

What can Papua New Guinea do to lift its numbers in the seasonal worker programs of Australia and New Zealand?

Richard Curtain

Abstract

Why is it that Papua New Guinea, a country of nearly nine million people – 3.2 million of whom are aged 20 to 45 years of age, have so few workers able to access high-paying jobs in its near neighbours? In relation to opportunities for low-skilled, temporary work, Papua New Guinea in 2017-18 was only able to gain one per cent of the seasonal jobs available in Australia and New Zealand to workers from the Pacific and Timor-Leste. The actual number of PNG workers in seasonal work in Australia in 2017-18 was only 92, and in New Zealand was only 132 in the same year.

How can Papua New Guinea, with support from Australia and New Zealand, improve its prospects of gaining more seasonal work? Why is it that two small countries, Tonga and Vanuatu, have gained more jobs than any of the other eligible countries? What lessons can be drawn from the success of the two leading countries? How have other countries such as Fiji, Solomon Islands and Timor-Lest sought to win a greater share of the seasonal work? This paper explores these questions, and concludes by recommending a strategy for Papua New Guinea to improve its prospects of gaining more temporary low-skilled work in Australia and New Zealand.

What can Papua New Guinea do to lift its numbers in the seasonal worker programs of Australia and New Zealand?

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Curtain, C 2018 "What can Papua New Guinea do to lift its numbers in the seasonal worker programs of Australia and New Zealand?," *Development Policy Centre Discussion Paper #70*, Crawford School of Public Policy, The Australian National University, Canberra.

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¹ I am grateful to Maxie Dominic, LMAP coordinator of the PNG Women in Agriculture Pilot for her insights into the issues raised by the pilot she has managed. I am also grateful for the feedback from senior officials in the PNG Department of Labour and Industrial Relations and the Australian High Commission in PNG on an outline of my presentation. Valuable comments were also received from participants in the discussion after my presentation at the 2018 PNG Update, as well as from two reviewers. The Australian High Commission in Solomon Islands provided information on the SWP Boost Program and its operation. I am also grateful to Charlotte Bedford for the information she provided on RSE employers' experiences in recruiting from Papua New Guinea. Finally, many thanks to Sachini Muller for her close reading and editing of the text.

What can Papua New Guinea do to lift its numbers in the seasonal worker programs of Australia and New Zealand?

1. Introduction

How can Papua New Guinea gain more of the jobs available in Australia and New Zealand for short-term seasonal work? These seasonal work programs have the potential to deliver triple wins for those involved if they are carefully managed in both the sending and receiving countries. The potential benefits offered by Australia's Seasonal Worker Programme (SWP) and New Zealand's Recognised Seasonal Employer Scheme (RSE) need to be viewed from the perspectives of three major beneficiaries: workers and their families, employers, and the economies involved.

The first win is the additional income for the worker and the worker's household, resulting in economic and social benefits to them and their communities. The second win is for rural employers in Australia who gain a source of more reliable and productive workers compared with casual workers such as backpackers. The third win is the increased development impact on the sending countries and the growth of the horticulture sector in the receiving countries.

However, these wins are not automatic. They can only be achieved if careful attention is paid by those operating each program to ensure that these benefits are delivered and are improved over time. The recruitment process plays a key role in how seasonal work programs can deliver on their potential.

Australia's SWP and New Zealand's RSE appear to be similar programs on the surface but do differ in important ways. The main differences relate to the role of growers, labour hire companies and in how recruitment is organised. Understanding how the two programs work and how they are different is a necessary first step to proposing ways that Papua New Guinea can develop strategies to increase its access to seasonal work in Australia and New Zealand.

2. Australia's SWP and New Zealand's RSE

2.1 PNG participation in the two schemes

The following analysis is based on the number of jobs available for seasonal workers in both destination countries by sending country. Figure 1 shows which sending countries from the Pacific and Timor-Leste have been the most successful as well as those that have sent only a few workers. Figure 2 shows the proportion of the adult population in each sending country who were seasonal workers in 2017-18.

Figure 1: The number of seasonal workers approved to work in Australia and New Zealand combined, 2017-18

