



Is Labour Mobility Bringing
Sustainable Economic
Development?

Objectives of the RSE and SWP

New Zealand

- ▶ “The earnings they send home will support families, help pay for education and health, and sometimes provide capital for those wanting to start a small business”

Winston Peters,

Former Minister for Foreign Affairs (2006)

Australia

- ▶ The remittances sent home will significantly help the development of their villages and communities.

Stephen Smith,

Former Minister for Foreign Affairs (2008)

The RSE So Far

(2007/2016)

RSE Season	2007/8	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Vanuatu	1698	2342	2137	2352	2412	2829	3070	3435	3727
Tonga	805	1355	1142	1411	1398	1573	1538	1750	1750
Samoa	647	1228	1021	1219	1162	1137	1169	1238	1522
Solomon Islands	238	311	256	252	407	423	491	511	616
Kiribati	69	38	48	149	142	138	127	136	143
Tuvalu	99	49	54	51	88	56	71	70	64
Papua New Guinea	-	-	-	6	6	31	58	96	63
Fiji	-	-	-	-	-	-	-	30	84
Nauru	-	-	-	-	-	-	-	20	20
Others	930	1498	1558	1651	1394	1269	1331	1197	1263
Grand Total	4486	6821	6216	7091	7009	7456	7855	8483	9252

Source: [Department of Labour](#)

The SWP in Figures

Financial Year of Visa Grant	Fiji	Kiribati	Nauru	Papua New Guinea	Samoa	Solomon Islands	Timor-Leste	Tonga	Tuvalu	Vanuatu	Total
2012-13	0	34	10	26	22	42	21	1,199	0	119	1,473
2013-14	0	14	0	26	162	9	74	1,497	20	212	2,014
2014-15	< 5	11	0	35	185	21	168	2,179	7	567	3,177
2015-16 to 31/03/16	154	20	17	38	74	20	125	1,509	< 5	1,038	2,999

Remittances From Both Schemes

	US\$ millions (April 2016)		
	Australia	New Zealand	World
Fiji	74	56	222/59.1%
Kiribati	3	5	16/50%
Papua New Guinea	8		10/80%
Samoa	29	69	154/63.6%
Solomon Islands	14		18/77.8%
Tonga	22	44	118/55.9%
Tuvalu		2	4/50%
Vanuatu	5		28/50%

Source: World Bank Bilateral Remittance Matrix (2015)

Are the right Skills Being Taught?

Add on Skills Training (Australia)

- ▶ English literacy and numeracy
- ▶ Basic information technology
- ▶ First aid

Filling the Skills Gap (Vanuatu)

- ▶ Most tradesmen business are owned by foreigners (Australia and New Zealand)
- ▶ Caused by an acute shortage of trained locals able to fill the roll
- ▶ Australia and New Zealand should seriously consider expanding their skills training
- ▶ If done correctly the SWP and RSE could help produce Pacific workers who have skills in demand in their home countries.

Conclusion

- ▶ The SWP and RSE have thus far greatly benefited the participating countries but an expansion of both schemes' training component needs to be expanded.
- ▶ Expansion will help produce skilled workers with in-demand skills back home
- ▶ Most importantly the expansion of the training components will ensure that economic development in the participating countries would be less reliant on remittances from abroad



Questions?