Chapter 4

Temporary Labour Migration in the Pacific

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Summary

The Pacific has experienced a long history of temporary labour migration, especially from the two small atoll states: Kiribati and Tuvalu. Temporary agricultural schemes were briefly introduced by New Zealand in the 1980s and revived after Pacific island pressure and domestic agricultural labour shortages in New Zealand in 2007. Australia slowly followed. The two temporary work schemes for Pacific Islanders, the Recognised Seasonal Employer (RSE) Scheme in New Zealand and the Pacific Seasonal Worker Pilot Scheme (PSWPS) in Australia, were designed with an explicit focus on gaining a cheap and reliable source of labour for national agricultural industries, and on linking migration to the development in the country of origin. Numbers involved have been a function of demand in New Zealand and Australia, and are small relative to the populations of sending countries. Fewer than 8,000 workers have been involved at any one time. A small number of Pacific island states, notably Vanuatu, Samoa, Tonga, Kiribati and Tuvalu, have used and benefited from the scheme. Significantly extending the schemes to other Pacific countries has proved difficult. Migrant workers from most parts of the source countries have worked for periods of between three and nine months, have usually returned with some savings and have used these for welfare gains such as housing and education fees. Women have been minority participants. Lack of employment viability for durations longer than a few months has been a major constraint to the schemes. Both schemes have achieved 'triple wins' – for workers and for countries of origin and destination – but not on any significant scale. Extending the scheme further will be difficult because of vagaries in agricultural systems and difficulties in predicting medium-term demand for labour. There is potential for extending the schemes into other employment sectors, including tourism and care services, but receiving states have yet to develop pilot schemes in these areas.

4.1 Introduction

The Pacific has a lengthy history of short-term labour schemes. Labour migration from the Pacific to Australasia has experienced two distinct phases with structural similarities a century apart. The present agricultural labour migration schemes in New Zealand and Australia have opened up new temporary migration opportunities for many island states for the first time in a quarter of a century, and for some countries for the first time ever. The schemes have begun to contribute in a small way to regional development in several states, most notably in Vanuatu. The rationale for the schemes, their implementation and operation and their impacts are discussed in detail below.

Late nineteenth-century migration ('blackbirding') brought Melanesian migrants to Queensland cane plantations, notably from the New Hebrides (Vanuatu) (especially from the island of Tanna) and to a lesser extent from the Loyalty Islands (New Caledonia) and the Solomon Islands (especially Malaita). A moving labour frontier began in the New Hebrides and the Loyalty Islands in the 1860s, stretched northwards to the Solomon Islands in the 1870s and reached the islands off eastern New Guinea in the 1880s. Migrants moved from semi-subsistence agricultural systems, where income generation was trivial, in search of incomes, goods and experience(s). Overall outcomes were unequal, with the principal gains accrued in destinations rather than by the migrants or their home islands. Migration from the Pacific labour reserves combined economic necessity and coercive regulation. Migrants and their households could never entirely rely on the domestic subsistence sector but were never integrated into the very limited local wage economy. In the New Hebrides, especially, migrants returned to what remained subsistence agricultural systems, albeit with new tools and clothes, but with no means of sustaining any change in their economic status. That lack of change partly explained the ease of subsequent recruitment of previous workers who returned for further employment in Australia. The economic benefits from blackbirding were almost exclusively located in Queensland, where the cane industry flourished. Melanesians were anxious to withdraw from plantation labour as soon as some form of local development became feasible (Connell 2010). What is remarkable about this late nineteenth-century temporary labour migration is how similar it was to contemporary schemes.

4.2 The era of migration

The end of blackbirding early in the twentieth century brought a hiatus in agricultural labour migration for over half a century. However, almost throughout the twentieth century hundreds of workers from the colony that became Kiribati and Tuvalu worked under temporary labour migration contracts in the phosphate mining industry in both Banaba (Kiribati) and Nauru. Both these mines had effectively closed by the end of the century. Workers from Kiribati and Tuvalu were also trained in their countries' Marine Training Schools as merchant seafarers for employment on shipping lines, mostly operating from Europe. Demand for seafarers has declined somewhat in this century. Especially, therefore, in the smaller island states with particularly limited domestic development opportunities, labour migration has long been sought and used as a means of acquiring capital and contributing to household and national development.

From the 1960s onwards, outmigration substantially increased in many parts of the Pacific, mainly for employment in metropolitan countries, notably New Zealand, Australia and the United States. Although usually initially intended to be temporary, much became effectively permanent migration and the demographic balance of many states shifted outwards. By the end of the century, most Pacific island states had experienced limited economic growth, despite independence, which usually occurred in the 1970s, and many, especially in Polynesia, had become more dependent on remittances from overseas migrants in the Pacific Rim.

Uneven development between the Pacific island states and metropolitan countries (notably the United States, New Zealand and Australia), alongside the dependent political status of many islands enabling their inhabitants free movement to, or citizenship of, countries such as New Zealand and the USA, has resulted in high levels of migration for over half a century, to the extent that a 'culture of migration' has emerged in several countries, where migration is normative, and populations are falling in some small Polynesian countries. In the northern Pacific, independence through a Compact of Free Association granted free movement to the USA for nationals of Palau, the Federated States of Micronesia and the Marshall Islands; the Cook Islands, Niue and Tokelau were similarly associated with New Zealand.

One consequence of limited economic growth and a growing need for and dependence on remittances was that various countries at different times sought new formal migration and employment opportunities within and outside the Pacific region. Several countries, including Tonga, the then Gilbert and Ellice Islands (Kiribati and Tuvalu) and Fiji Islands, all sought employment opportunities in New Caledonia's nickel mines in the nickel boom of the 1970s; Tuvalu sought migration opportunities in the early 2000s, concerned at limited local development prospects and the possibility of rising sea levels. Although New Zealand agreed to a small number of permanent migration opportunities for several smaller Pacific island countries (PICs), including Tonga, Samoa, Tuvalu and Kiribati, countries were otherwise rebuffed. Most independent Melanesian and Polynesian island states have nonetheless continued to seek some kind of 'special relationship' with both New Zealand and Australia in terms of short-term migrant labour opportunities. That has become of even greater interest since the rate of migration from several states declined from the second half of the 1990s, as economic growth slowed in the recipient states and recipient countries gave increased preference to those with skills, a circumstance that excluded many Pacific islanders. Nonetheless, although Tuvaluan requests fell on stony ground in Australia, New Zealand provided a migration quota of 50 households per year. Such general notions of a form of 'reciprocity' were exactly what Tuvalu had long been arguing with respect to the greenhouse effect. The larger Melanesian states of Vanuatu, Solomon Islands and Papua New Guinea (PNG), which had politico-migration ties to Pacific Rim states and had never had significant external migration, also became more interested in new migration opportunities. Eventually, in the late 2000s, that pressure and changing economic circumstances in New Zealand resulted in the establishment of two new labour migration schemes in New Zealand and Australia. These have become of some importance to the various participating countries.

4.3 Early days

For the relatively impoverished Gilbert and Ellice Islands Colony (later Kiribati and Tuvalu) migration to Nauru and Banaba (formerly Ocean Island, Kiribati) and then employment on merchant ships was important for most of the twentieth century. Migration to both Banaba and Nauru was intended to be short-term, and residence was permitted only while working, but extended over several decades for

some workers. A Marine Training School was set up in 1968 in Tarawa to train both i-Kiribati and Tuvaluans for overseas shipping lines. A separate school was set up in Tuvalu after independence in 1979, training 60 seafarers a year. Mine workers and seafarers necessarily returned to their home countries at regular intervals and at the end of extended working periods. Opportunities for both forms of employment were limited and earnings were relatively poor, but vastly superior to what could be obtained at home, even if paid employment was available. Over time, demand for Pacific islanders as shipping crew has fallen with greater global competition, and the mines have closed. No other PICs engaged in comparable contract labour schemes. Both Tuvalu and Kiribati were relatively poor, had participated in resettlement schemes in colonial times and had no politico-migration ties to Pacific Rim states.

Formal temporary labour schemes began within the context of migration that was more oriented towards settlement. They were attractive for countries that lacked the political connections that eased migration. In the 1970s, New Zealand developed a South Pacific Work Permit Scheme, which provided temporary employment opportunities for islanders, in circumstances where New Zealand was unable to obtain a workforce for unskilled rural work such as scrub cutting, forestry activities and work in market gardens. Fiji was the only country to make significant use of this provision between 1982 and 1987, when the coup in Fiji brought the relationship to an end. Employment was restricted to rural areas, visas were issued for only four months and workers were not allowed to return for another 12 months. The four-month period was set by Fiji to enable the scheme to reach as many people and regions as possible and ensure that any disruption caused by workers being in New Zealand was minimised. Employers sought longer periods of employment, and more return migration, arguing that they would have to engage in too much training with short-term workers. Employers usually took no more than two or three workers each for market gardening. In forestry there were some uncertainties about the duration of employment.

