

Domestic Work, Digital Platforms & Labour Policy in South Africa

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Executive Summary

South Africa's domestic work sector is characterised by persistent undervaluation, power imbalances, and weak enforcement of workers' rights. Despite a layered legislative framework, including the Basic Conditions of Employment Act 75 of 1997 (BCEA), Sectoral Determination 7 (effective September 2002), the Labour Relations Act 66 of 1995 (LRA), the Compensation for Occupational Injuries and Diseases Act 130 of 1993 (COIDA), and the Unemployment Insurance Act 63 of 2001 (UIA), a wide and persistent gap between law on paper and law in practice defines the lived experience of domestic workers. This brief is informed by desk-based legal research, semi-structured interviews, and participatory fieldwork conducted in Cape Town in April 2024 and October 2024, in partnership with South African Domestic Service and Allied Workers Union (SADSAWU) and the We Care platform cooperative initiative. Drawing on this evidence base, the brief assesses the efficacy of existing law in the domestic work sector, tests the hypothesis that digital labour platforms can alleviate its structural problems, and evaluates the scope for alternative platform models that genuinely prioritise decent work.

Key Policy Recommendations

- Strengthen worker participation in law and policy reform for the domestic work sector
- Launch a sustained awareness campaign in collaboration with trade unions, for instance, COIDA following the Mahlangu judgment
- Support and resource trade unions as key institutional actors in the sector
- Improve accessibility and administration of social protection for domestic workers
- Provide seed funding for platform cooperatives to compete with investor-owned platforms
- Address infrastructure barriers: load shedding, data costs, unpaid waiting time
- Support upskilling pathways for domestic workers through platform cooperative models

Background & Context

Domestic workers in South Africa, overwhelmingly Black women from historically marginalised communities, occupy a sector shaped as much by apartheid's spatial and economic legacies as by contemporary labour law. Sectoral Determination 7, issued under the BCEA, has since 2002 set minimum wages, working hours, leave entitlements, and contract requirements for the sector. The LRA guarantees the right to organise, engage in collective bargaining, and access the CCMA for dispute resolution. Yet these protections are routinely undermined by employer non-compliance, the private and dispersed nature of domestic workplaces, and the near-universal absence of written contracts, which is itself a breach of the written particulars requirement under both the BCEA and Sectoral Determination 7.

Social security coverage has improved incrementally but unevenly. Domestic workers have been included in the UIF framework since 2002, yet access remains impeded by bureaucratic complexity and employer non-compliance. The more glaring exclusion, from COIDA, was remedied in 2020 by the Constitutional Court in *Mahlangu and Another v Minister of Labour and Others [2020] ZACC 24; 2021 (2) SA 54 (CC); (2021) 42 ILJ 269 (CC)*. It was a landmark victory; yet fewer than 40 COIDA claims have been filed since, reflecting not low need but a significant failure of awareness: most domestic workers remain unaware they are covered, and the Department of Employment and Labour has not launched the awareness campaign that this judgment demands.

The rise of investor-owned digital labour platforms has brought new access to work but has reproduced the same structural problems, for instance, undervaluation, power imbalances, and opacity. It is against this backdrop that platform cooperatives, embodying principles of democratic governance, collective data ownership, and shared decision-making, emerge as a potentially transformative alternative. The We Care platform, a Digital Platform Cooperative Project (DPCP) initiative developed at Centre for Transformative Regulation of Work (CENTROW), offers precisely such a model, positioning domestic workers as co-owners rather than service providers managed by an algorithm.

Research Background & Methodology

This policy brief is an output of the project titled 'Assessing the Potential of Alternative Platform Models for the Domestic Work Sector in South Africa and India', funded by the Economic and Social Research Council (ESRC) Impact Acceleration Account (IAA) (March 2024 to August 2025). The project was designed to produce constructive, evidence-based legal and policy measures to ensure the long-term sustainability of alternative platform models in the domestic work sector in South Africa. A comparative dimension examining India was initially incorporated, given the similar sectoral trajectories of the two countries despite differences in legal framework and policy approach. Field research was conducted across two visits to Cape Town, in April 2024, hosted by CENTROW at the University of the Western Cape; and in October 2024, with a further round of consultations with SADSAWU core members and the WeCare platform initiative core members.

The project pursues three layered objectives. First, to assess the traditional domestic work sector in practice to understand the lived conditions of workers and evaluate whether the existing legislative framework, including the BCEA, Sectoral Determination 7, LRA, COIDA, and UIA, is efficacious. Second, to test the hypothesis that digital labour platforms can alleviate the structural problems identified in the traditional sector. Third, given that investor-owned platforms in South Africa have been found to reproduce exploitative conditions, to assess whether there is genuine scope for alternative platform models, specifically cooperative ones, that could improve working conditions, provide decent work, and support workers' upskilling and professional progression.

