



# Labour Market and Unpaid Childcare Trajectories by Gender During the COVID-19 Pandemic in South Africa: Lessons for Policy

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## Context of the study

Since the first case of COVID-19 was reported in South Africa in March 2020, the government has continued to put in place regulations to curb the spread of the virus. Some of the measures introduced included confining the population as much as possible to their homes, popularly referred to as the ‘hard’ lockdown which was implemented on 27 March 2020. During the hard lockdown, only essential economic services could be provided and only workers who could work from home continued working. The measures taken to mitigate the spread of COVID-19, such as the closure of Early Childhood Development (ECD) centres and

schools presented working parents with a time allocation challenge. This is because individuals have had to balance office work, childcare, and housework. This policy brief presents the main findings from a study that analysed the labour market and unpaid childcare trajectories by gender. The study also highlights some lessons for policy.

## Key findings

1. Although men lost more jobs in total, women lost a higher share of jobs in the first quarter after hard lockdown (1.1 million jobs or 14.8% for women compared to 1.2 million jobs or 13.4% for men).
2. The gender gap in labour force participation has widened slightly, and there has been a substantial expansion in the gender gap in hours worked. The aggregate gap, however, masks differences within population groups with black African women being the most affected in terms of the drop in labour force participation.
3. These shifts are linked to occupational sorting and the shock in the demand for childcare.
4. Women were more likely than men to follow trajectories that saw them permanently switching out of employment when lockdown hit in March 2020.

## The issue: Fallout from the COVID-19 lockdown is gendered

The COVID-19 lockdown in South Africa resulted in the gender gap in labour force participation widening slightly. Figure 1 shows that the drop in labour force participation was highest among black Africans with an increasing trend of the gender labour force participation gap. These shifts are inextricably tied to occupational sorting. More black women work in occupations that could not be performed from home (personal care, elementary services, and domestic work) which meant that employment and hours of work for black women have recovered more slowly than for white women who are more likely to be in professional occupations which had a higher probability of being carried out from home.

**Figure 1: Labour force participation by gender and population group 2019–2021**

Notes: Sample contains working age population (age 15–65 years). Percentages adjusted using sampling weights. Source: Authors' own calculations using Quarterly Labour Force Surveys 2019Q3–2021Q2.

At the same time, more pressure on women to care for children has restricted their ability to return to the labour market. Our research shows that women were more likely than men to follow trajectories over the course of February 2020 to March 2021 that saw them permanently switching out of employment when lockdown hit in March 2020. Spells outside of the labour market more often coincided with long hours of childcare for women than for men. More importantly for policy makers, the effects of the pandemic have not been homogenous across all groups. Disadvantaged women were the most likely to drop out of the labour force. This is linked to educational qualification, occupational segregation, and ability to work from home.

## Existing policy framework and gaps

The South African Government introduced social protection schemes to mitigate against adverse effects of the COVID-19 pandemic. Existing grants were topped up, such as the old age pension (OAP) grant, the disability grant, the foster child grant, the child support grant (CSG), and the care dependency grant that were each increased from May to October 2020. Two new grants, the caregiver social relief distress grant (caregiver SRDG) and COVID-19 social relief distress grant (COVID-19 SRDG), were introduced for caregivers and unemployed people of working age with no other income source, respectively. Additionally, the unemployment insurance fund (UIF) was adjusted by introducing the temporary employer/employee relief scheme (UIF-TERS) where employers could make

applications on behalf of their employees who had been furloughed. However, women were underrepresented among the recipients of both COVID-19 SRDG and UIF-TERS (Casale & Shepherd, 2021) mostly because women are less likely to be employed thus less likely to be registered for UIF. Relatedly, early childhood education and care (ECEC) services are mostly provided by non-profit organizations and the majority of ECD centres are unregistered making it difficult for them to access COVID-19 relief services such as the UIF-TERS. Accessibility of the grants overall has been criticized due to outdated systems, poor communication and complicated application processes which lock out many eligible South Africans (e.g., informal workers and those in rural areas) out of the grant systems (Kohler & Bhorat, 2020).

## Lessons for policy

### Key policy recommendations

1. There is need for the state to fund childcare services. COVID-19 has highlighted the need for more state funding of child and other care services.
2. Given that women are less likely to participate in the labour market and less likely to be employed, policies to mitigate the impact of COVID-19 must be gender sensitive.

#### **1. There is need for the state to fund childcare services**

This involves the expansion of ECD centres by reducing registration bottlenecks and making these centres affordable to all. Increased childcare responsibilities due to closures of ECD centres resulted in the inability of caregivers to work or search for jobs. In addition, with workers and owners of the ECD centres depending on parental fees and the government subsidy for their livelihoods, the closure of ECD centres due to the COVID-19 pandemic resulted, not only in the increase of the childcare burden for parents, but also a loss of income for workers in this sector, a majority of whom are women. Moreover, the majority of ECD centres are unregistered making it difficult for them to access COVID-19 relief services such as the UIF-TERS. State childcare in South Africa is not universal, and is limited with childcare for children younger than age five being mostly provided by family members (especially grandmothers) or by private institutions (Cantillon et al., 2021). Public spending on early childhood education and care in South Africa is quite low, and it is in the form of a means-tested subsidy to registered ECD centres (De Henau et al., 2019; Wills & Kika-Mistry, 2021). The subsidy of about 17 South African Rands (ZAR)-per day per-child is not adequate to cover the full cost of childcare, and parents or caretakers must cover the remaining cost (Wills & Kika-Mistry, 2021). Furthermore, many private ECD centres are not registered due to stringent registration requirements that discourage entry into this sector. Fees range from about 100-1000 ZAR a month, making access to ECD centres prohibitively expensive for children from poor households.

## 2. Policies to mitigate the impact of COVID-19 must be gender sensitive

There is need for a more deliberate targeting of the most disadvantaged groups. For example, other studies have found that women were underrepresented among the recipients of both COVID-19 SRDG and UIF-TERS (Casale et al., 2021) mostly because women are less likely to be employed, thus less likely to be registered for UIF. For the women that have dropped out of the labour force and stayed out, getting them back will require a mix of interventions including better childcare solutions, better working conditions including flexible working environments and transport, formal contracts, and a living wage. It also involves undermining racial and gendered occupational sorting, a labour market structure that has persistently shaped existing inequalities in South Africa, and which was sharpened by the COVID-19 lockdown. Women, in particular black women, cluster in the services sector that was particularly hard-hit by the social distancing protocols of the COVID-19 lockdown compared to other sectors. Addressing occupational sorting is complicated as it requires continued dismantling of gender stereotypes with regards to what jobs are suited for men and which ones are suited for women. Racial occupational segregation requires continued investment in the improvement of educational qualifications of black South Africans because occupational sorting is closely correlated with education qualifications.

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