Workers were mainly young men in their twenties, many of whom became repeat migrants. Workers were expected to use their savings for investments in housing, education and business development. That appears to have been what the savings were mainly used on, although significant quantities were also used for collective village projects. It proved particularly valuable for parts of Fiji that had been badly affected by droughts and floods, where savings were used for reconstruction. Although the Fijian government emphasised the need for skill acquisition and training rather than the potential for remittances, skills transfer was largely non-existent and that focus gradually disappeared.

Although the scheme officially ended with the coup in Fiji, it had become viewed increasingly negatively in New Zealand, where formal migration policy changed to favour longer-term skilled migration, and there were new perceptions of the relationship between employment, migration and foreign policy (Levick and Bedford 1988). Politics rather than economics contributed to its demise. However, the scheme was viewed positively by the workers and by both governments – an early version of the 'triple win' – and was remarkably similar to the schemes again adopted by New Zealand a quarter of a century later.

Some concessionary migration schemes remained in place. After 1986, New Zealand provided visa waiver migration to citizens of several PICs. They were withdrawn for citizens of Fiji, Samoa and Tonga barely a year later but retained for i-Kiribati and Tuvaluans until 2002. That residual scheme was cancelled in 2002 mainly because many i-Kiribati and Tuvaluans overstayed in New Zealand rather than returning home. Since neither Australia nor the United States had concessionary schemes, and repeated requests for new schemes were ignored, access to migration opportunities for Pacific islanders was actually worsening.

4.4 Twenty-first century resurgence

By the start of the twenty-first century, in both New Zealand and Australia, agriculture was experiencing labour recruitment problems. Conventional local sources of labour had dwindled, unemployment rates were low, there was rural–urban migration and some people disdained agricultural employment. Many agricultural systems were dependent on uncertain flows of labour (for example from holidaying backpackers, 'grey nomads' and undocumented 'illegal migrant' workers) and experienced labour shortages and unharvested products (notably of grapes and stonefruit). In this climate of an agricultural workforce shortage, attitudes to Pacific island migrant labour changed.

Agricultural shortages in metropolitan states coincided with economic stagnation in PICs, higher levels of unemployment (insofar as these can be measured), a 'youth bulge', the disappearance of some former opportunities for migrant work (notably the Nauru phosphate mine), growing dependence on remittances from islanders overseas and increased pressure from island states for migration and employment opportunities overseas, in part emphasised by claims of environmental disadvantage related to climate change.

Simultaneously a growing number of studies had advocated that the migration system be broadened to enable short-term migration, mainly to work in the agricultural sector, which was short of labour, enabling Pacific islanders to work overseas temporarily and return home after a period of less than a year (e.g. Maclellan and Mares 2006; World Bank 2006). The World Bank was a particularly strong and influential institutional advocate, and its 2006 report had concluded that 'a scenario of both skilled and unskilled moving in a circular fashion, generating financial flows as well as serving as conduits of social change, is likely to be the most development friendly for the Pacific' (World Bank 2006: 23). That view remains valid. Pressures and advocacy were finally rewarded when New Zealand established a Recognised Seasonal Employer (RSE) work scheme in 2007 that provided seasonal employment in the agricultural industry, in what was part of an integrated strategy by employers, unions and the government to address a persistent shortage of workers in New Zealand's horticulture and viticulture industries (Bedford et al. 2010). With somewhat less enthusiasm, Australia established a similar scheme in 2009. Both countries doubted if return migration would occur and the RSE scheme was intended to have a much stronger compliance regime than earlier concessionary migration schemes (Bedford et al. 2010).

There were few contemporary precedents for the RSE scheme but that between the Caribbean and Canada had apparently worked well, although detailed documentation is seemingly absent (Verduzco and Lozano 2004; Maclellan and Mares 2006; World Bank 2006). Likewise the rural labour migration policies – effectively a 'guest worker' scheme – existing in New Zealand two decades earlier were of considerable value to both New Zealand and Fiji, and to the workers, their households and their villages (Levick and Bedford 1988). However, the Caribbean scheme was the only previous scheme regarded as something of a model, despite what proved to be close similarities between the earlier Fijian scheme and the RSE scheme.

4.5 New Zealand and the RSE

The RSE scheme was implemented for five island states (Vanuatu, Tonga, Samoa, Tuvalu and Kiribati – the 'kickstart' states) on similar lines to that operating between Canada and the Caribbean. Fiji was excluded because of the 2006 military coup. Other PICs were recognised as eligible for the scheme after 'kickstart' had been implemented, notably the Federated States of Micronesia, Marshall Islands, Nauru, Palau, PNG and Solomon Islands. Solomon Islands formally entered the scheme in 2010. The RSE scheme was intended to provide a maximum of 5,000 seasonal jobs, rising to 8,000 in 2009, and the first workers arrived in 2007, although the first year was effectively a pilot scheme.

The RSE scheme allows seasonal labour to migrate to New Zealand to work in the horticulture and viticulture industries 'if there are no New Zealanders available to work'. Generally this did not prove a difficult requirement because of New Zealand's high employment rate. The Ministry of Social Development monitors the labour market so that it can declare an area a region with seasonal labour shortages when there are not enough New Zealanders to fill the vacancies. On balance, employers believed that it was better to participate in the RSE scheme and have a secure source of labour rather than use irregular, but often cheaper, undocumented workers as before (Ball 2010). Employers apply to the New Zealand Department of Labour to recruit workers from the five PICs. Potential employers are then assessed by the Department of Labour to ensure that the facilities provided for the migrant workers, notably reasonably priced accommodation, are of an appropriate standard. By early 2008 some 75 employers had been given official RSE status. Employers can recruit directly in the island states or accept nominated workers from those states. Employers are responsible for 'meeting and greeting' the workers at the airport in New Zealand, taking them to the place of work and eventually similarly assisting their departure.

Workers enjoy the same labour rights and protections as New Zealanders, receive a wage no less than the statutory minimum wage (and usually exactly that minimum, NZ$12 per hour) and pay taxes, which are non-refundable. The minimum hourly salary is roughly equal to the unskilled daily wage in Vanuatu, above that in Tuvalu and Kiribati and slightly below that in Tonga and Samoa. Workers are entitled to sick leave after six months. Workers can remain in New Zealand for up to seven months at a time (or nine months in the case of the more distant Kiribati and Tuvalu) in any eleven-month period. However, employers can potentially employ the same workers

year after year, thus providing an incentive both for the migrant workers to work well and be law-abiding, if they seek to return, and for New Zealand employers to establish long-term relationships and invest in training and skill development.

At the start of February 2008 the pilot scheme had employed people from the five PICs, and also from Thailand, Indonesia and the Philippines, and more than 1,000 Pacific islanders were employed in orchards and vineyards in several parts of the country (including Hawke's Bay, Bay of Plenty, Nelson, Marlborough and Otago). The RSE scheme grew rapidly. Initially, 5,000 visas were made available to Pacific island workers each year under the RSE scheme. In the first full season of the RSE scheme (2007/08), 126 employers hired 2,883 overseas workers. Of these, 83 per cent came from the five kickstart states, with the majority from Tonga, Samoa and particularly Vanuatu (2,247) and the remainder came from Asia. By June 2008, the number of RSE workers had grown to 5,079 (Ramasamy et al. 2008) and by 2009 the number had increased to approximately the cap of 8,000 (Table 4.1).

The decline in numbers in 2009/10 was due to a rise in unemployment in New Zealand and the impact of the Ministry of Social Development's efforts to ensure that there was work for New Zealanders, since the scheme was based on the premise that Pacific workers would not take jobs from New Zealanders. By 2010/11, numbers had returned to around the 2008/09 level, as the local employment situation had improved and local demand for agricultural employment had fallen. Numbers of vacancies are therefore based on employment conditions in New Zealand, and in Australia (see below), and have no relationship to circumstances in the PICs.

Despite the repercussions of the global financial crisis in New Zealand, the RSE scheme was retained without significant changes and numbers of workers did not greatly change. During 2009/10 the Ministry of Social Development had considerable influence on the numbers that could be recruited in each region. In 2010/11 the numbers went up because a new system for determining regional quotas (within the 8,000 cap) was established and there was less direct intervention by the ministry in the process of allocating workers to specific employers. Once the regional quotas were determined it was essentially the Department of Labour's job to allocate the workers across growers and recruiters in consultation with industry and regional governance groups.

A substantial number of Asian workers have also been involved in the scheme (see Table 4.1). When the scheme was established, growers who had pre-existing arrangements with labour providers in countries outside the Pacific could maintain these under Transitional RSE arrangements. Most of the growers using Thai workers also used Pacific workers. It is likely that numbers from Asian countries will fall in this decade as the Department of Labour puts more pressure on growers and contractors to take labour from the Pacific. New Zealand has thus sought to retain the scheme and emphasise its Pacific focus.

