Migration Review Tribunal AUSTRALIA

MRT RESEARCH RESPONSE

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Questions

1. Please advise what is the latest information regarding job opportunities in South Africa? 2. What is the unemployment level and average wage of (IT) professionals in South Africa? 3 What are the most recent social indicators relating to how civil unrest, lawlessness and violence in South Africa affect middle class professionals?

RESPONSE

1. Please advise what is the latest information regarding job opportunities in South Africa?

According to the latest assessment from the World Bank, there are major disparities in income and wealth and the general unemployment rate is at 23.6%:

South Africa is a country with extreme differences in incomes and wealth. Robust economic growth in the post-apartheid period has enabled a dramatic decline in income poverty. At the same time, inequality increased across race, gender and location. For example, inequality between racial groups as measured by the Gini coefficient rose from 0.64 to 0.69 in the period 1995-2005. Despite a 6 percentage point drop over the last six years, the country's unemployment rate of 23.6% remains very high and poor people have limited access to economic opportunities and basic services ('South Africa. Country Brief. Key Facts', 2009, World Bank website, September, <u>http://go.worldbank.org/GSBYF92330</u> - Accessed 23 September 2009 - Attachment 1)

The above facts are corroborated in the following report which links the high unemployment level to violence:

...One of continent's biggest economies. Poverty widespread, high crime rate associated with high unemployment. Economy moved into recession in May 2009.

Many South Africans remain poor and unemployment is high - a factor blamed for a wave of violent attacks against migrant workers from other African countries in 2008 and protests by township residents over poor living conditions in July 2009.

Population: 48.8 million (UN, 2008) ('Country profile: South Africa' 2009, *BBC News* website, 6 August.

http://news.bbc.co.uk/2/hi/africa/country_profiles/1071886.stm - Accessed 23 September 2009 - Attachment 2)

However the unemployment level for white South Africans is significantly lower:

The official unemployment rate for South African white people is in fact 4.6% compared to 27.9% for black people... South Africa's 4 million white people make up 10% of its population(Mallick, H. 2009, 'Canada's asylum fiasco', *The Guardian*, 3 September. http://www.guardian.co.uk/commentisfree/cifamerica/2009/sep/03/white-south-africancanada-asylum - Accessed 22 September 2009 – Attachment 3).

Some unemployed white South Africans blame the government for their fate because it is attempting to redress the past by doing away with preferential treatment for Afrikaners:

Although white unemployment is only about 5% and not comparable with the hardship and poverty faced by the country's black population, there is a strong perception held by young Afrikaners that they're hard done by because of government's policy to redress past imbalances (Basson, A. 2008, 'Dazed, confused (and racist?), *The Mail and Guardian*, 25 April – Attachment 4)

Some white South Africans who are disadvantaged by the government's affirmative action policies are experiencing poverty:

Recent surveys show that 10% of white people living in South Africa – about 450 000 – are really poor, said Solidarity's general-secretary, Flip Buys. "White poverty is silent poverty. It is not politically correct to talk about it," he added.

Over the past 10 years, white unemployment had increased by an estimated 150% resulting in about 13% of working whites $-237\ 000$ people - now earning less than R1 600 a month.

Solidarity said there were 38 white squatter camps around Pretoria alone, with the largest being in Hermanstad, where 80 shacks had been built on two joined plots of land (Ritchie, K. 2008, 'SA's poor whites left behind, but all is not lost', SATST, 19 April – Attachment 5)

The following Research Response which addresses the issue of white South Africans accessing employment is attached (RRT Research & Information 2009, *Research Response ZAF34753*, 24 April – Attachment 6).

2. The unemployment level and average wage of (IT) professionals in South Africa?

A report outlining the salaries of IT professionals in South Africa notes that although salaries may be lower than elsewhere- IT professionals who live in South Africa enjoy better purchasing power than their counterparts who reside in cities where the cost of living is higher:

In South Africa the ITWeb IT Salary Survey shows that Program Managers earn the most with a total yearly package of R 578,004 while Help Desk Specialists are at the bottom of the list earning a mere R 114,996 per year.

While IT Salaries in the UK may be far higher than in SA, London is the 'second most expensive' city in the world and hence requires a higher salary. New York is fifteenth on the most expensive list while Sydney is twenty-first.

Johannesburg on the other hand does not feature in the top 50, indicating a lower cost of living.

A recent article from Moneyweb further reiterates this point, showing that South African Executives have more Purchasing Power than their counterparts in Australia and the UK.

Detailed Comparison

In the following comparison, data from the SA ITWeb IT Salary Survey, UK SSL/Computer Weekly IT Salary Survey, US Global Knowledge Salary Survey and Information Age/2007 Australian Computer Society Remuneration Survey were used to compare the salaries for certain positions.

In most cases the job descriptions matched, but in some cases similar positions or average salaries of certain positions were used to get an accurate estimate.