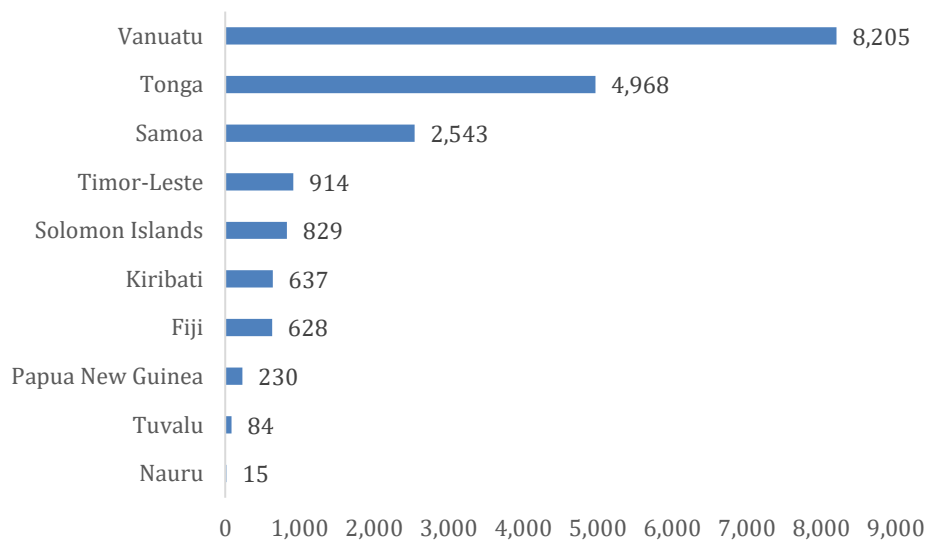
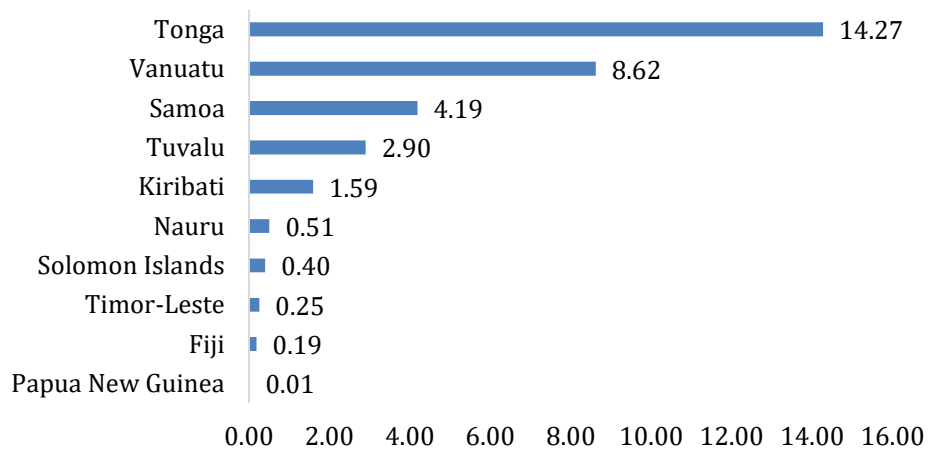


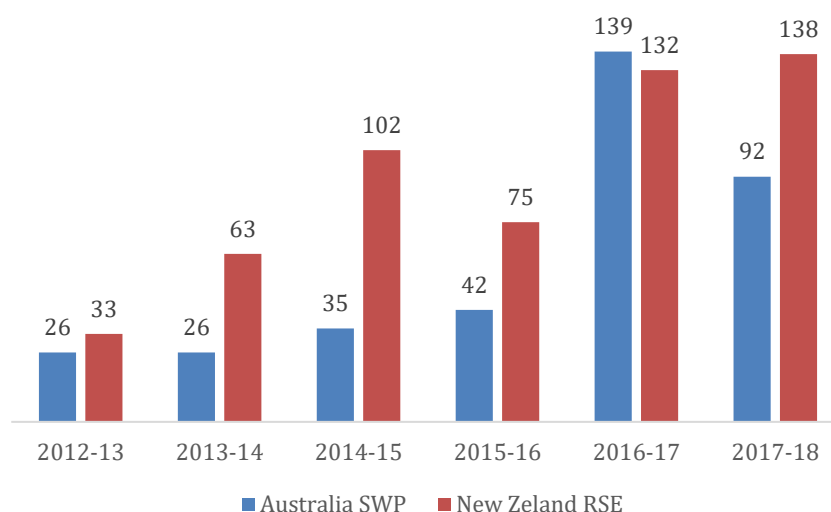
Figure 2: Proportion of seasonal workers in the adult population aged 20-45 years by sending country, 2017-18, per cent



For the purposes of this paper, the statistic in Figure 1 that stands out is the low number of jobs taken up by workers from Papua New Guinea. Out of the ten countries eligible to send workers, PNG's performance is ranked near the bottom in eighth place. Papua New Guinea is behind Kiribati, which sent 637 workers and had a population of 112,000 in 2015. Papua New Guinea is only ahead of two countries, Tuvalu and Nauru, which have populations of only about 10,000 each. Out of a total of 19,053 jobs available in both countries in 2017-18, Papua New Guinea only gained 230 jobs, or only 1.2 per cent of all jobs available in that year.