The operation of the RSE scheme in the PICs has been most effectively assessed for Vanuatu, where numbers have been greatest, and on an appropriately smaller scale for Tuvalu. Evaluation of the scheme for Samoa is ongoing and was not available at the

Table 4.1 Number of RSE contracts signed, April 2007 to October 2010

Countries	Recruitment contracts[a]				% change	
	2007/08	2008/09	2009/10	Total	2008–09	2009–10
Pacific						
Kiribati	70	50	110	230	–28.6	120
Samoa	931	1,376	1,134	3,441	47.8	–17.6
Solomon Islands	303	340	256	899	12.2	–24.7
Tonga	1,106	1,529	1,182	3,817	38.2	–22.7
Tuvalu	154	49	76	279	–68.2	55.1
Vanuatu	1,993	2,777	2,465	7,235	39.3	–11.2
Total Pacific	4,557	6,121	5,223	15,901	34.3	–14.7
Asia						
India	82	67	28	177	–18.3	–58.2
Indonesia	311	375	330	1,016	20.6	–12
Malaysia	364	404	407	1,175	11	0.7
Philippines	80	75	75	230	–6.3	0
Taiwan	0	39	31	70	n/a	–20.5
Thailand	269	787	768	1,824	192.6	–2.4
Vietnam	1	0	0	1	–100	n/a
Japan	0	0	2	2	n/a	n/a
Total Asia	1,107	1,747	1,641	4,495	57.8	–6.1
Others						
Brazil	0	3	0	3	n/a	n/a
Czech Republic	1	0	0	1	n/a	n/a
USA	0	1	0	1	n/a	n/a
Total others	1	4	0	5	n/a	n/a
Total	**5,665**	**7,872**	**6,864**	**20,401**	**39**	**–12.8**

Note:[a] The numbers refer to the individual contracts signed for workers who were recruited. The three periods are: 2007/08, April 2007 to 11 October 2008 (no data on country of origin were included until September 2008); 2008/09, 12 October 2008 to 31 October 2009; 2009/10, 1 November 2009 to 31 October 2010.

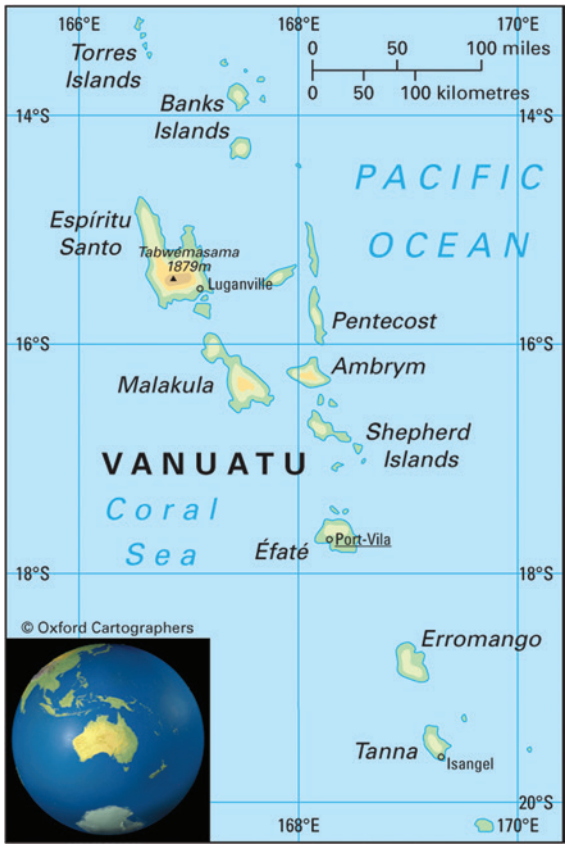
Source: Department of Labour (RSE Unit), unpublished statistics (Bedford and Hugo 2012)

time of writing, but a mid-term review of the scheme provides some information on all participating countries (IMSED 2010). The significance for Vanuatu and Tuvalu can now be examined.

4.5.1 The RSE scheme in Vanuatu

Vanuatu, which became independent in 1980, is classified by the United Nations as a least developed country. It has a population of 250,000 scattered over some 65 populated islands (see Figure 4.1). It has exhibited only slight economic growth in recent years, per capita income levels have not significantly increased, more than 40 per cent of the population live below the poverty level and both unemployment and underemployment are rising. Vanuatu has sought access to overseas employment programmes, to reduce unemployment and boost national income. Vanuatu was involved in the pilot RSE scheme and in terms of numbers it has been the principal

Figure 4.1 Map of Vanuatu



beneficiary of the RSE scheme. A much smaller number of workers have also gone to Australia.

The Vanuatu Department of Labour licensed local employment agents who were the contact points and recruiting agents for New Zealand employers. The agents negotiated fees from New Zealand employers for finding workers, but did not charge fees from the workers, and were responsible for pre-departure briefings for them (covering such topics as health insurance, trade unions and means of remitting income). Agents were expected to compile lists of 'work-ready' people, usually aged between 21 and 55, who had police and medical certificates and the support of a community leader, such as a chief or pastor, confirming that they were of 'good character'. A few agents proved bad choices, and cheated some ni-Vanuatu applicants or gave them unrealistic expectations, and others were biased towards their own family members, but appropriate selections were generally made.

Workers came from throughout the country and attempts were made to ensure reasonable regional equity of access, although more remote islands may have been disadvantaged. Recent village-based selection schemes for Fijian workers recruited for the Middle East appear to have had a similar balanced and ethical basis (Connell 2006),

as did earlier schemes in Fiji (Levick and Bedford 1988) and Samoa (Macpherson 1981). Regional equity has thus characterised temporary migration schemes.

Workers paid for a medical and police certificate, a visa fee and a passport, and also paid half their air fare (the employers paid the other half), resulting in a large cost before deployment. In some cases these costs were advanced by employers and subsequently refunded. Intending participants were told that they would bring back about A$4,000 – about four times the average annual rural income – depending on how hard they worked and what they did with the money. In practice workers saved and remitted rather less than this (Connell and Hammond 2009; Hammond and Connell 2009).

Communities and leaders played a part in selection. Some younger men were chosen, who had wives but no family, on the basis that this would give them a good start, while some older men were chosen, since they were expected to be reliable and bring more money back. Professional and skilled workers were not selected. At least some workers were sponsored by their communities so that their income might support community needs such as a shared water tank. As in the earlier Fijian scheme with New Zealand, this tended to result in the selection of 'worthy' recruits who were either needy or regarded as good workers who would not be trouble makers. Those initially involved in the scheme were particularly motivated (as would be expected from a first cohort) and made calculations of just how much income was needed for particular objectives such as building a house, setting up a small business or getting children through high school.

Recruiting from Tanna, Vanuatu

Many recruits came from the large, densely populated, southern island of Tanna, where domestic remittances have long been a significant source of income, and internal rural–urban migration is common. There is limited information on the extent to which the RSE scheme operated differently in Tanna from other parts of Vanuatu but it appears to have been typical of what occurred elsewhere. In Tanna at least, unlike any other previous migration experience that Tannese (and most other ni-Vanuatu or Melanesians generally) might have been involved in, people were not allowed to sign up or migrate purely as individuals, but had to be involved in community activities and take part in the preliminary briefings. Participants had to set up bank accounts in Tanna (so that the income would return there), donate NZ$250 to a community fund, use group flights which would return people directly to Tanna rather than through Port Vila (where the pilot programme suggested that a proportion of funds were absorbed or 'lost') and abide by a local Code of Conduct (Connell and Hammond 2009) that partly replicated a Tannese moral order.

Workers had to be married, aged over 25 and less than 55, on the assumption that married couples had clear needs and a measure of stability. One partner would normally stay behind. Since New Zealand employers sought equal female participation, the scheme offered an opportunity for women to be more or less independent, and develop or enhance such skills as literacy. However, women had less familiarity with

the outside world and were more likely to be conservative. About 20 per cent of the first group of workers were women, whose skills were preferred for activities such as grading and packing. That proportion has largely remained the same.

Recruits came from throughout Tanna, and were relatively evenly distributed in particular areas, so there was no obvious spatial bias in selection. Thus far, spatial equity has involved most parts of Vanuatu, and workers have come from many different religious denominations, including 'kastom' religions. Most were relatively young, the average age being 35 for women and 36 for men. Almost all were subsistence agriculturalists, with market sales their only source of income. A small minority had wage or salary employment. Overall some 73 per cent of the households had incomes less than Vt 50,000 (about A$580). Two thirds (65%) had never gone beyond primary school. The recruits were not well educated, had little facility in English and came from low-income households: a reasonable cross-section of the population of Tanna, emphasising the considerable degree of income poverty stemming from a widespread lack of opportunity.

The underlying rationale for migration was almost solely income generation. Any general interest and the excitement of it all were at best secondary. Income generation had three key objectives: notably paying school fees (which are roughly Vt 40,000 per year, plus transport costs, for high school, and Vt 9,000 for primary school). Education offers the possibility of jobs in the public service or tourism, and an opportunity to break the cycle of attachment to the land. Some 61 per cent of recruits listed school fees as their first priority. Small business development (i.e. a small store) was the second-most important category (25%), while improved housing (13%) came third. The principal direct material goal was therefore house construction, with permanent materials that needed less frequent replacement, were dry in wet weather and allowed gutters and a tank for collecting drinking water.

