



FROM FRAGMENTATION TO TRANSFORMATION: SOUTH AFRICA CHARTS A NEW COURSE FOR AN INCLUSIVE SOCIAL AND SOLIDARITY ECONOMY

27 August 2026

South Africa took an important step towards building a more inclusive, equitable and people-centred economy as government, labour, business, academia, civil society and development partners gathered at the South African Social and Solidarity Economy (SASSE) Policy Symposium in Johannesburg. The symposium, held under the theme “Building South Africa’s Social and Solidarity Economy Ecosystem: From Fragmentation to Systems Transformation,” seeks to advance a common vision for growing the Social and Solidarity Economy (SSE) as a catalyst for decent work, economic inclusion and sustainable development.

“From fragmentation to transformation — putting people, communities and decent work at the heart of South Africa’s economy.”

Delivering the opening address, Acting Director-General of the Department of Employment and Labour, Ms Jacky Molisane, challenged delegates to move beyond dialogue and towards concrete action that places communities, workers and excluded groups at the centre of economic transformation. She stressed that the Social and Solidarity Economy is no longer a peripheral component of development, but an increasingly significant contributor to livelihoods, community resilience and inclusive growth.

Ms Molisane highlighted that the symposium takes place during the final week of Women’s Month, a fitting reminder of the critical role women

have played in sustaining local economies and communities across South Africa. She noted that long before concepts such as social enterprises, cooperatives and solidarity economies became part of policy discussions, women in townships, rural villages and informal settlements had already built systems of mutual support through stokvels, burial societies, community kitchens, crèches and home-based care services.

“The Social and Solidarity Economy has been built, in large measure, by women,” she said, calling on institutions across society to ensure that the resilience and contributions of women are matched with meaningful recognition, protection and economic opportunities.

According to Ms Molisane, the evidence demonstrates that the Social and Solidarity Economy already plays a significant role in South Africa’s development. She pointed to estimates showing that the sector accounts for between 5.6% and 6.4% of total employment, while township and informal economies generate between R900 billion and R1 trillion annually. These figures reflect the growing importance of community-based enterprises, cooperatives, mutual organisations and social enterprises in creating livelihoods and expanding participation in the economy.

The Acting Director-General further noted that the global momentum behind the Social and Solidarity

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Economy is gaining traction, with institutions such as the United Nations, the International Labour Organization and the African Union recognising its contribution to inclusive development and decent work. She emphasised that South Africa must seize the moment by accelerating policy development and creating an enabling environment that provides legal certainty, access to finance, market opportunities and social protection for organisations operating within the sector.

Central to the Department's vision is the promotion of decent work for all. Ms Molisane argued that decent work should not be confined to the formal economy but must extend to every individual who creates value, whether as a cooperative member, community worker, informal trader, waste picker or social entrepreneur. The recognition and protection of workers in these sectors, she said, is essential for achieving social justice and inclusive growth.

She also called for renewed investment in skills development to unlock the sector's full potential. Technical and Vocational Education and Training (TVET) colleges, Sector Education and Training Authorities (SETAs) and higher education institutions, she said, must be better positioned to support cooperative governance, social entrepreneurship, local value chains and community-based economic initiatives. Equally important is the recognition of skills and knowledge already embedded within communities, often developed through years of practical experience.

Access to finance remains one of the most significant barriers facing social enterprises and cooperatives. Addressing delegates, Ms Molisane highlighted the need for stronger collaboration between development finance institutions, commercial banks, impact investors, philanthropies and government. She identified social procurement as a powerful mechanism for opening markets to township enterprises, cooperatives and community-based businesses, thereby strengthening local economies and promoting broader economic participation.

The symposium programme reflects this focus on practical solutions, with discussions covering innovative financing models, social procurement, policy reform, systems change, inclusive markets, research, innovation and the development of local Social and Solidarity Economy ecosystems. Delegates are also participating in ecosystem co-

design workshops aimed at developing collaborative interventions and strengthening the national SSE framework.

