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# A HOME AFFAIRS PERSPECTIVE ON JOB CREATION

### 1. Introduction

The employment impact of the Department of Home Affairs (DHA) is primarily in two areas. Firstly, it is directly responsible for filling vacancies within its own structures, and for issuing and verifying the identity of all those seeking employment in the country. Secondly, to administer the recruitment of foreign scarce skills to stimulate development and related job creation. The second is done in terms of preparing and publishing lists of needed foreign skills and by providing the necessary work permits. This paper will assess these two job creation areas , with a focus on the 2011/12 financial year. Job creation within the Government Printing Works and Film and Publications Bill which falls under the Home Affairs budget allocation will be interrogated in separate briefs.

## 2. Job creation within the Department

Concerning the filling of vacant posts, President Jacob Zuma's commitment to the nation during his Address to Parliament on 10 February 2011 was that government will fill all vacant posts within six (6) months. As part of this national commitment, the Department of Home Affairs was responsible for filling 1 118 vacant posts in the 2010/11 financial year. By midyear however the DHA had filled just over half of its vacant posts. Even though this is an improvement on the rate of filling vacancies compared to previous years,, it still did not fulfill the commitment of the President's emphasis for the year.

The Department prioritised the filling of 1076 funded posts during the 2011/12 financial year, although initially 1118 posts were budgeted for. By mid 2011/12 the DHA had filled 55% of vacant funded posts in that period (622 post filled out of 1118 funded posts). However, given the promise made by the President in the 2011 State of the Nation Address to fill all vacancies within 6 months, the Department was 45% behind target.<sup>2</sup>

In 2010/11, 417 posts were identified as critical, but by the end of 2011 only 360 posts (86%) had been filled (8 months after the end of the 2010/11 financial year). These priority positions have been allocated to support the need for the Department to deliver its services to the public and thus the Department by definition has difficulty in fulfilling its service responsibilities.

In addition, however, given general budget shortages within Government, only 55% of the approved positions on the DHA establishment have actually been funded (this is calculated from projected funded posts of 9 829 as a percentage of total positions on the Department's establishment of 17 746 for 2011/12).<sup>3</sup>

The Department has in the course of the last couple of years, used a significant number of contract workers. In 2010/11, 30% of all its 10494 total posts were made up of contract workers. In addition, the Department reported 1035 posts filled additional to their approved establishment.<sup>4</sup> The high turnover rate of staff in the department (33%) is as a result of the

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<sup>&</sup>lt;sup>1</sup> Zuma (2011)

<sup>&</sup>lt;sup>2</sup> DHA (2012a)

<sup>&</sup>lt;sup>3</sup> DHA (2012b)

<sup>&</sup>lt;sup>4</sup> DHA (2011)



end of contracts of such workers and does not bode well for staff retention and creating sustainable employment as required for the country's broader targets. This situation also accounts for the high termination rate within the Department as well negatively impacting on moral and staff retention.

Given the continued emphasis on job creation in 2011/12 and the high vacancy rate observed during oversight by Parliament in some provinces; there is a need for further improvement of processes at Head Office to expedite the recruitment process. In addition, more motivation must be made to National Treasury for approving additional budget allocation for filling of vacancies in the DHA, which has been understaffed for a number of years.

### **Questions of Job Creation**

- What is the relationship between the 327 non-contractual terminations and 288
  cases of disciplinary actions taken? Why are there more terminations than
  disciplinary actions, and what were the grounds for terminations mostly comprised
  of?
- What are the reasons for the high number of contract positions used by the Department?
- Why are there 1035 posts filled additional to the approved number according to the DHA's establishment in 2011.
- Why were the 417 critical posts identified in 2010/11 still not completely filled 8 months after the end of that year?
- What are the justifications provided for the filling of posts and what reasons are given by Treasury for only funding 55% of the approved establishment/staff contingent?
- What processes could safely be decentralised to a provincial level to improve the recruitment time and rate of filling posts?
- What additional efforts were made to fill all vacant posts within 6 months as mandated by the President for 2011 and if any why did they fail?

## Job Creation through Foreign Skills

There are at least three areas where migration is resulting in important development impact. First, it compensates the shortcomings and distortions of the regional labour markets by importing skills. Second, it provides support to struggling rural economies and ever expanding urban areas in terms of capital transfers and livelihoods, through increased foreign employment. Third, it improves regional socio-economic stability by offering options to those who are affected by conflict and crises in the Southern African region, which has limited formal disaster management and social protection systems.<sup>5</sup>

Stimulating growth through importing scarce skills, was affected by the South African Parliament in the course of 2010/11, finalising amendments to both the Immigration Act (no.

<sup>&</sup>lt;sup>5</sup> Segatti and Landau (2011).



33 of 2010) and Refugee Act (no. 12 of 2011). The result of these amendments will likely only be seen in 2012 once the regulations to these pieces of legislation will be implemented.

The six priority areas for employment mentioned by the President in 2011 were:

- Infrastructure development;
- 2. Agriculture;
- Mining and beneficiation;
- Manufacturing;
- The green economy; and
- 6. Tourism.

Other than tourism, all of these areas were again mentioned by the President in 2012 as areas of investment, growth and related job creation. For this year, the President emphasised i on infrastructure, but the impact of infrastructure will be felt in all the other priority areas as access to ports and related jobs improve. In this regard, the role for DHA, is to ensure that the skills shortages in the above identified sectors can be filled with scarce foreign expertise in order to stimulate and supplement investment, local enterprises and skills transfer in the short and medium term. This in turn requires the Department to gazette lists of scarce skills from time to time, for which permit requirements are relaxed and more easily granted

# Questions on Job Creation through Foreign Skills

- What is the progress on the finalisation of regulations to the Immigration and Refugees Acts?
- Does the DHA have any record of the breakdown of permits issued according to the types of skills of applicants and according to current scarce skills quota's?
- When will an updated scarce skill list, reflecting the new emphasis on infrastructure this year, be gazetted, and what is progress in this regard?

### Sources

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