Figure 2 above shows the population share in each sending country who were seasonal workers in 2017-18 (the most recent financial year). For Vanuatu, nine per cent of the population aged 20-45 obtained jobs as seasonal workers. However, for Papua New Guinea, 230 jobs as a share of the population aged 20-45 years is less than 0.01 per cent. Figure 3 below shows the number of seasonal workers from PNG employed in New Zealand and Australia each year since 2012-13.

Figure 3: Number of PNG seasonal workers working in New Zealand and Australia, 2012-13 to 2017-18



2.2 Which countries have been successful and why?

The second statistic to note from Figure 1 is that workers from Vanuatu have gained four out of ten seasonal jobs (43 per cent), followed by workers from Tonga with nearly three out of ten jobs (26 per cent). Together these countries account for nearly 69 per cent of

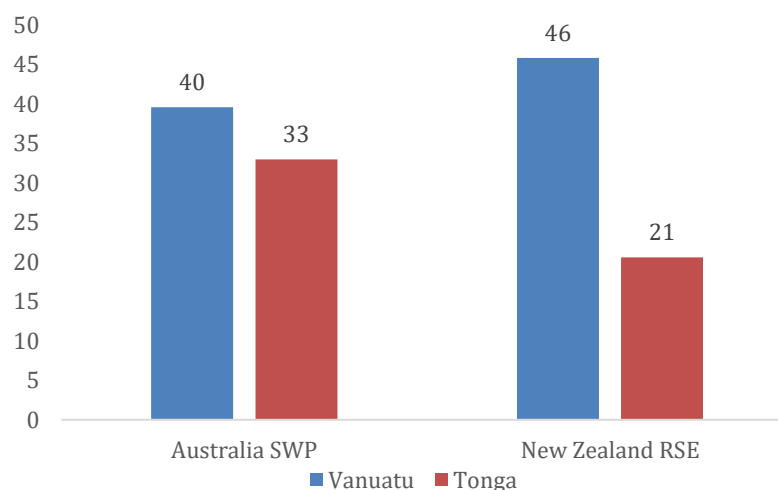
all available seasonal work jobs. These two leading countries have small populations, with combined total populations of only an estimated 371,000 in 2015. Table 1 below presents the number of seasonal workers approved to work in Australia and New Zealand in the 2017-18 year. New Zealand, with 10,596 jobs, offers more seasonal work than Australia does with 8,457 jobs, despite the much larger size of Australia’s horticultural sector.

Table 1: Number of seasonal workers by sending country approved to work in Australia and New Zealand, 2017-18

Sending country	SWP	RSE
Vanuatu	3,348	4,857
Tonga	2,790	2,178
Samoa	527	2,016
Timor-Leste	914	
Solomon Islands	175	654
Kiribati	364	273
Fiji	247	381
Papua New Guinea	92	138
Tuvalu	0	84
Nauru	0	15
Total	8,457	10,596

In 2017-18, Vanuatu had the greatest share of seasonal jobs in both Australia (40 per cent) and New Zealand (46 per cent) (see Figure 4). Tonga comes second with 33 per cent of the jobs in Australia and 21 per cent of the jobs in New Zealand. How have Vanuatu and Tonga gained the leading share of seasonal jobs in both countries?

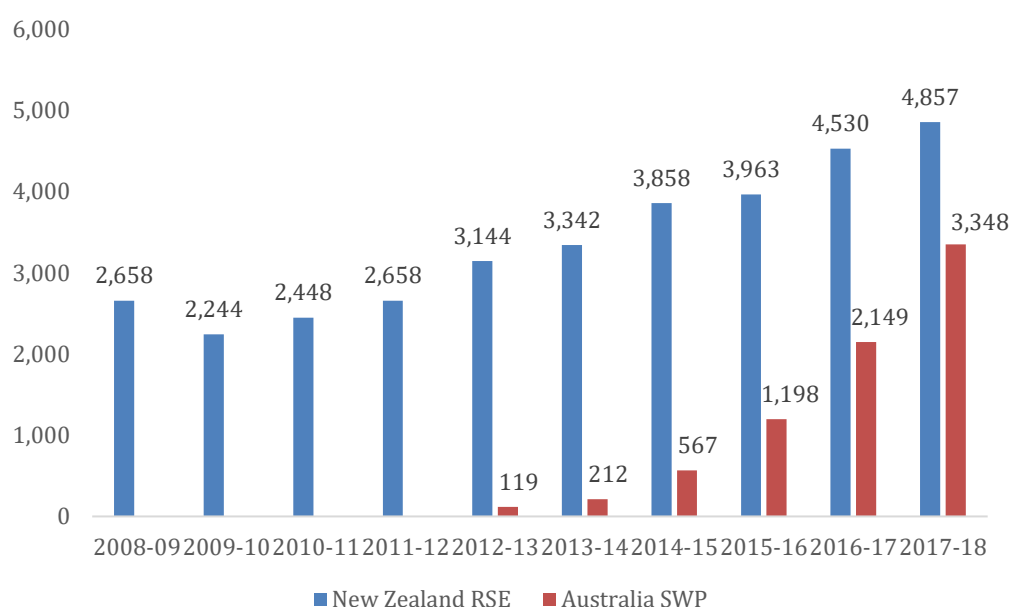
Figure 4: Proportion of all seasonal work jobs held by workers from Vanuatu and Tonga in Australia and New Zealand, 2017-18, per cent