The project employed an evidence-based legal method, an approach that treats empirical evidence drawn from the lived experiences of those affected by law as an indispensable foundation for legal analysis and policy design. Rather than working solely from the text of statutes and case laws, this method asks how law functions in practice, in that, who benefits, who is excluded, where implementation fails, and what reforms would be both effective and durable. It also holds that law reform processes should be participatory, in that, workers and other affected communities should be active contributors to evidence-gathering and the recommendations placed before policymakers, not merely passive subjects of legal study. The methodology comprised three phases :- desk-based legal research, reviewing South African labour and social security law alongside comparative legal and policy avenues for domestic workers in India or the lack thereof, digital labour platform regulation, and relevant case laws; semi-structured interviews with academic experts, legal practitioners, trade union representatives, and cooperative stakeholders from South Africa and India; and participatory focus groups with 25 domestic workers in Cape Town, coordinated with SADSAWU, using open-ended prompts rather than direct questions to create space for free, collective discussion. A stakeholder seminar co-hosted with CENTROW examined the regulatory landscape for cooperative platforms and the structural failure, common to both South Africa and India, to recognise unpaid care work, a failure that entrenches the undervaluation of paid domestic labour in both traditional and digital markets.

Research Findings

The Traditional Domestic Work Sector: Structural Gaps in Law and Practice

The focus group discussions revealed a workforce acutely aware of its exploitation yet systematically unable to access the protections the law formally provides. Despite Sectoral Determination 7's minimum wage thresholds and the BCEA's written particulars requirement, wage negotiation was effectively non-existent, employers set terms unilaterally and workers accepted them, constrained by fear of job loss or blacklisting. Where written contracts existed, they were, 'toothless tiger' containing bare minimum provisions with no room for negotiation, rendering them practically ineffective as instruments of protection.

Access to the UIF, established under the Unemployment Insurance Act 63 of 2001, remained deeply impeded. Employers routinely failed to register workers or make contributions. For workers seeking to file claims, the manual process requires workers to physically attend a Department of Employment and Labour office on multiple occasions, imposing a significant burden in terms of lost working time and transport costs they cannot afford, with no guarantee their application will be processed on the day. Sexual harassment and verbal abuse were frequently described as normalised, even in cases constituting criminal conduct, with the intimate and private nature of domestic workplaces making formal reporting practically inaccessible. Childcare infrastructure was entirely absent; workers were vocal about their desire for government-supported childcare arrangements, recognising that reliable access to childcare would materially improve their capacity to work. Spatial segregation extended working days and reduced effective take-home pay through long, costly commutes that employers neither acknowledge nor compensate. Migrant domestic workers faced compounded vulnerabilities, including exclusion from formal protections and union membership.

Workers' Perspectives on Digital Labour Platforms: Barriers and Cautious Openness

A central question of the research was the extent to which domestic workers were aware of, and open to engaging with, digital labour platforms, and what structural barriers or incentives they identified. The findings were nuanced. Most participants had limited direct experience of digital platforms and the majority remained in the traditional labour market; their scepticism was rooted in practical concerns rather than unfamiliarity alone.

Workers identified significant structural barriers to platform-based domestic work. Load shedding was raised as a fundamental obstacle with unreliable power makes smartphone access and digital connectivity intermittent and unpredictable, undermining the infrastructure on which digital platform work depends. Spatial segregation compounded this; workers described travelling long distances only to find no work had been assigned, waiting for

hours without a booking, unpaid time that the gig model does not compensate and that erodes the economic case for platform participation. High mobile data costs and unreliable transport reinforced these concerns, as did unease about working in unfamiliar households without the accountability structures that longer-term employment provides.

At the same time, workers identified genuine advantages in digital models. Safety through GPS tracking and digital records of job assignments was seen as meaningful protection, particularly for women travelling to unknown households. Access to a broader pool of employers and some degree of scheduling flexibility were noted positively. Workers were not opposed to digital work in principle; they were sceptical of investor-owned platforms specifically and the structural conditions those platforms reproduce. Workers on such platforms were frequently unaware of their right under the LRA to join a union, or were reluctant to do so, a pattern that risks eroding the collective infrastructure SADSAWU has built. The sector's broader decline compounds this. According to Statistics South Africa's Quarterly Labour Force Surveys, domestic work employment has fallen from approximately 1.2 million pre-pandemic to around 839,000 as of mid-2025, a permanent loss of some 17% of all jobs in the sector. This contraction makes the question of alternative, sustainable models of digital domestic work all the more urgent.