Job Description	Yearly Package (In ZAR)			
	SA	UK	Aus	US
Management	513 000	819 189	1 097 282	658 265
Project Manager	380 004	763 903	741 638	583 013
Business analyst	268 752	553 175	575 608	445 107
Database Administrator	264 000	551 683	555 657	520 252
Software Engineer	240 504	592 206	487 798	546 316
Analyst	231 380	573 831	503 667	493 258
Lecturer/Researcher	230 004	na	582 209	na
Programmer	216 000	404 581	477 821	504 305
Computer Support	180 498	319 421	382 414	361 934
Systems Administrator	179 316	505 727	582 775	428 461
Web Developer	147 000	490 009	na	444 814

(IT Salaries: What should you be earning?'2007, MyBroadband website (South Africa), 27 September - Attachment 7)

A more recent detailed assessment indicates that the IT industry has not been severely affected by the economic downturn and those who are already employed are likely to keep their jobs however those who are to enter this field may encounter problems:

Yet in line with industry analyst predictions from late 2008, an early 2009 report by Computer Economics forecast that the IT industry may remain just ahead of the economic downturn

...

South African market

According to the 2008 ITWeb/CareerWeb Salary Survey, and in line with the American trend discussed in the TechRepublic/Global Knowledge report, average South African IT salary increases were between 5% and 10%.

The highest and lowest paying IT fields in South Africa are:

Highest paid fields by average	Lowest paid fields by average
Enterprise Architecture and Service Oriented Architecture at R40 000 per month	Support / helpdesk at R11 833 per month

Enterprise Resource Planning at R35 580 per month	Web design at R12 125 per month
Storage / Storage Area Network / backup at R35 000 per month	Desktop management / services at R13 347 per month

The News24 Salary Survey 2008 results indicate that 52.5% of companies require skills in information systems, electronics and telecoms. The survey reported on average information systems, electronics and telecoms salaries based on skill level, with the overall average salary being R19 400.

Unskilled and semi-skilled workers, in the IT industry, are receiving around R10 000 per month. There is a large gap between skilled and professional grade employees, with skilled workers earning R15 000 on average, and professionals earning R25 500. Senior management earned R28 800 on average, and top level management earned R34 000.

The future

New entrants in the IT profession may have a tougher time finding a permanent position.

The Computer Economics Forecast shows that there is a definite slowdown within the IT and telecoms industry for 2009, but growth is still expected, although at a reduced rate (Etherington-Smith, J. 2009, 'IT salary trends for 2009', MyBroadband website (South Africa), 21 September, <u>http://mybroadband.co.za/news/General/9698.html</u> – Accessed 23 September 2009 - Attachment 8)

3. What are the most recent social indicators relating to how civil unrest, lawlessness and violence in South Africa affect middle class professionals?

There is scant information on the impact of violence on middle class professionals, however one report indicates that the white middle class are now vulnerable:

South Africa has one of the highest violent crime rates in the world. The government repeatedly points out that many categories of crime are actually going down - murder, for instance, has dropped 41 percent since the end of apartheid in 1994 - but violent armed robbery, like the carjacking of Dube, is rising.

As with many issues in South Africa, crime is inevitably tinged with the legacy of race relations. Most victims are black, but the recent attention on crime is driven by the fact that the white middle class - once protected by a white police force - has increasingly become a target (Baldauf, S. 2007, 'Murder of a reggae star sparks reflection in South Africa', The *Christian Science Monitor*, 26 October – Attachment 9)

The following report indicates that violence stems from unequal access to government services and generally affects the following communities:

The places most ripe for unrest are neither the poorest communities nor the ones with the longest backlog in setting up services, he said. Most commonly, the protests are rooted in informal settlements that have sprung up near urban areas, where the poor who do not receive government services rub up against the poor who do (Bearak, B. 2009 'In South Africa, progress amid the protests Conditions improve for many, fueling rage among country's poorest' 7 September, *The New York Times* - Attachment 10)

The exodus of white South Africans is attributed in part to the lack of employment and the elevated incidence of crime; however the government has displayed the will to combat crime in general and does not intend to provide particular attention to one race:

Hundreds of thousands of white South Africans have left the country since the end of apartheid, many citing rising crime and the difficulty of finding jobs. **'Alarming'**

Mr Sokutu said President Jacob Zuma was committed to fighting crime in South Africa, which has an annual murder rate of 18,000, but not on the basis of colour. "We're committed to creating a stable and safe environment for all South Africans, regardless of the colour of their skin and we think that dealing with crime along racial lines can only serve to divide the South African nation," he told the BBC's World Today programme ('Canada SA refugee ruling 'racist' 2009, *BBC News* website, 2 September. <u>http://news.bbc.co.uk/2/hi/africa/8233004.stm</u> - Accessed 23 September 2009 - Attachment 11)

The South African Police Service (SAPS) has recently published its latest Annual Report which provides detailed information on crime statistics in each province for the period 1 April 2008 until 31 March 2009. This report is attached for your information: "Crime Situation in South Africa' 2009, South African Police Service website, http://www.saps.gov.za/saps_profile/strategic_framework/annual_report/2008_2009/2_crime _situation_sa.pdf/ - Accessed 28 September 2009 – Attachment 12)

According to an analysis of this report, a lot remains to be done in the fight against crime:

Approximately 2.1 million serious crime cases were recorded in the 12-month period between April 2008 and March 2009.