2.3 First and second-mover advantage

The large share of jobs that Tonga and Vanuatu have results from a first and second-mover advantage (see Appendix 1 for an explanation of the terms). Vanuatu had a special start in the RSE because New Zealand employers wanted to recruit from a country that did not have a large diaspora in New Zealand. They sought to lift the RSE's chances of success by ensuring it was not undermined by workers absconding to stay on as illegal migrants (J Van Beek 2013, personal communication, September).

Figure 5: Number of seasonal workers from Vanuatu going to New Zealand and Australia, 2008-09 to 2017-18

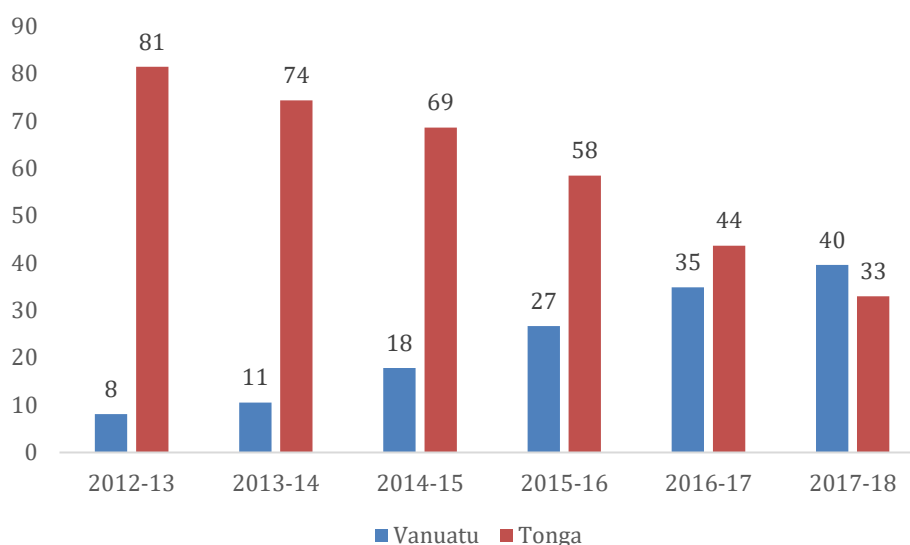


The World Bank facilitated the recruitment of the first workers from Vanuatu by supporting New Zealand employers to make contact with chiefs in rural villages to organise the selection of suitable workers. Figure 5 shows the high number of recruits sent to New Zealand in the first full year of the RSE, demonstrating the large effect of this initial intervention.

However, employers do not want to become too dependent on one source country, especially when worker productivity declines and the number of incidents of bad behaviour increases. This enables a country with the second-mover advantage to increase its numbers. This has happened with the initial Australian employer preference for workers from Tonga. Figure 6 shows that in 2012-13, Tongan workers accounted for

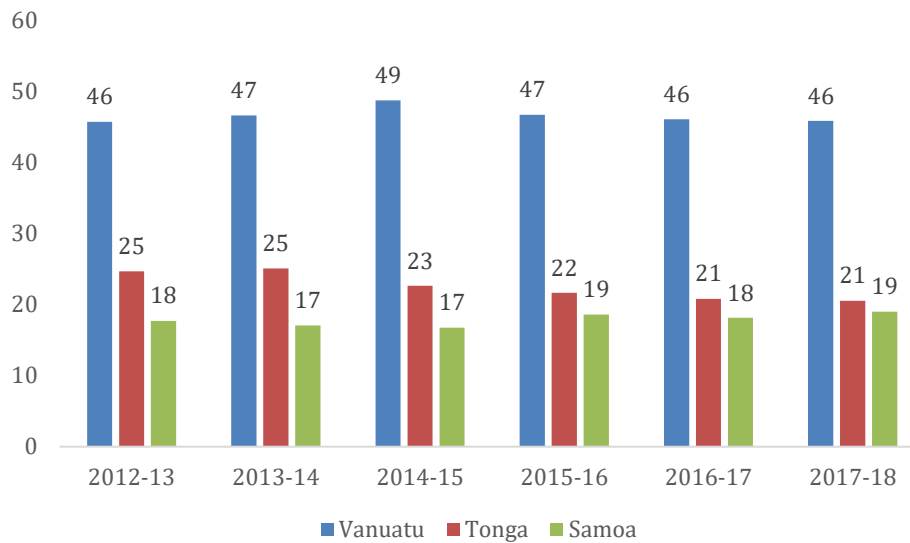
four of out five workers (or 81 per cent) of all SWP workers. This high share of SWP jobs for Tongan workers has fallen each year since then, reaching only one third of all workers in the 2017-18 financial year. Vanuatu, in contrast, has increased its share of workers from a low eight per cent of all SWP jobs in 2012-13, to 40 per cent in 2017-18. Importantly, Vanuatu Government’s Employment Services Unit has played a supportive role, working closely with employers in Australia.

