

South Africa Wants to Fix ‘Hostile’ Skilled Worker Visa Regime

South Africa must fix a dysfunctional work permit system or sacrifice economic growth, the country’s new Home Affairs minister said, pledging to resolve a crisis that employers say limits investment.

A byzantine application process that can extend beyond a year has contributed to a backlog of hundreds of thousands of applications, while miring his department in lawsuits from people demanding rulings on their submissions.

That’s been accompanied by a national debate where foreigners are routinely accused of stealing South African jobs, in a country with an unemployment rate of more than 30%. That’s despite the Treasury saying a dearth of skills is the second-biggest threat to the economy after power cuts, and skilled workers create jobs for those less qualified.

A German-South African business association, which represents companies including Volkswagen AG, has said the chaos threatens operations that support 100,000 jobs.

Won’t Grow

“This country’s economy will never grow if we don’t open our doors to people who want to lawfully come here and make a contribution and help us get on track,” said Leon Schreiber, appointed as minister last month in a coalition government dominated by his Democratic Alliance party and the bigger African National Congress.

“It is one of the jobs of political leadership to go out and actually make these kind of arguments to say this is where the problem actually is,” he said in an interview on Wednesday. “Don’t scapegoat and include people who are trying to actually help us build the country.”

One of the 35-year-old minister’s priorities includes adopting a points system to allow skilled workers to take up employment based on their qualifications, job offers and income level.

Another is resolving confusion around a so-called nomad visa, which is designed to cater to remote workers who want to base themselves in South Africa. It became law earlier this year but has frustrated potential applicants because the requirements are unclear.

“The points based system is, I think, fundamental to overhauling the whole system because it’ll do away with these different requirements for different categories,” said Schreiber, who is the second-youngest member of the 34-member cabinet. “It will streamline that whole process.”

He also said repairing “the hostile” relationship between Home Affairs and permit applicants is key to turning the department into “an economic enabler” focused on job creation.

“This is the only department that has the capability to, within a relatively short period, bring in the skills that companies need,” he said.

Angry Tourists

In addition to the work permit problem, Schreiber said he will focus on complaints about getting tourist visas, with some visitors being deterred by the difficulties in securing permission to visit South Africa.

“There’s huge markets in China and India that are sending a lot of complaints through about how those processes are conducted,” he said.

To tackle the work permit problems the department is working with the help of resources from Business Unity South Africa, a grouping of the country’s biggest businesses, and Deloitte LLP, he said. He will meet with a unit of FirstRand Ltd. for further assistance. Schreiber also plans to revive the country’s Immigration Advisory Board.

Still, Schreiber touted some recent success.

Since April, the backlog of work permit, spousal visa and permanent residence applications has been cut by 30% to about 213,000, he said.

Home Affairs could “be central to addressing the skills shortage in South Africa,” he said. “That is not a curse. It’s a great opportunity.”

Source: Antony Sguazzin -

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