contemporary Household Inequality in South Africa. *Studies in Economics and Econometrics*, *24*(3), 31–51.

Mahmood, O. *Early Lessons from Large-Scale Implementations of the Graduation Approach*. Ford Foundation. Available: https://www.fordfoundation.org/wp-content/uploads/2016/11/pdf9-ethiopia_final.pdf.

McCord, A. (2004). *Public works: Policy expectations and programme realities*. CSSR and SALDRU.

McCord, A. (2005). A critical evaluation of training within the South African National Public Works Programme. *Journal of Vocational Education and Training*, *57*(4), 563-586.

McCord, A. (2017). The role of public works in addressing poverty: Lessons from recent developments in public works programming. *What Works for Africa's Poorest: Programmes and policies for the extreme poor*, 141.

McCord, A., & Slater, R. (2015). Social protection and graduation through sustainable employment. *IDS Bulletin*, *46*(2), 134-144.

National Planning Commission. (2011). *National Development Plan: Vision for 2030*. Pretoria: National Planning Commission.

Neves, D., Samson, M., van Niekerk, I., Hlatshwayo, S., & Du Toit, A. (2009). The use and effectiveness of social grants in South Africa. *Finmark Trust*, *60*.

Neves, D., & Du Toit, A. (2013). Rural Livelihoods in S outh A frica: Complexity, Vulnerability and Differentiation. *Journal of Agrarian Change*, *13*(1), 93-115

Orkin, K., Goldman, M., Kreft, B., Hlela, N., Nicklin, J., Woolard, I., & Leibbrandt, M. (2023). Proposal for the extension, redesign, and repurposing of the special COVID-19 Social Relief of Distress grant for the twin goals of poverty and unemployment reduction. *SA-TIED Working Paper 218*.

Our World in Data – Multiple sources compiled by the World Bank. (2024). "Employment in agriculture" [dataset]. International Labour Organization, "World Development Indicators" [original data]. Available: https://ourworldindata.org/employment-in-agriculture.

Patel, L., Dikoko, V., & Archer, J. (2023). Social Grants, Livelihoods and Poverty Responses of Social Grant Beneficiaries in South Africa. *University of Johannesburg, Centre for Development in Africa*.

Philip, K. (2010). Inequality and economic marginalisation: How the structure of the economy impacts on opportunities on the margins. *Law, Democracy & Development*, *14*.

Philip, K. (2013). The transformative potential of public employment programmes. *Cape Town: UCT Graduate School of Development Policy and Practise*, *24*.

Philip, K. (2023). Public employment programmes and their interface with social protection. In *Handbook on Social Protection and Social Development in the Global South* (pp. 362-380). Edward Elgar Publishing.

Philip, K. (2025). Public Employment programmes in South Africa's changing social protection landscape. *AFD Research Papers, no. 336.*

Philip, K., Tseu, M., & Zwane, M. (2014). The Impact of Social and Economic Inequality on Economic Development in South Africa. *New York: United Nations Development Programme*.

Presidency of the Republic of South Africa. (2023). *The Presidential Employment Stimulus: Building a society that works, a million jobs, opportunities and more*. Pretoria: Presidency.

Presidency of the Republic of South Africa. (2024). *The Presidential Employment Stimulus: Building a society that works, 1.7 million jobs, livelihood opportunities and more*. Pretoria: Presidency.

SA Cities Network. (2019). *The state of the Expanded Public Works Programme in South African cities*: *A report of the Expanded Public Works Programme Reference Group*. Johannesburg: SACN.

SA Cities Network. (2021). *In-depth analysis of selected EPWP projects and case studies through the EPWP phases.* Johannesburg: SACN.

Sabates-Wheeler, R., & Devereux, S. (2013). Sustainable graduation from social protection programmes. *Development and Change*, *44*(4), 911-938.

Sabates-Wheeler, R., Sabates, R., & Devereux, S. (2018). Enabling graduation for whom? Identifying and explaining heterogeneity in livelihood trajectories post-cash transfer exposure. *Journal of International Development*, *30*(7), 1071-1095.

Samson, M. (2015). Exit or developmental impact? The role of 'graduation'in social protection programmes. *IDS Bulletin*, *46*(2), 13-24.

Schotte, S., Zizzamia, R., & Leibbrandt, M. (2022). Snakes and ladders and loaded dice: Poverty dynamics and inequality in South Africa between 2008 and 2017. *South African Journal of Economics*, *90*(2), 214-242.

Scoones, I. (2013). Livelihoods perspectives and rural development. In *Critical perspectives in rural development studies* (pp. 159-184). Routledge.

Sen, A. (1999). *Development as freedom*. New York, NY: Knopf.

Sen, A. (2008). *The idea of justice.* Cambridge, MA: Harvard University Press.
Shai, L. (2021). *Public Employment Programmes in the Care Economy: The Case of South Africa*. ILO Working Paper 29. Geneva: ILO.
Statistics South Africa. (2019). Survey of the Employed and Self Employed 2017 [dataset], version 1.2. Cape Town, DataFirst.
Statistics South Africa. (2024). Quarterly Labour Force Survey Q1: 2024. Pretoria: Statistics South Africa.
Statistics South Africa. (2025). Quarterly Labour Force Survey Q4: 2024. Pretoria: Statistics South Africa.
Stuart, L.A. (2022). *The Social Value of Work: A Case Study of Public Employment Programmes in Orange Farm, South Africa (Doctoral Thesis)*. Johannesburg: University of Johannesburg.
Warren, M. R., Thompson, J. P., & Saegert, S. (2001). The role of social capital in combating poverty. *Social capital and poor communities*, *3*, 1-28.
Woodward, D., Rolfe, R., Ligthelm, A., & Guimaraes, P. (2011). The viability of informal microenterprise in South Africa. *Journal of Developmental Entrepreneurship*, *16*(01), 65-86.

SALDRU

Southern Africa Labour and Development Research Unit

Founded in 1975, the Southern Africa Labour and Development Research Unit (SALDRU) is a research-based social responsiveness initiative housed in the School of Economics at the University of Cape Town.

The unit carries out research and capacity building in applied empirical microeconomics with an emphasis on poverty and inequality, labour markets, human capital and social policy. We strive for academic excellence and policy relevance.

SALDRU has implemented a range of innovative surveys in South Africa including the Project for Statistics on Living Standards and Development (PSLSD), Cape Area Panel Study (CAPS) and the National Income Dynamics Study (NIDS), among others. Building on these large data gathering projects, we conduct a range of training and capacity building activities in the use of survey data to analyse social well-being.

Our mission is to challenge inequalities through policy relevant academic research.

Level 3, School of Economics Building,
Middle Campus, University of Cape Town
Private Bag, Rondebosch 7701,
Cape Town, South Africa
Tel: +27 (0)21 650 5696
Fax: +27 (0) 21 650 5797
Web: https://www.saldru.uct.ac.za
Repository: http://opensaldru.uct.ac.za