From Vanuatu to New Zealand

Both in New Zealand and later in Australia, fewer work hours were available than expected, despite guarantees of minimum hours, there were unexpected pay deductions (mainly for accommodation) and piece work rates were not equivalent to the minimum wage. In both destinations, work hours were less than promised (and incomes therefore lower) and employers were sometimes exploitative (especially for accommodation). Costs in New Zealand were more than workers expected, for food, accommodation, warm clothes and recreation. Labour requirements proved hard to estimate, so that work was sometimes unavailable.

In most cases ni-Vanuatu workers remitted money and brought back significant sums, but almost all returned with less than they had foreseen. Income was generally used for the specified objectives, including communal projects, although mobile phones were acquired by many. This reflects a familiar pattern of remittance use in the Pacific, initially on education and consumption and then on welfare gains (such as improved housing), eventually followed by investment in small-scale enterprises (Connell and Brown 2005). Since workers were chosen (or chose themselves) according to perceived needs, the scheme made a further contribution to local and regional equity.

The ni-Vanuatu workers acquired some new skills while working in New Zealand, although these were limited to the agricultural sector, and the particular nature of agricultural work also meant that the skills had limited transferability to Vanuatu. Regular hours of employment in New Zealand were expected to instil a new kind of work discipline. About half of those who had migrated sought to return for a second phase. In Tanna, those who remained at home absorbed extra work and responsibilities without obvious problems or rancour.

The experience of labour migration from Vanuatu, limited though it is, has thus far been largely positive for New Zealand, Australia and Vanuatu. The ni-Vanuatu workers were available for seven months, and were therefore a more reliable source of labour, so reducing training times and costs. Migrant workers filled vacancies in the agricultural sector, did not displace local workers, made some contribution to local society and returned to Vanuatu at the end of the time period. There is no evidence of overstaying. A minority returned early with relatively little to show, mainly because of dislike of work disciplines, the cold or frustration over lack of work, and a handful were deported for breaches of conduct.

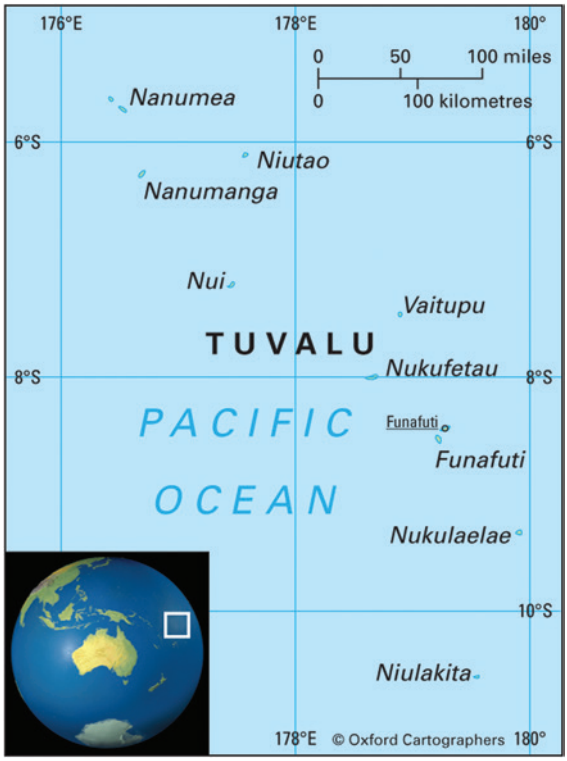
The Vanuatu experience, the first to be evaluated, suggested that the RSE scheme, despite diverse concerns, can benefit countries, agricultural businesses and workers. It may serve the needs of the poor more effectively than many forms of aid, although it certainly served the needs of businesses more than the needs of workers and their families. Fewer than a thousand workers were guest workers at any one time; hence, the actual contribution to the Vanuatu economy was limited, and only a small proportion of households have benefited directly.

4.5.2 The RSE scheme in Tuvalu

Tuvalu is one of the smallest and most isolated nations in the world, with a population of about 9,500 people scattered across nine populated coral atolls (see Figure 4.2), but with a growing population of about 2,600 in New Zealand. Half the population live on the urbanised island of Funafuti. Local development opportunities are few. Tuvalu has long been dependent on international migration and remittances alongside aid, and has regularly sought new migration opportunities overseas, especially as rising sea levels are potentially troublesome (Connell 1999, 2003; Shen and Binns 2011). Tuvalu is the smallest country participating in the RSE scheme.

With a smaller population and many men already employed overseas, Tuvalu had a smaller pool of potential migrant workers. In the first season just 99 Tuvaluans (including 15 women) were recruited for New Zealand, although even that total constituted a larger share of the national workforce than of any other participating state. All recruitment went through the Ministry of Foreign Affairs and Labour (a significant ministerial conjunction of activities) from its 'work-ready' pool of workers. That pool had been established from nominations by island councils and screened by the ministry according to previous migration history, character, health status, work ethic and basic English aptitude (broadly the procedures adopted in Vanuatu and elsewhere). Similarly, the pool and the final selection (both by the ministry and

Figure 4.2 Map of Tuvalu



by employers) was also intended to give reasonable representation to each island (Bedford and Hugo).

Workers were recruited from each of the islands in Tuvalu following the long-established national principle of enabling equitable access to overseas job opportunities. At least one New Zealand employer went to Tuvalu to be personally involved in the selection process. In the second year, workers from several of the islands were re-recruited so that the best workers returned to their previous employers. New workers, nonetheless, were also recruited.

Early workers were unprepared for the tasks and conditions ahead of them, and Tuvalu had minimal ability to organise effective briefings or even promote Tuvaluan workers. Tuvalu was also disadvantaged by the need to acquire visas and have medical tests in Fiji, and the unwillingness of the National Bank of Tuvalu to advance loans to potential workers for the costs of passports etc. The distance from Fiji, the cost of getting there and irregular communications were significant impediments to Tuvaluan participation in the RSE scheme (both in costs and in getting workers to New Zealand to meet deadlines for employment). Competing demands on the two inter-island vessels make even getting to Funafuti difficult, especially in the cyclone season. Transport issues have disadvantaged Tuvalu and also tended to disadvantage remote islands, and thus the poorest, in Tuvalu.

Tuvaluans in New Zealand

Workers were generally positive about the work experience itself, but not about the cost of accommodation, food and transport. Most found the long working hours difficult, and found it hard to adjust to the cold climate. While some workers returned with savings in excess of NZ$5,000 after 28 weeks' work, many returned with very little money or were in debt. This was true of those Tuvaluans who had worked for an employer who could not provide 30 hours' work per week; they were unable to earn enough to cover accommodation and food costs and there was lengthy downtime. Overall, the majority of workers did not bring back enough savings to justify to themselves and their families their participation in the scheme.

There was no indication that recruitment from outer islands threatened the viability of lifestyles and economies there, as had been an initial concern (Bedford and Hugo 2012). It is more likely that the new scheme resonated well in a context where men were often away at work overseas and for longer periods. Tuvaluans acquired no obviously useful skills and there were no obvious gains beyond savings. Little information is available on what the Tuvaluans sought to earn money for and how they spent their savings but it is highly likely to have been similar to that elsewhere in the region, with a focus on education fees and water tanks (Bedford and Hugo 2012), in a PIC where water security is a critical issue.

The structure of pastoral care – involving the provision of accommodation, transport and other services – followed the same model that was set up for Vanuatu. However, there was little effective internal social organisation, especially within small groups of workers, and 'alcohol abuse' was an issue (Bedford et al. 2010). Savings consequently suffered.

For many RSE workers the potential benefits offered more than the actual benefits. RSE workers had the opportunity to gain work experience and participate in the ballots for the Pacific Access category (PAC) of migration to New Zealand, which provided the option of eventually becoming a New Zealand resident (see Shen and Binns 2011). That may be particularly useful for Tuvalu, with a weak domestic economy and an environment threatened by hazard. To a lesser extent than in Vanuatu, Tuvaluans were nevertheless successful and numbers may increase in future (Bedford et al. 2010). However, even in the smallest participating state, the benefits were limited and probably rather less, at least in an economic sense, than the earnings of overseas seafarers, and were probably collectively somewhat less than remittances to Tuvalu.

4.6 Australia and the Pacific Seasonal Worker Pilot Scheme (PSWPS)

Australia initially resisted the introduction of guest workers: firstly, because there were concerns that temporary workers would overstay and become illegal migrants; secondly, because of arguments that Australians were available for such jobs and that too little had been done to attract them into the industry; thirdly, lest such migrant workers be exploited by unscrupulous employers; and, fourthly, for fear that

low wages paid to migrant workers, and full employment, would hinder improved wages for local workers in the industry (Maclellan and Mares 2006). Most of these objections had relatively little substance in circumstances where recurrent labour shortages existed and where there was a history of employment of illegal workers at very low wages (Ball 2010). The initial success of the RSE scheme in New Zealand was something of a catalyst for change in Australia in terms of its economic relationships with Pacific island states.