Figure 6: Changing share of workers from Tonga & Vanuatu in Australia’s SWP by financial year, 2012-13 to 2017-18, per cent



For the RSE, however, Vanuatu’s first-mover advantage has not declined over time. Figure 7 shows that Vanuatu’s share of all RSE Pacific workers has remained stable within the range of 46 to 49 over six years, returning to a 46 per cent share in 2017-18. Similarly, Tonga has maintained a relatively stable share of Pacific RSE workers, although falling slightly from 25 per cent to 21 per cent in the most recent year. Samoa’s share of workers has been stable, ranging between 17 and 19 per cent over the same six years. These three countries accounted for 85 per cent of RSE workers from the Pacific in 2017-18.

Figure 7: Share of workers from Vanuatu, Tonga & Samoa in New Zealand’s RSE over six years to 2017-18, per cent



2.4 The differences between the two programs

As noted above, Australian employers have shifted their initial heavy reliance on Tonga to a more even spread across three countries. In the most recent financial year (2017-18), Vanuatu had 40 per cent of all seasonal work, Tonga 33 per cent (see Figure 6) and Timor-Leste 11 per cent (see Table 1). Employers in New Zealand, on the other hand, have stayed broadly with the same balance between countries over a longer period of time (ten years). Figure 7 shows that the share of two main countries, Vanuatu and Tonga in New Zealand’s RSE has varied little over time from their share in 2017-18: Vanuatu 46 per cent of all Pacific workers and Tonga 21 per cent.

2.5 The role of New Zealand’s RSE employers in the recruitment process

There are twice as many approved employers in the RSE as there are in the SWP (129 compared to 62). RSE direct employers, especially the larger employers, prefer to recruit their workers directly from a sending community. The Operations Manager for the Johnny Appleseed Company in Hawkes Bay, for example, recruited 85 of their 100 workers from one village in Samoa over nine seasons (Government of Samoa 2015; O’Sullivan 2015). He is quoted saying that: ‘We recruit groups from villages and that is the system that is best for us’. Most RSE workers from the Pacific are recruited directly by employers or their return workers, operating as ‘informal agents’. This means that the

selection and recruitment process for the RSE takes place separately from the selection process that Labour Sending Units (LSU) run through the work-ready pool. While LSUs have the final say to ensure all the police and health checks have been completed satisfactorily, this involvement is at the end of the recruitment and selection process.

A 2017 survey of RSE approved employers shows that 67 per cent recruit their Pacific RSE workers directly, and 38 per cent use returning workers to recruit for the business (Research New Zealand 2017, Table 14). Only 21 per cent of RSE employers use a Pacific government-sponsored work-ready pool, with 22 per cent using a RSE labour recruiter. Only five per cent of RSE employers use a labour cooperative to recruit RSE workers. In contrast, most Australian growers who use the labour of seasonal workers rely on labour hire contractors who are the approved employers. Labour hire companies account for up to 80 per cent of employment under the SWP (N Roach, Seasonal Worker Programme 2018, interview, 16 April).

Solomon Islands has sent far more workers to New Zealand than Papua New Guinea: 654 workers in 2016-17 compared with PNG's 138 workers, despite having less than one-tenth the population. The greater number of RSE jobs going to Solomon Islanders can be attributed to an initial connection established by a Solomon Island woman who was a New Zealand resident. The woman recruited Solomon Islanders on behalf of a large employer in New Zealand's Hawkes Bay region. Crucially, she also helped the new workers adjust to their new working and living conditions. This same woman later worked with an employers' labour cooperative, Pick Hawkes Bay, to recruit Solomon Islanders for other employers. These employers then asked returning workers to recruit new workers. This key role of an intermediary with strong connections in both countries has been notably missing for Papua New Guinea.

2.6 Use of returned workers to recruit new workers

Employers in both schemes make extensive use of return workers. According to the 2017 Survey of RSE Employers, 80 per cent employed return workers (Research New Zealand 2017, p. 6). Employers invite the better performing workers to return and ask those workers not performing well not to return. Under the RSE over the ten years to 2016-17, workers have travelled an average of 2.6 times to work in New Zealand (Howes 2018).