At the time of delivering the address, the Acting Director-General said that the key outcome of the gathering will be the adoption of the South African Social and Solidarity Economy (SASSE) 2026 Johannesburg Declaration and the launch of a National Advisory Committee, both intended to strengthen coordination and drive implementation of the country's Social and Solidarity Economy agenda.

Ms Molisane highlighted the importance of ensuring that the emerging ecosystem remains inclusive and responsive to the needs of historically marginalised communities, including women, youth, persons with disabilities and those operating outside formal economic structures. She reiterated that the Social and Solidarity Economy offers a unique opportunity to reduce barriers to participation while promoting shared ownership, community development and sustainable livelihoods.

As South Africa grapples with persistent unemployment, inequality and poverty, participants at the symposium agreed that stronger collaboration between government, labour, business, academia and civil society will be essential in transforming fragmented efforts into a coherent and impactful national ecosystem. The Department of Employment and Labour has reaffirmed its commitment to working with key stakeholders to ensure that the Social and Solidarity Economy becomes a meaningful vehicle for inclusive growth, decent work and sustainable development.

The symposium serves as a powerful reminder that the future of economic transformation lies not only in large-scale industries and formal markets, but also in the collective efforts of communities, cooperatives and social enterprises that continue to create opportunities, build resilience and advance social justice across South Africa.

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MEDIA STATEMENT

Date: 27 August 2026

Department of Employment and Labour Acting Director-General Jacky Molisane calls for stronger support for South Africa's Social and Solidarity Economy

Acting Director-General Jacky Molisane has called for stronger collaboration between government, business, organised labour, academia and civil society to unlock the potential of South Africa's Social and Solidarity Economy (SSE) as a driver of inclusive growth, decent work and economic participation.

Molisane was addressing a Social and Solidarity Economy Symposium at the University of Johannesburg, held during the final week of Women's Month. She highlighted the important role women have historically played in building community-based economic systems, including stokvels, cooperatives, community initiatives, informal trading and care services.

"A truly transformed economy is one in which decent work and economic participation are not privileges reserved for the few who enter formal employment, but rights extended to all who labour and create value."

She said the Social and Solidarity Economy should no longer be treated as a marginal component of the economy, noting its contribution to livelihoods and employment across communities. She called for a move from policy discussion towards implementation, including finalising the policy framework and developing appropriate legislative support for cooperatives, mutuals, social enterprises and community-based organisations.

Molisane emphasised that decent work must extend beyond the formal economy, including workers in community-based and informal economic activities. She also called for greater investment in skills development, urging TVET colleges, SETAs and universities of technology to prepare young people for cooperative governance, social enterprises, community-based production and local value chains.

She further highlighted access to finance as a critical constraint facing many cooperatives and social enterprises. Greater collaboration is needed between government, development finance institutions, financial institutions, impact investors and philanthropic organisations to address the financing gap experienced by community-rooted enterprises.

Social procurement, she said, presents an important opportunity to strengthen local markets by creating opportunities for cooperatives, social enterprises and township-based suppliers to participate meaningfully in government and private-sector supply chains.

She also called for social protection mechanisms to respond to the changing nature of work. Many informal, cooperative, platform and community-based workers face risks associated with illness, injury and loss of income, yet may not enjoy the same protections as workers in formal employment.

"The Department of Employment and Labour is ready to work with other government departments and social partners to strengthen coordination and ensure that the proposed National Multi-Stakeholder Social and Solidarity Economy Task Team becomes a platform for practical action, with clear responsibilities, timelines and measurable outcomes." She said.

She also emphasised the importance of inclusion, particularly for women, young people and persons with disabilities, and called for an approach grounded in dignity, equality, participation and shared economic opportunity. Government's role is not to control this ecosystem. It is to remove barriers, align institutions and create conditions in which people can build with confidence."

Molisane concluded by calling on all stakeholders to move beyond declarations and translate commitments into practical interventions that recognise community-based work, expand economic opportunity and strengthen decent work.

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