In 2008 the Australian government announced the introduction of the Pacific Seasonal Worker Pilot Scheme, modelled on the New Zealand RSE scheme and almost identical to it, with selected Pacific Island countries (initially Kiribati, PNG, Tonga and Vanuatu). Again priority had to be given to available local Australian workers. The scheme was expected to distribute initially 2,500 temporary visas per year. As in New Zealand, workers could work for up to seven months in any twelve-month period, on horticultural enterprises or farms. Workers had to be aged between 21 and 45 at the time of visa application, of good character (having undergone a police check), healthy and fit. Australia also specified that workers should not have participated in the New Zealand RSE scheme, to broaden the base of opportunity. Owing partly to worsening economic conditions (the establishment of the scheme effectively coincided with the global financial crisis), implementation of the programme proceeded slowly; indeed it barely got off the ground. Floods and drought in 2010, especially in Queensland, further restricted the PSWPS. The financial crisis meant that, although demand for agricultural workers was unchanged, local supply increased, as otherwise unemployed students, backpackers etc. became available, while employers sought to pay lower wages to workers who were more expendable when demand disappeared.

The first migrants participating in the scheme were 50 Tongan workers who arrived in February 2009 (Blanco 2009). Just six ni-Vanuatu workers followed in the same year, as lack of demand for workers meant that the remainder of an expected 100 visas were not issued. For the second phase, from July 2009 to June 2012, some 2,400 visas were made available, but they were also issued only slowly. By February 2011 only 214 workers had come to Australia under the scheme, mainly from Tonga (181) and small groups from Kiribati (19) and Vanuatu (14). Arrangements for recruitment from PNG were finalised in 2010 and the first workers were recruited in mid-2011. Host employers sought to reject some of the Tongan and i-Kiribati workers because of a limited demand for labour and what was said to be their lack of experience and motivation (Callick 2010). Most workers were employed picking citrus fruit, pruning vines or harvesting almonds, all activities with no parallels in their home countries. The PSWPS was widely seen as a disappointment, employers found the costs and bureaucracy of recruitment considerable (being particularly critical of the process of recruitment through three labour hire firms) and PICs were concerned at Australia's apparent lack of commitment. Indeed, beyond Tonga, such small numbers, and little growth in numbers, could make no real contribution to development needs in the region.

The scheme expanded only slowly and by mid-2011 some 560 workers had been recruited over a two-year period. Although it was still regarded as a pilot scheme,

it was said to have delivered benefits to both Australia's horticulture industry and participating PICs, with savings and remittances benefiting families and broader communities. In Australia, the scheme delivered some productivity gains for the horticulture industry, predominantly in rural and regional areas of Victoria, New South Wales, South Australia and Queensland, where access to a reliable labour supply had been a longstanding challenge. In September 2011, Australia therefore broadened the geographical extent of the scheme to include potential workers from Nauru, Samoa, Solomon Islands and Tuvalu. While the proposed expansion reflected strong support for the scheme from PICs and the Australian horticulture sector, the number of participating workers remained tiny and its impact small.

4.6.1 The PSWPS Scheme in Tonga

Tonga is a Polynesian island state with a population of just over 100,000 (Figure 4.3). The national economy is centred on agriculture but Tonga has long been dependent on international migration and remittances and about half of all ethnic Tongans live

Figure 4.3 Map of Tonga

overseas, notably in New Zealand, and also in the United States and Australia. In many of the smaller outer islands a semi-subsistence economy prevails.

Fifty Tongans participated in the first phase of the Australian PSWPS scheme in 2009, being recruited to participate on agricultural projects in the Riverina (Victoria and New South Wales) and in southern Queensland. The majority were interviewed in Australia. They were mainly married men aged between 26 and 40, from households of six people, and came from each of the four main island groups according to their population size. Almost all were semi-subsistence agricultural workers or earned incomes from some kind of unskilled wage employment, and were from poorer households than non-PSWPS households. They were somewhat less educated than RSE workers, since the recruitment firm, Tree Minders, was more concerned with workplace skills. English literacy was to be a problem for skill acquisition. Like workers from Vanuatu and Tuvalu, they had gone through briefing sessions before departure.

The Tongan workers were first employed in Robinvale (Victoria), went through a period of unemployment when work dried up and were later employed elsewhere in Victoria and Queensland. They were employed as casual workers so they received no benefits while unemployed. Productivity increased quickly after unfamiliar skills (almond picking and machinery operation) were acquired. The Tongans believed that acquired skills with chainsaws would be useful in Tonga. Although work discipline was acquired, it was unlikely to be useful in rural Tonga. Younger workers were more productive, especially where workers were paid a standard minimum hourly wage. Incomes were boosted and assimilation made easier where workers were able to stay with permanent resident Tongans in the neighbourhood, but that was unusual. The labour-hiring company organised participation in church choirs and rugby games, which provided welcome social opportunities. During periods with relatively little work, boredom and alcohol consumption became more common.

Despite the period of unemployment, the Tongan workers grossed more than A$10,000 per head, substantially more than they would earn in a year in Tonga. Costs were kept down by sharing accommodation and basic, bulk food purchasing. Many commented that they were earning more than they had expected. Most workers sent money to a single household but some sent remittances to as many as five households. Remittances averaged about A$358 per week, in the first, relatively fully employed phase, with those workers with larger families tending to remit more. All the workers intended their remittances to be used for paying bills (electricity and telephone), home renovation and their children's education, with lesser amounts sent for churches, medical bills and vehicle or land purchase. Those who had never worked overseas before tended to be more oriented to using remittances for more immediate consumption objectives, whereas those with a previous migration history had achieved some basic consumption goals and were more interested in seeking to establish or develop a small business (Blanco 2009). All the workers sought to return. Numbers subsequently increased.

As elsewhere, the Tongan government had put together a work-ready pool of potential seasonal workers, though the Australian hiring company both took workers

from this list and hired directly (through a network of Australian–Tongan contacts). Direct hiring led to some tensions, since it produced a particular kind of selectivity by religion. The Tongan group put together by the Ministry of Labour was recruited from throughout Tonga according to the population of particular districts, although employers could choose workers from a single district or from across the country. Selection was biased towards 'good, reliable people' who were unlikely to overstay, and targeted the 'grassroots of Tongan society: the poor and the unemployed' (quoted by Blanco 2009: 45).

The basic characteristic of a sample of households of seasonal workers in both 'Eua and Tongatapu indicated that they were poorer than non-PSWPS households in terms of both incomes and access to services (such as piped water and electricity). Evaluations of the impact of the Tongan migrant workers scheme suggest that poorer, more rural workers were more likely to participate in both the RSE and PSWPS schemes (Blanco 2009; Gibson et al. 2008). The remittances to households of migrant PSWPS workers constituted more than 95 per cent of their incomes. Remittances were used mainly for consumption (bills and education fees), though all households donated some to churches. Some households hired labour in the absence of male workers, while others experienced declining productivity of agricultural holdings but were unconcerned, perceiving the benefits of remittances to be considerably in excess of any short-term lost productivity. Strong social and family social networks were usually adequate to reduce any negative costs of the absence of workers (Blanco 2009; Rohorua et al. 2009). Remittances were also used to pay off debts on housing materials and car purchase. Only one household had been able to invest in business development. Households welcomed the financial security and freedom that the scheme had given them as the best outcomes of the PSWPS scheme; the most negative outcome was the absence of the husband and father. Benefits were particularly strongly perceived in 'Eua, where economic opportunities were unusually limited.

Despite the various problems associated with limited employment in Australia, both among workers in Australia and for their households in Tonga, both in Tonga and in Australia the very limited first phase of the scheme had been successful, and potentially appeared to be a partial model for future success. That largely failed to follow, despite the return of some Tongan workers and the recruitment of more in the following year.

4.7 Overall perspectives on RSE and PSWPS

The current schemes have run for little more than four years at the time of writing. There have been few detailed assessments and none that effectively examine the impact of the schemes at both ends over a period of time. The RSE scheme has not been evaluated in any detail for migrants from Samoa and Kiribati, so the more detailed conclusions relate mainly to the experience of ni-Vanuatu, Tongan and Tuvaluan workers. There is no reason to suppose that this is very different elsewhere (although Samoans have been said to have a higher rate of overstaying, partly because of the large Samoan community in New Zealand). Overall, because of the short duration,

conclusions are necessarily tentative, and to some extent reflect the challenges of implementing new and complex schemes.

Numerous teething problems occurred, including poor (and expensive) housing and facilities, lack of work at certain times (but continued costs), lack of awareness of certain requirements and local conditions (including the need for warm clothing), unfamiliarity with the kinds of agricultural work and labour organisation that were required, and frivolous expenditure of 'new money'. There was uncertainty over hourly rates and piece work – with most islanders preferring standard hourly rates for all workers – and over deductions made from wages for various reasons. Most workers found that the costs of accommodation were greater than expected, especially since they were sharing quite basic facilities and often there were additional costs for electricity and water (Bedford et al. 2010). This necessarily reduced their earnings, and many workers felt that they had not been able to accumulate the kinds of sums that they had imagined and expected. The RSE scheme guaranteed only 240 hours' (six weeks') work at the minimum wage, not enough to make reasonable savings, whereas the Australian scheme officially guaranteed six months' work (which partly explains the smaller numbers in Australia, since few employers could commit to that). Where there was considerable downtime, workers were even more likely to spend their savings – since there was little else to do – especially on alcohol, partly as a result of being in a characteristically male-dominated environment.