WeCare and the Platform Cooperative Model: Promise and Structural Barriers

The WeCare platform cooperative, developed through CENTROW's DPCP, represents a qualitatively different model of digital domestic work. Rather than positioning workers as service providers managed by an algorithm, WeCare positions them as co-owners with democratic governance rights and a genuine stake in how the platform operates. The cooperative also runs evening workshops on digital literacy and aims to upskill workers towards care work and other professional progression pathways. As South Africa's population ages, with the proportion of citizens over 60 projected to reach 16% by 2050, the demand for skilled home-based caregiving is growing; domestic workers who acquire formal training in elderly care, childcare, and health monitoring are well-positioned to transition towards more specialised and better-remunerated roles. In a sector experiencing structural decline, the cooperative model thus functions not only as a platform for accessing current work but as an employment cushion and a pathway towards self-employment and professional progression for women who might otherwise face long-term economic exclusion.

Understanding the market into which We Care must compete is essential to evaluating its prospects. The South African digital domestic work platform space is dominated by SweepSouth, founded in 2014, which has raised over \$11 million in venture capital and expanded across South Africa and into other African markets, building a substantial and entrenched consumer base; 80% of its customers are reported as recurring clients. This entrenchment reflects the dynamics of network effects, in that, each additional user makes the platform more valuable to all others, creating structural lock-in that functions as an entry barrier even where no formal anticompetitive conduct exists. Domestically, a second investor-backed platform that launched around the same time, appears to have faded from the market despite early venture capital backing, illustrating that even well-funded entrants struggle against first-mover advantages. The experience of The Cleaning Fix is particularly instructive. A nonprofit platform in Cape Town that passed 100% of service fees to workers and was explicitly oriented around dignified work for unemployed mothers, its own website now states that 'the platform has been paused', a candid acknowledgement that a model built on decent work principles alone, without access to capital or a path to scale, cannot sustain itself against commercially-oriented competitors. More broadly, South Africa's cooperative sector carries a failure rate of approximately 88%, according to the Department of Small Business Development's own figures, reflecting in large part the absence of sustained institutional support after formation. We Care faces these structural challenges alongside barriers specific to its cooperative form: the high proportion of unbanked and undocumented domestic workers makes it difficult to meet basic platform requirements such as holding a bank account or possessing identity documents; and South Africa's mobile data costs, ranked among the most expensive globally by the Independent Communications Authority of South Africa (ICASA), restrict access to digital services for the very workers the platform is designed to serve.

Policy Recommendations

1. Supporting the Sustainability of Alternative Platform Models

The State has a direct role in ensuring that platform cooperatives like We Care can compete and survive alongside investor-owned digital labour platforms. The Competition Act framework should be assessed for its impact on cooperative platform models, including whether rules on market entry, pricing, and data access inadvertently entrench incumbent platforms and deepen the network effects that disadvantage new entrants. Seed funding or subsidy schemes for platform cooperatives or any other alternative models which are not investor-owned in the domestic work sector should be established, at minimum for their early growth stages, drawing on India's Start-Up India scheme under the Digital India initiative as a reference point. Public procurement policy should also be leveraged and public institutions should be encouraged to use worker-owned cooperative platforms for domestic and cleaning services, providing a reliable consumer base that helps cooperatives build the network effects they need to become viable without relying on speculative capital.

2. Addressing Infrastructure Barriers and Upskilling

For digital labour platforms to be a viable option for domestic workers, the State must address the infrastructural conditions that make platform participation impractical. Load shedding is the most immediate; reliable electricity access is a prerequisite for smartphone-based digital work. Subsidised data access and device support schemes should be explored. The unpaid waiting time that characterises gig-based platform work must be addressed;

Sectoral Determination 7 should be updated to require platforms to compensate workers for confirmed availability, not just completed jobs. Investment in public transport, particularly in historically segregated urban areas, would directly improve the economic viability of platform participation.

The We Care cooperative's model of evening workshops on digital literacy and professional skills points to a broader policy opportunity. The State should fund structured upskilling programmes for domestic workers, with particular emphasis on pathways into elderly care, childcare, and health-related roles. South Africa's rapidly ageing population creates genuine labour market demand for trained home-based caregivers; domestic workers are well-placed to meet it, if supported. Childcare provision is equally critical: workers in the focus groups were emphatic about its importance. India's Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) offers a useful reference point. The scheme legally mandates crèche facilities for women workers in the informal sector, with state-funded childcare centres built in convergence with public employment programmes. A comparable, state-supported childcare scheme for domestic workers in South Africa would reduce a significant barrier to workforce participation and platform engagement.