This means that more than half of all workers under the RSE are returning workers, and most workers (90 per cent) return to the same employer. Similarly for the SWP, over half (55 per cent) of visas approved up to end June 2018 are for returning workers, half of whom have returned for their third or more seasons.

Employers' use of return workers delivers large productivity benefits for them because they gain trained and committed workers for successive seasons. Return workers are also likely to be happier workers as they know what to expect in terms of their working and living conditions. Returning workers also benefit because the longer their duration of work, the greater the impact on their household income. This means that with each successive season, return workers can increase their propensity to save their earnings. They can initially take care of immediate needs, such as buying consumer items such as tools and making home improvements, then make use of later earnings to buy an asset or invest in a business. Recruiting from one community also enables the community to plan ahead to ensure that food crops are planted and arrangements made to help households with an absent member.

Employers continue to be involved in worker selection by asking their best workers to recruit new workers, and work alongside them to train them up. In asking a returning worker to select a new worker, employers can be confident that they will choose someone who will be a good worker. This is because the returning worker will have to work alongside the worker he has chosen. Employers know that the new worker will be trained quickly by the returning workers to reach the level of productivity expected of the work team. Employers are also assured that the new worker will fit in with the returning workers.

The use of return workers and their role in recruiting new workers from the same communities explains why RSE numbers in Samoa and Solomon Islands have grown so rapidly despite relatively little involvement by government. The RSE employers have created their own selection process focused on specific communities, which enables them to operate largely independently of the sending governments' differing capacities and level of resources provided for marketing. The SWP does not have this same operating dynamic because labour hire companies account for most of the employment of seasonal workers. Growers pay these operators for the services of their employees. Labour hire

firms seek to minimise their costs by selecting from the work-ready pool or relying on local recruitment agents. This means they avoid any direct connection with the sending communities. Growers who use their services may request return workers, but they have little control over the selection process.

3. The case of PNG

3.1 The recruitment process in PNG

The lead agency for seasonal worker recruitment in Papua New Guinea is the Department of Labour and Industrial Relations. Workers are selected from a database known as the PNG Seasonal Worker Work-Ready Pool. Staff at the Seasonal Worker Coordination Office process applications when an employer requests potential workers. They screen for attributes based on employers' specifications: details from height and weight, to age and work experience. A list of candidates is sent to the employer, who makes the final selection. The office arranges logistical details such as flights, medical assessments, visas and pre-departure sessions (Curtain 2017, pp. 22-23).

Fee-based third-party recruiters are not permitted to enlist workers on behalf of employers. Papua New Guinea's government retains the sole power to pre-select workers for the work-ready pool, with employers having the final say. A common practice for RSE employers in other Pacific countries is to use their return workers as 'informal' recruitment agents to avoid the limitations of selecting new workers from the work-ready pool. However, it is not known what scope RSE employers in PNG have to use this informal method. It is also not known whether Australian labour hire operators also seek to make use of return workers in this way to select new workers, or whether they merely rely on the work-ready pool by expressing a preference for return workers in general.

The Seasonal Worker Coordination Office is responsible for publicising the program; this is done in major towns including Port Moresby, Lae and Rabaul, as well as in provincial towns like Popondetta and Mount Hagen. Applicants for the work-ready pool are drawn from these urban areas as well as from rural populations, despite the program website stating that those applying 'must be from rural areas i.e. districts and communities'. Many applicants in the work-ready pool state that they are from rural areas, but in reality are current residents of urban areas.

3.2 Problems with the recruitment process in PNG

The PNG Seasonal Worker Coordination Office has been operating since 2011. As noted above, the number of workers sent to Australia and New Zealand has been very low in comparison to other Pacific countries, despite the size of Papua New Guinea's population and its proximity to Australia. The PNG Seasonal Worker Coordination Office's selection process contributed to the early problems, particularly for work in Australia (Curtain 2017, p. 21) as it emphasised the need to select people with good English-language skills and at least a Grade 10 education. This resulted in a selection bias that favoured people from Port Moresby based on their level of English. However, those selected, often clerical workers, were often not able to work as productively as growers expected. Australian employers reported bad experiences with unproductive workers and decided against recruiting more workers from Papua New Guinea (Curtain 2014).

Compounding the problem is the fact that the Seasonal Worker Coordination Office has operated with insufficient resources. The Office lacks a vehicle and has limited access to phones. The Australian Government-funded Labour Mobility Assistance Program (LMAP) has in 2018 provided the Office with two laptops, a projector and camera. Due to staff turnover, new office staff have required additional training, capacity building and technical support (Curtain 2017, pp. 21-22).