A lack of leadership in a new social context both made any regulation and social cohesion difficult and resulted in periods without an obvious sense of direction and purpose. The provisions made for pastoral care were vague and uneven in the earliest years, since it was largely a function of individual employers rather than carefully regulated by ministries of labour. Source countries have not had the resources to monitor the wellbeing of the workers, so there is considerable dependence on the goodwill of employers and monitoring by destination countries.

Over time, expectations were reduced and workers, especially those who travelled to work repeatedly, developed greater familiarity with what was expected, what was available and how they might conserve savings. The PICs learned relatively quickly who would turn out to be the more effective workers, and what kinds of pre-departure training would be most useful and enable workers to maximise their savings. Employers learned how to accommodate new workers.

Not all workers were immediately effective and some (a minority) departed early, finding labour demands too great. Almost all workers were totally unfamiliar with kinds of work they were expected to perform, since none of the fruits they were dealing with were grown in their home countries. Workers gaining experience of working in different conditions (plants, techniques, labour routines etc.) meant that there was an incentive for employers to re-hire those workers who wished to return rather than have to train new workers from scratch.

The schemes demand commitment on the part of employers. They cannot simply be seen as last-minute attempts to gain cheap workers when all else has failed. However, it is extremely difficult to forecast and predict agricultural labour requirements far in

advance, especially in uncertain climatic conditions (which have typified Australia in recent years). Moreover, as widely reported by employers in Australia, it was extremely difficult for them to commit to six months' employment, since that period was seen as simply too long, or to guarantee 30 hours' work per week (TNS Social Research 2010). This has proved the greatest problem in both countries, as workers have either not gained the work they expected or repeatedly and uncertainly shifted around between employers to find additional work.

Despite universal concerns that costs in New Zealand (and Australia) were too high, many workers returned with considerable sums, substantially more than they could have earned at home, especially from unskilled work in the agricultural sector (even were this available, and usually it was not). For the more remote states of Kiribati and especially Tuvalu, where costs were greater, many returned with relatively little and were even in debt. Geography disadvantages remote states when workers are needed at reasonably short notice; hence the need for some long-term security of employment.

Workers were expected to know something about the nature and organisation of employment in New Zealand and Australia, to be able to sort out some system for having a spokesman who could relay issues to management, and to be 'good citizens' of the countries they came from by behaving in an acceptable manner (Hammond and Connell 2009; Bedford and Hugo 2012). Few workers overstayed (and then mainly Polynesians in New Zealand), hence there was there was a strong commitment to return.

The experience of the new labour migration, limited though it is, has been largely positive for New Zealand, Australia and the participating states. Workers are available for seven months, compared with backpackers, who usually stay for no more than a couple of months. The migrant workers on these scheme are therefore a more reliable source of labour, potentially reducing training times and costs. They have filled vacancies in the agricultural sector, without displacing local workers, made some contribution to local society and gone home at the end of the time period. The major disadvantage has been the lack of guaranteed employment.

4.8 Economic impacts

Within the PICs the schemes have proved to be both generally pro-poor, because of local selection procedures, and not localised in particular regions but rather spread throughout sending countries (Gibson et al. 2008; McKenzie et al. 2009; Blanco 2009). There is some limited evidence of lost productivity in particular labour sources, including Vanuatu, which may also have had negative impacts on diet and health (Rohorua et al. 2009) but that was almost certainly balanced by income gains that counteracted lost production. More general research on remittances and development in Fiji and Tonga has pointed to positive gains in terms of poverty reduction (Connell and Brown 2005). Those findings are confirmed by work on the impact of remittances from the temporary workers in both New Zealand and Australia on families and communities in Tonga and Vanuatu. These studies have

further shown that remittances have reduced both the incidence and the depth of poverty (Gibson et al. 2008; Blanco 2009). Savings supported welfare gains in terms of improved housing and education, even if agricultural productivity declined slightly during the contract labour period (but not beyond it).

Few useful skills were acquired. Those that were acquired were rarely transferable to the quite different PIC agricultural systems, as had been true in an earlier Samoan episode (Macpherson 1981). However, in most PICs there is existing expertise in growing tree crops (notably coffee and cocoa), and Vanuatu especially has such crops as oranges, so there is certainly some potential for the effective use of the acquired skills. That is less true of Tuvalu and Kiribati. Skills cannot be transferred to more remunerative urban employment. In more established schemes, a 'migrant syndrome' has been perceived whereby households depend on distant employment and remittances, resulting in lost local productivity (Reichert 1981), but the benefits in the Pacific have been relatively small and any lost productivity is likely only to accompany the actual employment period.

Migrants moved out of relative poverty. Although incomes, and their utility, were less than expected, they enabled improved material wellbeing. Governments, recruiters and local agents preferred agricultural workers – and sought to exclude educated, or even skilled, workers (and the urban unemployed), reducing the costs and increasing the benefits to sending countries. Every country, including Kiribati (Gibson and McKenzie 2011), has sought to achieve some version of geographical equity. None has the capacity to use the scheme to boost more impoverished regions, although Tonga gave some priority to more impoverished households. Households with members working in the schemes were generally more impoverished than other national households. However, in Vanuatu the average household sending workers to the RSE scheme, although poor by regional standards, was richer than the average ni-Vanuatu household not sending workers (Gibson and McKenzie 2011). With rare exceptions, workers were not in employment categories where their loss would be of particular concern for national development.

In an international and Pacific regional context, there has been a shift from a more broadly based structure of migration towards greater selectivity and skilled migration that has created a new dimension of inequality (Connell 2006). No longer are the poor so easily able to move (although that was never easy, at least from the independent PICs), whereas the relatively rich (or at least those who have acquired training and marketable skills) are actively courted and recruited. In absolute contrast, the new guest worker schemes have ruled out the rich and skilled, and provided a rare and important outlet for the relatively and absolutely poor.

The availability of contract renewal suggests that equity might be less well served in future if the same workers return repeatedly in subsequent years. However, if the scheme expands, and if Australia provides greater opportunities, this may be less of a problem. Return migration would reduce establishment and training costs and, presumably, allow those best suited to the scheme – in their own terms or those of the employer – to be most involved. If future numbers remain limited, New Zealand and Australian selectivity will ensure that only the best workers will be chosen. Within the

Pacific, gains would thus be increasingly localised, perhaps as in Mexico, where 80 per cent of workers who migrated seasonally to Canada in 2003 had been specifically requested by employers (Verduzco and Lozano 2004).

Income was widely sought and used for improved housing, water tanks, lighting (usually through solar panels) and education fees. In Vanuatu at least, much was spent on mobile phones, since the telecommunications network was expanding at the same time as the introduction of the RSE scheme. A worrying trend for environmental management in later phases of RSE migration from Tanna has been the purchase of chainsaws. Although, unsurprisingly, not all expenditure was directed to valuable welfare gains, there is substantial evidence of the schemes making a contribution to basic needs and to moving rural areas of small island states closer to achieving the Millennium Development Goals.

The duration of involvement in the schemes has been limited, so their social impact has not been substantial. For the workers and their households there have been clear income gains, and overall their use has been focused on a development agenda: improved welfare gains (housing, solar panels, access to water) and some village facilities (school buildings), which have contributed to local social status. There is no reason to suppose that future incomes from the RSE scheme will fall and that they will be more frivolously used. There is every indication that workers have been chosen (or have chosen themselves) according to perceived needs, and thus that the scheme makes a contribution to local and regional equity. Women too have participated and have not obviously been discouraged from applying. Migrants had no ability to control conditions, since their stay was entirely temporary, and had minimal autonomy. The possible social costs of workers being absent, while children and old people remain, or of their acquiring new attitudes to work and life overseas, are yet to be known.

4.9 Win–win–win?

Both schemes are in their infancy. It may be that they now attract the best workers and employers, and there are real incentives for both such groups and the governments to ensure that everything works successfully. Over time, if numbers increase, the impact may be different. Yet for the moment they appear to be a success, and with the RSE scheme perhaps a model (hence its largely nominal extension to other countries). Both schemes have achieved 'triple wins' – for workers and for countries of origin and destination – but not on any significant scale, which appears to have also been the experience in Caribbean states. (Numbers in Canada seem to have averaged about 18,000 workers a year, with Mexico supplying over 10,000 of these, and Jamaica the majority of the remainder; Caribbean island states with populations similar to the PICs had fewer places per capita than in the Pacific.) The limitations of short-term labour migration are evident in the minimal subsequent structural and domestic changes that occur, the impossibility of converting household gains into long-term sustainable development, and the inability of small island states to translate household gains into more effective structures of national development.