3. COIDA, UIF, and Social Protection: Awareness, Access, and Accountability

Following the Mahlangu judgment (Mahlangu and Another v Minister of Labour and Others [2020] ZACC 24; 2021 (2) SA 54 (CC); (2021) 42 ILJ 269 (CC)), COIDA coverage for domestic workers applies retrospectively from 27 April 1994. Despite this, very few claims have been filed. The Department of Employment and Labour must urgently implement a sustained and targeted awareness campaign, in cooperation with domestic worker unions and representative organisations, to ensure that workers and employers are informed of their rights, obligations, and access to compensation mechanisms under COIDA.

On UIF, the burden of physically attending a Labour Centre to register and sign the unemployment register on recurring dates places an unreasonable burden on workers who must sacrifice earnings and incur transport costs to exercise a right they are legally entitled to. Employer registration and contribution obligations must be enforced proactively. The Department should provide SADSAWU with data on claims filed and disbursements made, establish the promised help desk at the union's offices, and ensure social protection entitlements apply to domestic workers regardless of whether they are engaged through traditional employment, investor-owned platforms, or cooperative membership.

4. Legal Framework Reform: Building on Sectoral Determination 7

Sectoral Determination 7, issued under section 51(1) of the BCEA, remains the appropriate regulatory mechanism for this sector. Rather than importing gig-economy classifications, which the research shows workers neither want nor find applicable to their conditions, reforms should build on the Determination's existing framework. Any amendment must be preceded by a structured, evidence-based consultation with domestic workers facilitated through trade unions like SADSAWU. Workers must participate actively in revising the law that governs them. On the basis of that evidence, the Determination should be updated to address the most acute compliance failures: the near-universal presence of contracts that are, in practice, illusory; ineffective wage enforcement; compensation for unpaid waiting time in platform contexts; and extension to digitally facilitated work without reclassifying workers. The Employment Services Act should be reviewed to strengthen migrant domestic workers' access to formal protections, union membership, and social security. The tripartite social dialogue mechanisms available under the LRA remain underutilised in this sector and should be operationalised as a matter of priority.

5. Enforcement, the MOU, and Institutional Coordination

The MOU between the Department of Employment and Labour and domestic worker trade unions should contain specific commitments that must be operationalised. For instance, joint employer-worker engagement sessions with anonymity safeguards, drawing on India's Self-Employed Women's Association (SEWA) model to protect workers from fear of job loss; access for the trade unions to UIF and COIDA records; joint advocacy and compliance campaigns including union recruitment. Labour inspectors must be held to account and should be accompanied by domestic worker reps; virtual inspections, community-based monitoring, and anonymous worker reporting mechanisms, referenced in existing departmental reports but not yet implemented, should be given proper legal grounding with appropriate privacy protections. Evidence-based policymaking must be institutionalised: funded and regularised roundtables and follow-up workshops bringing together workers, unions, employers, and policymakers are not a luxury but a structural necessity for a sector where the law has so consistently failed to reach those it is meant to protect.

Conclusion

South Africa's domestic work sector is governed by a legislative framework that, on paper, offers meaningful protections. In practice, those protections are undermined by employer non-compliance, infrastructural barriers, and weak enforcement. Workers are not indifferent to digital platforms; they are sceptical of the investor-owned models that reproduce the sector's worst features in a new form. The decline of domestic work since the pandemic, with some 160,000 jobs permanently lost since 2020, makes the search for sustainable alternatives more urgent, not less. The WeCare platform cooperative demonstrates that a worker-centred alternative is viable; one grounded in worker ownership, democratic governance, decent work, and a vision of professional progression that extends beyond domestic cleaning towards care, self-employment, and economic independence. But viability in principle is not the same as sustainability in practice. Without targeted State support for infrastructure, social protection,

legal reform, upskilling, and cooperative financing, platform cooperatives will struggle to survive in a market that consistently advantages capital over labour. A coherent, evidence-based policy response, built on genuine engagement with domestic workers, is both achievable and long overdue.

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Disclaimer- This policy brief is based on research conducted by the author in collaboration with the Centre for Transformative Regulation of Work (CENTROW) at the University of the Western Cape and the South African Domestic Service and Allied Workers Union (SADSAWU). The fieldwork and engagement activities were carried out jointly with these partners. The analysis, conclusions, and policy recommendations expressed herein are those of the author alone and do not necessarily represent the views of Newcastle University, the ESRC, CENTROW, SADSAWU, or any other partner or funder. Any errors or omissions remain the author's own.

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