

## IMMIGRATION POLICY / Ann Bernstein

## Bring us your skilled masses

**T**HE president has been forthright about the lack of capacity in the public service and delivery problems this causes. SA is desperately short of qualified and experienced teachers. The private sector lacks the depth and range of skills it needs to expand and drive SA's economy to the higher growth rates essential to combat unemployment.

The Global Entrepreneurship Monitor consistently rates SA well below competitor developing countries, and one of the reasons is that we are not encouraging risk-taking entrepreneurs to move to SA.

Now President Thabo Mbeki's International Investment Council has lent its weight to calls for greater freedom to import skills into the country.

What is holding us back?

There is one key constraint to higher growth which could be addressed speedily and would have a dramatic impact on SA's prospects: a shortage of high-level skills and entrepreneurial energy.

No one who respects evidence doubts the gravity of our skills crisis. As the chair of Business SA put it a few years ago: "The reality is, at the present pace, we'll never catch up with the exponentially accelerating knowledge economy of the developed world, because we simply cannot create skills quickly enough, nor do we have instructors to impart them."

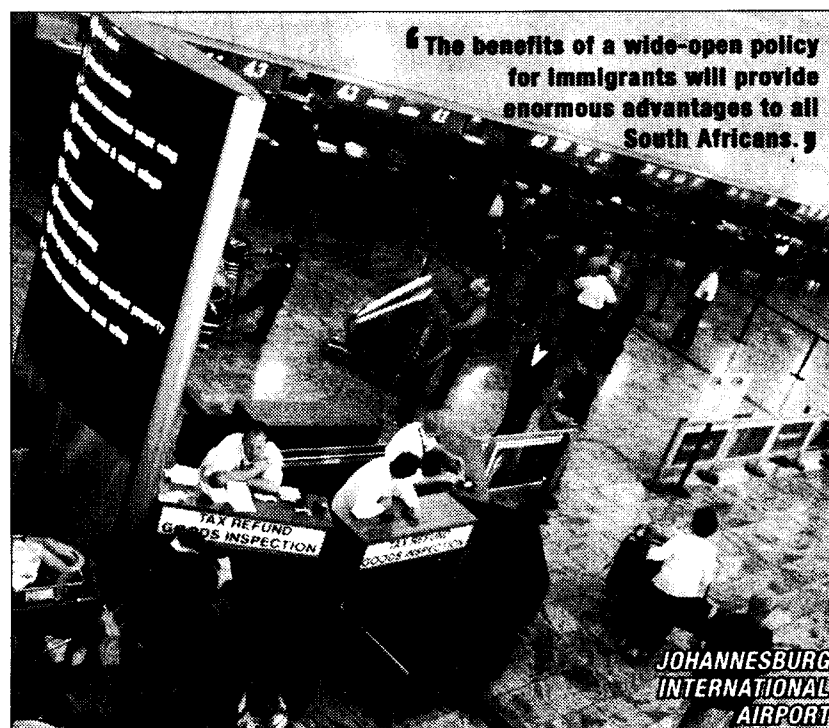
There are only two solutions available. One is a dramatic upgrading of our educational and training systems and the other is sourcing skills and competencies abroad. The former is the most vital strategy and a range of relevant reforms and policies are being pursued.

But it will be years, if not decades, before educational reform and training initiatives bear results on the necessary scale, and the initiatives are constrained by a lack of skilled educators, trainers and mentors.

The only short-term alternative is an open-door, market-driven immigration policy. SA must import the skills we need to help grow the economy.

Draft immigration laws are positive; many amendments ease procedures for entry, but this does not mean it will have a successful immigration regime. Two overarching factors are concerning.

First, many of the key requirements for immigrants, implemented in the context of capacity and efficiency problems in our public administration,



could lead to time-consuming, costly compliance procedures.

A zealous application of regulations could reinforce the image of SA's immigration regime as slow and protective.

The second concern is the overall policy context within which the regulations will be interpreted and implemented.

What is government's attitude to migrants? How are officials being guided on the inevitable judgment calls that any immigration system will demand?

In a context of ambiguity or uncertainty concerning SA's approach and attitude to migration, it is very likely that the new act and associated regulations will be implemented restrictively. In the process we will protect small groups of interests inside the country, and hold back our progress enormously.

Specific requirements in the new regulations are also worrying:

■ Quotas — there can easily be a mismatch between how quotas define skills we need and actual skills required by SA's fast-moving economy. Regulations pertaining to quota-work permits substantially circumscribe the flexibility of our proposed immigration control system.

Some skills are difficult to categorise,

particularly where work experience is a major component of skills.

There are huge difficulties in defining, classifying and quantifying quota categories, and even greater difficulties in keeping abreast of changing skills combinations in newer technologies.

Databases that attempt to capture the skills an economy needs are seldom exact. And it is impossible to predict demand for employees by levels of skill and education more than two or three years ahead — therefore predictive precision is doubtful from the outset.

■ Business permits — the proposed requirements will discourage potential investors. The level of capital investment is too high.

The requirement to base new business in out-of-the-way places has failed in SA and around the world; and the requirement to employ five South Africans in new businesses from the outset ignores the reality that many small and micro businesses start out as knowledge-intensive, one- or two-person operations, or as family enterprises, and only later grow to include nonfamily members.

Why exclude these productive indi-

viduals from our economy and tax base? The entry requirements for business permits are set too high.

The Centre for Development and Enterprise is unambiguously in favour of much greater migration into SA. Skilled people — trained by another country's taxes — will help educate and train South Africans and provide the doctors, nurses, computer technicians and qualified teachers that we desperately need.

We can import people to manage development projects, and in the process mentor those starting out in the profession start new businesses that pay taxes; and will in time employ local people. The benefits of a wide-open policy for immigrants will provide enormous advantages to all South Africans.

After 10 years of democratic rule and many years of debate on migration, the time has come for a bold new approach. The new immigration regime must:

- Send a clear message to all relevant officials that immigration is a positive phenomenon for SA and all its citizens;
- Reassure employers that quick and speedy processes are available for them to recruit the skills they need;
- Enable and encourage departments and corporations to go out and actively recruit the skills that we need;
- Send a message to prospective immigrants across the globe that SA welcomes foreigners who can make a productive contribution to our economy, strengthen our project management skills and help to train our young people; and
- Combat the popular misconception that skilled immigrants "steal" jobs from South Africans.

The truth is one qualified immigrant mathematician, science or bookkeeping teacher can probably "create" many jobs without in any way reducing the chance of a similarly qualified South African becoming employed.

More importantly, skilled professionals directly or indirectly generate more jobs. Each new skilled immigrant will create new jobs for South Africans by going about their business, buying goods and services and paying tax.

■ Bernstein is executive director of the Centre for Development and Enterprise. This article is based on the centre's many publications on immigration policy and on its recent submission to government commenting on the new draft immigration regulations.