The main concern over the schemes in both New Zealand and Australia has been over the difficulty of securing a reliable workforce. That emphasises that the schemes have been structured around the needs of Australasian farmers. Pacific economic and social development is a secondary aim of the RSE scheme and especially the PSWPS, and the schemes are linked to ministries of labour/employment and not to the New Zealand Aid Programme (NZAid) or the Australian Agency for International Development (AusAID). Not surprisingly, PIC governments and households are interested in the schemes for quite different reasons, and these are not entirely reconciled.

Whatever the impact of the schemes, with the total labour market set at 8,000 in New Zealand and the total in Australia at a fraction of that, so that in no season has the number of contract workers reached 10,000, the overall number of workers can only ever be a small proportion of those who wish to go, and the impact on island states is slight. Such numbers can be compared with the annual maximum of 24,000 in Canada (although about 18,000 is more usual), where the labour market is larger. Even in the smallest state, Tuvalu, the overall impact has been very limited. Workers from both Tuvalu and Kiribati, as the most distant states, faced higher costs, and earnings were thus less than in other country groups, but they were also significantly above the lower average incomes in those countries. Even in Vanuatu, from where most workers have come, fewer than a thousand workers are guest workers at any one time: much less than 1 per cent of the population (of about 250,000). The schemes generate more unfulfilled hopes than development. The most critical question that has arisen from the schemes is if and how they might be extended to draw in a wider population, over a longer time period, without compromising the gains achieved thus far. In the PICs there is a widespread view that quotas should be locked in, ensuring that there is a definite number of workers each season, so that labour mobility would not be restricted at times of recession or natural disasters.

Other small changes might improve the present systems. Recruitment might best be undertaken through community-to-community links so that workers might come from churches, sport clubs and community organisations, or be linked to them at the destination. That would avoid 'middlemen' recruiters and strengthen valuable social ties. Although countries and companies brief workers before they set off, there is no parallel briefing on return (partly because returnees are less likely to travel in a group) and therefore no means of advising workers on such re-integration issues as the use of savings etc. Samoa is intending to put just such a system in place, and, since all returning workers are briefed, they too are positive participants in briefings. Involving workers from previous years might also be valuable for such a process.

Apparently everywhere in the island region, prospective workers and households favoured Australia, since it was assumed that wages would be higher there (just as the dollar was) and that it would also be warmer there; hence it was a particular disappointment that so few opportunities were available in Australia.

If the numbers remain small, there will be some potential for unhealthy competition between countries (and regions of countries) for access to the schemes. That may disadvantage remote countries, such as Kiribati and Tuvalu (especially if there is

a need for quick access to the market), and perhaps latecomers, such as PNG and Solomon Islands. It is particularly difficult to see how the scheme might provide advantages for these two relatively large states, with populations of about seven million and 560,000 respectively, rather than generate regional tensions. It is difficult to envisage that equity or development might be achieved.

4.10 A widening sphere?

Regardless of local aspirations, migration and labour inputs were wholly linked to demand for labour. The schemes were initiated in New Zealand and Australia and, just as in the old days of blackbirding and the more recent 1970s scheme in New Zealand, they have largely been dictated by metropolitan requirements. Thus blackbirding ended when Australian demand disappeared and, in the Fiji–New Zealand scheme, although the coups 'provided a convenient excuse to put an end to the most successful work permit scheme that had evolved between New Zealand and a Pacific country', the real rationale for its demise lay in economic recession in New Zealand and the collapse of demand for labour (Levick and Bedford 1988: 21). In this century, in the present phase, metropolitan labour requirements, rather than, for example, considerations of aid delivery and foreign relations, have dominated the operation of the scheme; hence the slow start of the programme in Australia as the global financial crisis and natural hazards dampened demand for migrant labour, and local workers and students were more willing to be employed.

International migration has deferred and mitigated, but not resolved, issues of poverty and development. The combination of weak economies, overburdened bureaucracies, urban unemployment, fractured social networks and uneven development challenges notions of sustainable development. Most PICs are likely to remain weak for the foreseeable future, become increasingly dependent on the wider world and require new forms of external support and intervention. International migration constitutes one increasingly less hesitant solution: an expanding and unsatisfied outward urge, a necessary bottom-up globalisation that will always be both uneven and somewhat unsatisfying. Demand for opportunities is unlikely to diminish and will continue to exceed the supply of opportunities.

At a time when Pacific poverty and hardship are increasing, migration is part of a global trend in which remittances substitute for aid, and national investment in rural and regional areas is reduced. However, even the limited success of this new form of circular migration may be counterproductive in the longer term if it diverts attention from alternative national and international policies and strategies that will ultimately assist the poor in rural areas, for example by contributing to food security.

Both New Zealand and Australia absorb much larger numbers of skilled workers on a temporary basis. In the case of Australia's 457 visa programme, workers are sponsored by an Australian employer, can enter the country for between one day and four years and may be accompanied by spouses and dependents. In mid-2011 there were seventy thousand 457 visa holders in Australia and almost as many spouses and dependents. This programme, therefore, is very different from that

for temporary agricultural workers, firstly by requiring skills (such as medicine or accountancy), secondly by requiring that migrants are already reasonably well paid (a minimum income of A$49,330 is needed), thirdly because visa holders can bring family and fourthly because the duration is much longer. There is no obvious way in which the PICs can benefit from such skilled migration schemes without island workforces having very different skill sets, since it cannot easily be extended to unskilled workers. PICs may already be losing from the scheme because of the loss of scarce skills. Schemes such as the Kiribati–Australia Nursing Initiative (KANI) will enable some students to enter Australia and remain there after training, but numbers are limited.

4.11 Regional trade agreements

Regional trade agreements are currently being renegotiated between the 14 independent PICs (the members of the Pacific Forum) and Australia and New Zealand. The principal agreement that is being negotiated is the Pacific Agreement on Closer Economic Relations (PACER-Plus), which is an umbrella agreement providing a framework for the future development of trade co-operation. It moves the region towards free trade but is considered to go beyond trade in also constituting 'aid for trade'. It does not contain substantive trade liberalisation provisions; rather it envisages a step-by-step process of trade liberalisation. This starts with a free trade agreement in goods among PICs (PICTA – the Pacific Island Countries Trade Agreement), which is likely to be extended to services. PACER provides for programmes of assistance to the island country members with trade facilitation and capacity building. The PICs have indicated in Pacific Forum meetings that they would like migration to be part of the PACER-Plus negotiations but Australia has indicated that the focus should only be on trade. The final communiqué of the 41st Pacific islands Forum in Vanuatu noted, with respect to labour mobility, that 'Leaders noted ongoing developments on labour mobility in the region as well as parallel developments on Temporary Movements of Natural Persons-related activities and the labour mobility objectives of Smaller Island States under the auspices of PACER-Plus, PICTA, EPA and other trade negotiations' (Pacific Islands Forum 2010). In practice there was little movement towards any consideration of new or expanded forms of labour mobility. Significant changes to structures of unskilled labour migration are unlikely to be imminent.

4.12 The way forward?

The inability of many growers to offer enough work (whether perceived in terms of hours per week or months) is the single greatest constraint on expansion of the existing schemes. Unless such guarantees of employment can be made, any increase in the numbers of seasonal agricultural workers will tend to increase the problems of allocating work, and result in confusion and more workers moving between regions within destinations.

For temporary schemes to benefit PICs more effectively, then, demand for agricultural workers must increase (and it is unlikely that this will be so), new destinations must be found or employment must be offered in other sectors. It is unlikely that there are

new destinations that both demand a significant amount of agricultural labour and would give priority to the Pacific. Asia has demand, but a relative abundance of cheap labour, and Canada and the United States have other labour markets.

Other employment sectors in both Australia and New Zealand are at least intermittently short of labour, including unskilled labour. In New Zealand, elsewhere in agriculture, both the dairy and meat-processing industries have asked the Department of Labour to extend the provisions of the RSE to their primary sector operations, and it is likely that in these sectors there would be fewer problems of estimating labour requirements. In 2011, Australia announced that workers from East Timor were to be invited to work in the tourism industry in rural Western Australia (in the town of Broome) for seasonal employment under the terms of the PSWPS. This both widens the geography of the scheme (indicating how East Timor is frequently perceived as akin to a PIC) and widens the sectoral orientation. The hospitality/tourism sector is widely seen as the most likely sector for expansion of temporary schemes.

At different times in both New Zealand and Australia (Callister et al. 2009), there has been some discussion of a more general extension into the hospitality industry, and also into the care services, where demand for workers is considerable and hours are long but skill requirements may be greater.

It was suggested that there were opportunities for significant temporary work during the ongoing reconstruction of Christchurch after the 2011 earthquake (Bedford and Hugo 2012), but that was not taken up by the New Zealand government. This indicates the difficulties of quickly responding to intermittent demands for labour (and perhaps also the reluctance of governments to extend such temporary schemes without very careful consideration). The Australian fishing industry is said to be also seeking similar sorts of temporary work schemes. Mining, where demand is considerable, but generally for more skilled employment, might also be a potential future destination (although this area has sought to give some priority to Aboriginal workers). In some Canadian provinces, such as Alberta, some short-term migrants are allowed to work in areas such as trucking, manufacturing and hospitality (though numbers in the last of these are capped). In the present economic circumstances, and given the perception of unions and others that significant unskilled migrant employment would be a threat to the wages and working conditions of low-income Australians (as was also perceived to be the case during the establishment of the PSWPS), none of these changes seems imminent or would be easy to achieve.