Another weakness in the recruitment process for Papua New Guinea is the role of government as the only means of selecting workers for its work-ready pool. This monopoly creates a high-risk situation exposed to bribery and nepotism (the selection of *wantoks*). The requirement to select workers based on English language ability and Grade 10 education level produces a bias to select workers from Port Moresby or rural areas close to the capital. This further increases the risk of corruption because of the small selection pool. A more transparent process is needed which is employer-led, and based on selecting workers from rural areas through their communities.

In addition to issues related to worker selection, employers have identified logistical problems. New Zealand employers in recruiting from PNG also have to incur greater transport costs for workers from PNG. New Zealand employers have noted prolonged delays (of up to three months) in recruiting workers from PNG. Employers regard these

delays as too long a lead-time when they face tight timeframes at harvest time and may need workers at short notice. Employers have attributed these delays to poor administrative processes in the Seasonal Worker Coordination Office, lack of staff and resources, continued staff turnover and the ensuing loss of institutional knowledge, delays with RSE visa processing in Fiji, increasing visa and medical costs, and problems with the reliability of medicals. New Zealand employers have said they would recruit more PNG workers if they did not have to face so many logistical hurdles (C Bedford 2018, personal communication, 28 August).

4. Alternative approaches

Alternative approaches to the selection and recruitment of seasonal workers from Papua New Guinea could address these issues. For example, intermediaries are needed who have the trust of both Australian employers and the sending community; approved employers or a trusted intermediary should be directly involved in the initial selection process, separate from the process for the work-ready pool; and selected workers should be farmers selected from rural areas.

4.1 Direct contact with employers: the role of a labour attaché in Australia

Timor-Leste has increased its number of workers in the SWP to nearly 914 over six years (see Table 1). Timor-Leste has done this through its embassy in Canberra making direct contact with Australian employers. From the beginning of its involvement with the SWP, the government of Timor-Leste has had a labour attaché at their embassy in Canberra and has employed an assistant labour attaché in Timor. The first appointee had lived and studied in Australia and was able to travel throughout rural and regional areas by car to meet growers in their farms. This contact by the initial labour attaché laid the groundwork to encourage employers to recruit from Timor-Leste.

4.2 Direct contact with employers: conference for Australian employers in Dili

More recently, in March 2017, the Timor-Leste government agency responsible for the selection and despatch of seasonal workers invited Australian employers, who paid their

own way, to a conference in Dili, the capital of Timor-Leste (Northern Territory Farmers Federation 2017, p. 12). Fifteen employers accepted the invitation. Some employers were berry farmers from Tasmania and others were from the Northern Territory, sponsored by the NT Farmers Federation.² The employers included approved employers as well as employers who had had no previous experience with employing seasonal workers.

The aim of the meeting was to give employers a better understanding of how workers are selected. Employers were asked by government officials about their expectations of workers and for suggestions to improve the selection process. Employers who had previous experience with the SWP shared the lessons they had learnt and provided suggestions to the government officials on how to improve. One suggestion from an employer representative was for workers to receive before more tailored structured training programs in the crops they are to work in, before departure (Burton 2017). The employers also visited training facilities and small businesses set up by seasonal workers with their earnings, in order to gain a better appreciation of conditions in Timor-Leste. Another meeting with Australian employers is due to take place in 2018 (Northern Territory Farmers Federation 2017, p. 12).

4.3 The importance of selecting workers from rural areas

Fiji was not a participating RSE or SWP country until 2015. However, since then Fiji has managed to increase its number of workers in the SWP to 247 in 2017-2018, in addition to 381 workers sent to the RSE. The government of Fiji has implemented a deliberate strategy of sourcing SWP workers from rural areas, after claims of worker exploitation in Australia forced several workers to return home to Fiji after leaving their original employer (Fiji Sun Online 2016). Rural recruitment better targets poorer households, and ensures that the workers are selected who are used to working in harsh farming conditions.

² The NT Government's Department of Trade, Business and Innovation funded a project from August 2016 to June 2017 to increase the uptake of the SWP within the Northern Territory, with a key focus on developing access to labour from Timor-Leste. See 15 Workforce Planning Coordinator (WPC) Annual Report Seasonal Worker Program Pilot Project 2016/2017, NT Farmers Annual Report 2016-17, p 15.

Fiji's new recruitment strategy is based on rural community participation and accountability. The Fiji Minister for Employment and an accompanying team of government officials have travelled to rural areas to set expectations, create community buy-in and provide on-the-ground support for selection for the 'work-ready pool'. Isolated rural communities with agricultural farming experience are targeted and community leaders are involved in the selection process to identify the best workers for the work-ready pool.