Implications South Africa has one of the highest crime rates in the world. Crime, or the perception of it, has often been cited as the biggest factor for foreign investors when considering doing business in the country and, as a result, it is thought to have cost the country millions of dollars in lost investment.

Outlook The findings of the report, which are mixed with some encouraging progress and lapses, show that crime remains unacceptably high in South Africa. Indeed, given their perceptions and everyday personal experiences, many South Africans will no doubt struggle to believe the latest data, meaning that the government will have to double its efforts to reassure the public that it is beginning to win the battle against crime (Selassie, G. 2009, 'Murder rate falls but sex offences up in South Africa's latest crime statistics' *IHS Global Insight Daily Analysis*, 24 September – Attachment 13)

Internet Sources:

Government Information & Reports

UK Home Office website <u>http://www.ind.homeoffice.gov.uk</u> US Department of State website <u>http://www.state.gov</u> Immigration and Refugee Board Canada <u>http://www.irb-cisr.gc.ca/</u> **United Nations (UN)** UN High Commissioner for Refugees (UNHCR) website <u>http://www.unhcr.ch/cgibin/texis/vtx/home</u>

Non-Government Organisations

Amnesty International website <u>http://www.amnesty.org/</u> Human Rights Watch (HRW) website <u>http://www.hrw.org/</u>

International News & Politics

BBC News website http://news.bbc.co.uk/

Region Specific Links

All Africa http://allafrica.com/
Africa Confidential http://www.africa-confidential.com/news
South Africa Police Force www.saps.gov.za
Search Engines
Google search engine http://www.google.com.au/
Yahoo search engine http://search.yahoo.com
Copernic search engine
Databases:
FACTIVA (news database)
BACIS (DIAC Country Information database)
REFINFO (IRBDC (Canada) Country Information database)
ISYS (RRT Country Research database, including Amnesty International, Human Rights Watch, US Department of State Reports)
MRT-RRT Library Catalogue

List of Attachments

1. 'South Africa. Country Brief. Key Facts', 2009, World Bank website, September, <u>http://go.worldbank.org/GSBYF92330</u> - Accessed 23 September 2009.

2. 'Country profile: South Africa' 2009, *BBC News* website, 6 August. <u>http://news.bbc.co.uk/2/hi/africa/country_profiles/1071886.stm</u> - Accessed 23 September 2009.

3. Mallick, H. 2009, 'Canada's asylum fiasco', *The Guardian* website, 3 September. <u>http://www.guardian.co.uk/commentisfree/cifamerica/2009/sep/03/white-south-african-canada-asylum</u> - Accessed 22 September 2009.

4. Basson, A. 2008, 'Dazed, confused (and racist?), *The Mail and Guardian*, 25 April. (FACTIVA)

5. Ritchie, K. 2008, 'SA's poor whites left behind, but all is not lost', SATST, 19 April – (FACTIVA)

6. RRT Research & Information 2009, Research Response ZAF34753, 24 April

7. IT Salaries: What should you be earning?'2007, MyBroadband website (South Africa), 27 September,<u>http://mybroadband.co.za/news/General/1452.html</u> – Accessed 23 September 2009.

8. Etherington-Smith, J. 2009, 'IT salary trends for 2009', MyBroadband website (South Africa), 21 September, <u>http://mybroadband.co.za/news/General/9698.html</u> – Accessed 23 September 2009.

9. Baldauf, S. 2007, 'Murder of a reggae star sparks reflection in South Africa', The *Christian Science Monitor*, 26 October. (FACTIVA)

10. Bearak, B. 2009 'In South Africa, progress amid the protests Conditions improve for many, fueling rage among country's poorest' 7 September, The New York Times. (FACTIVA)

11. 'Canada SA refugee ruling 'racist' 2009, *BBC News* website, 2 September. http://news.bbc.co.uk/2/hi/africa/8233004.stm - Accessed 23 September 2009.

12. "Crime Situation in South Africa' 2009, South African Police Service website, http://www.saps.gov.za/saps_profile/strategic_framework/annual_report/2008_2009/2_crime_situation_sa.pdf/ - Accessed 28 September 2009.

13. Selassie, G. 2009, 'Murder rate falls but sex offences up in South Africa's latest crime statistics' *IHS Global Insight Daily Analysis*, 24 September . (FACTIVA)