Several countries have trained workers for overseas employment, notably in the Marine Training Schools of Tuvalu, Kiribati and the Marshall Islands, and there has been recurrent discussion of expanding and developing these models to include skilled workers such as nurses, and benefit from presumably larger remittance flows. Without exception, all independent PICs have continued to be interested in, and have exerted some pressure on Australia and New Zealand for, more opportunities for their working-age populations to access temporary employment in the two countries. Primarily, that demand is simply for opportunities that will guarantee reasonable incomes and thus benefit households in rural areas of the home states. Some PICs, notably Samoa, have stressed some enhancement of skills that might contribute to

improving those skills in the labour force within Samoa, but that is more difficult to achieve. It does, however, point to how, as in Kiribati, there is widespread interest in the acquisition of skills and opportunities for skilled migration (even perhaps at some social and other cost) and that more permanent and, hopefully, more skilled migration (and hence greater earnings as in KANI) is the preferred goal for many. Pacific island states have almost always preferred permanent migration opportunities for migrants and their families and the longer-term flow of remittances that ensues. Temporary guest worker schemes are something of a halfway house, but their limited gains have produced a win–win–win outcome at no real cost.

Appendix 4.1 Recognised seasonal employer policy[1]

Employment factsheet

Important information for workers in New Zealand under the Recognised Seasonal Employer (RSE) policy

Welcome to New Zealand. Your RSE visa allows you to work for the Recognised Seasonal Employer that has offered you employment until it expires or is revoked. New Zealand has rules regarding your rights as an employee and what you can do. It is very important that you are aware of these.

Your rights when working in New Zealand

Below are your basic legal rights as a worker in New Zealand.

- You must have a written employment agreement that both you and your employer have agreed to. Your employer must provide you with a copy. Your employment agreement will tell you about your pay, deductions and other employment conditions.
- Your employment agreement will specify the terms and conditions of your entitlements which include such things as your working hours, holiday and sick leave allowances. Keep a copy for yourself.
- Your employer must provide a safe workplace for you with proper training, supervision and equipment.
- New Zealand has a minimum wage and you must be paid no less than that rate. The minimum wage rates are reviewed every year. Information on the current minimum wage is provided on the Department of Labour website www.dol.govt.nz/er/pay.

What you must do

- You can only work for the employer in the job that is stated on your RSE work visa.
- You are expected to fulfil all the requirements in the contract you signed with your employer.

- You must complete work tasks the way your employer has trained you.
- Make sure you arrive on time and are reliable in your work and try your hardest. If you do not meet your legal obligations at work you could lose your job.
- Work steadily and look after yourself while you work. If you do not understand something, do not be shy about asking your supervisor. There is no shame in this and your employer will expect to be asked questions particularly while you are new in the job.
- You must leave New Zealand when your work has finished, or before your RSE visa expires or if your permit is revoked. If you stay in New Zealand illegally, you may be subject to removal and be banned from returning to New Zealand for a five year period.

What your employer must do

Your employer will pay for half of your airfare costs from your country of origin to New Zealand. If you are a citizen normally resident in Tuvalu or Kiribati, your employer will pay half of your airfare costs between Fiji and New Zealand.

Your RSE employer will arrange accommodation for you while you are in New Zealand, but it is your responsibility to pay for the accommodation.

Migrant workers must be employed on the same terms and conditions as New Zealand workers. You will be paid the same as a New Zealander doing the same job with the same level of experience.

You will find that more experienced workers usually receive more than new workers. You should also receive a higher rate once you have gained experience and achieved higher skill levels.

Under Immigration New Zealand requirements your employer must:

- pay you no less for doing the same job than they would pay a New Zealand citizen or resident with the same level of experience
- ensure that you are provided with an induction programme
- ensure you have suitable accommodation
- cater for your pastoral care needs, like services and community groups that help you with health issues, shopping, sport and attending church
- ensure you have transport to and from your worksite, provide assistance with personal banking
- provide personal protective equipment where required
- provide onsite facilities (such as toilets and clean water)
- and provide language translation (as appropriate).

When things go wrong

- If you have a disagreement with your employer including how much you are paid or about your working conditions, try and resolve the issue with your employer straight away or by following the procedure that is in your employment agreement.
- If you have a problem please talk to your employer or team leader about it. The problem cannot be dealt with if people do not know about it. If you are not happy with the response, contact your Labour Inspector, or Compliance Officer.
- If a problem cannot be resolved, parties can go to mediation, either through the Department of Labour's mediation services or through independent mediators.
- The RSE Labour Inspectors and Compliance Officers from the Department of Labour will be able to help you resolve any problems you will have with your Employer.
- If you are dismissed from your employment, you will not be eligible to remain in New Zealand. If you get into trouble with New Zealand law, your employment may come to an end, and you may be requested to leave New Zealand.

Annual holidays, public holidays and sick leave

Annual holidays

- Temporary workers who work in New Zealand for less than one year are entitled to eight per cent annual holiday pay of their total before-tax wages. Some employers include holiday pay in your weekly pay and others will pay it to you at the end of your employment. If it is included in your weekly pay, you should be able to identify it separately in your pay slip. Holiday pay is wages and as such is taxable. For example: if you are usually paid $15.00 for every bin of apples you fill, and you fill 40 bins by the end of the week, you will be paid $600 for the week. If your employer includes your annual holiday pay in your weekly pay, you will be paid $648. The additional $48.00 (which is eight per cent of $600) should be shown separately as annual holiday pay in your pay slip.

Public holidays

- You will also be paid for those public holidays that occur on a day that would normally have been worked by you had it not been a public holiday. New Zealand has 11 public holidays a year. These are: Christmas Day (25 December); Boxing Day (26 December); New Year's Day (1 January); 2 January; Waitangi Day (6 February); Good Friday (the date varies each year); Easter Monday (the date varies each year); ANZAC Day (25 April); Queen's Birthday (1st Monday in June); Labour Day (4th Monday in October); and Provincial Anniversary Day (the date depends on the province in which you work.)
- You are not required to work on New Zealand public holidays unless your employment agreement says that you are required to work. If you work on a

public holiday, you will be paid at least time and a half for the time you actually work on a public holiday. It does not matter whether you are paid on a wage or piece rate basis. For example: if you are usually paid $15.00 per hour, on a public holiday you should be paid at least $22.50 per hour which is $15.00 × 1.5 or time and a half.

- If you work on a public holiday that falls on a day you would normally work, your employer must give you a day off at a later time. This is called an 'Alternative Day'. If you have not taken any alternative days at the end of your employment, your employer must pay these days out to you at the rate of pay for your last day of work.
- You and your employer may agree that you transfer your public holiday to another day as long as this is in writing and the day to which you transfer your public holiday would have been a working day for you.
- If you do not work on a public holiday, but it is a day you would normally have worked, your employer must still pay you for the day as normal.

Sick leave and bereavement leave

- After six months employment you will be entitled to five days sick leave and three days bereavement leave. You can take sick leave if you are sick or injured and you can take bereavement leave if a close family member dies while you are working in New Zealand. You may be required to provide a medical certificate within three days of taking sick leave and the employer must pay for your expenses in getting this proof.
- Under RSE policy, you must hold, or be approved for, acceptable medical insurance for the length of your stay in New Zealand.

Trial periods

- You and your employer can agree to a trial period of up to 90 days. This agreement must be in your signed employment agreement before you start work. If you are dismissed before the trial period finishes you cannot take a personal grievance for unfair dismissal. You cannot be employed on a trial period more than once with the same employer.

Helpful information

- You should keep your own records of the days and hours that you worked. Check your records against the pay slip that you receive.
- You require an Inland Revenue number to work in New Zealand. Your employer may assist you in obtaining this, or you can contact the Inland Revenue on 0800 227 774 (free call in New Zealand).
- You or your employer cannot change the conditions of your employment agreement without mutual agreement between yourself and your employer.

- If you have any questions about your immigration status or the Recognised Seasonal Employer immigration policy, you can call Immigration New Zealand on 0508 55 88 55 or contact your local Labour Inspector, Compliance Officer or Relationship Manager.
- If you followed immigration and employment rules while you are in New Zealand you may be able to return to work for an RSE in the next season. There is no limit to the number of times you can come to New Zealand as a worker under the RSE policy if you are invited and prepared to do so.

Your contacts

If you have any questions or problems while working in New Zealand you can contact your local Labour Inspector, Compliance Officer or Relationship Manager. These officers will assist you and provide you with help or any information you require. You can contact any of these officers by calling 0800 20 90 20 (free call in New Zealand).

www.dol.govt.nz/initiatives/strategy/rse/factsheets/english.asp

Note

1 Ministry of Business, Innovation and Employment, Government of New Zealand (2010).

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