Recently, Timor-Leste has also initiated a process of selection from rural areas, especially from those areas with existing aid investments in commercial agriculture. Rural selection in PNG has been demonstrated by the PNG Women in Agriculture pilot program, which prepares women to take part in the SWP (LMAP/Cardno 2018); this is expanded on in the next section (Section 4.4).

4.4 The selection of women workers from rural areas in Papua New Guinea

Five women from Jiwaka Province have become the first group of women to travel to Australia under the Women in Agriculture pilot program. An important element of the program has been the role of the program coordinator, employed by LMAP. This person has been able to act as a trusted intermediary between the selected women and an employer in Australia. The program coordinator's independence enabled the employer to trust her to select those most likely to meet the employer's requirements. The women were initially identified as potential seasonal workers because they are experienced vegetable farmers and have the potential, with additional resources, to grow more vegetables on a commercial scale. The program coordinator spent time in their communities explaining what the work in Australia involved and ensuring that they and their families understood what was required and supported them in their decision to work overseas.

One significant finding of the pilot was the need to change the Grade 10 education requirement for the selection of seasonal workers. The high education level required excluded most suitable workers from rural areas. Another major finding was the need to identify the obstacles people from rural areas face. One obstacle was the high upfront

costs incurred by workers from the Highlands in funding their flights to Port Moresby – over K2,100 was required for expenses such as a one-way airfare (K650), a medical visa assessment (K1,000), passport (K150), three weeks secure accommodation in Port Moresby (K300) and living expenses. As women, they also faced major difficulties in finding suitable and secure accommodation in Port Moresby for three weeks. A sum of over

It is important to note that for both the RSE and SWP, PNG has one of the highest female participation rates of all participating countries. In 2017-18, 30 per cent of PNG's RSE workers (37 out of a total of 124) were women (Ministry of Business, Innovation and Employment 2018). Similarly for the SWP in 2016-17, PNG's female participation rate was 29 per cent (40 out of 139 workers), although it dropped to 11 per cent in 2017-18 (Department of Home Affairs 2018).

4.5 The role of a trusted intermediary

Further evidence from Papua New Guinea of the key role of a trusted intermediary is available from a RSE employer. This employer has established a direct recruitment relationship with a woman who runs a coffee plantation in PNG. She helps the employer identify suitable RSE workers, helps workers to apply for passports and visas, and arranges medicals and police checks. The employer has stated that he is only willing to take workers from PNG because he has a trusted intermediary to assist him (C Bedford 2018, personal communication, 3 September).

4.6 How a direct rural recruitment process could work

As noted above, the sole means of recruitment of new workers in Papua New Guinea is through the work-ready pool. An alternative approach is to use a direct rural recruitment process undertaken in response to a specific offer of jobs from an approved employer. Two key intermediaries are needed: one nominated and funded by an approved employer; and the other a government official such as the provincial labour officer, to explain the government's role.

The SWP approved employer or representative needs to take the lead in the worker selection process to ensure that workers preselected by the community are suitable and

that no bribes were sought or offered. One option is to involve a mainline Church representative as a trusted intermediary, at least initially. Subsequently, an approved employer-nominated return worker could take the lead in the selection of new workers from a community. The intermediary's church needs to have both a strong presence in the local rural community and in the regional centre in Australia where the workers are to live, in order to act in the interests of both the workers and the employer. Recruitment should be from rural areas which have easy access by road and are secure, such as the Islands Region in PNG.

The trusted intermediary needs to be resourced to go into nominated villages to explain what the work involves and to ask the community leaders to be involved in the preselection of suitable workers. Potential candidates should be given information (including video-based information) on the type of work involved and of the need for a fitness assessment as part of the selection process. Potential workers also need to be informed about the costs of flying to Port Moresby, the medical assessment, and obtaining a passport. They also need to have enough funds to cover their accommodation for up to three weeks so they can undergo the assessments, complete their visa application and attend pre-departure briefings. Competent intermediaries may also be able to help workers to complete the steps they are required to take to apply for a visa, such as arranging medical tests and travel. The final vetting of the application process should stay with the government. External funding, similar to the SWP Boost Program described below, would be needed to cover the costs incurred by the intermediaries.

After considering this information, the candidates preselected by the village leaders would be invited to complete, or helped to complete, an application form to join the work-ready pool as the first step on their pathway to work in Australia. If the approved employer or employer's representative has been involved and agrees that the workers are suitable, and once they have passed a fitness test and medical assessment, they could then enter a fast track to prepare for departure.

4.7 Need to address the costs of rural selection of workers

A major obstacle to rural recruitment is the high cost of travel to and accommodation in Port Moresby, as well as the costs of meeting the pre-departure requirements. If special

provision is not made for meeting these costs, there is a strong danger that workers will be highly vulnerable to incurring major debts. They may rely on their *wantok* network for a loan, which will likely have a large claim on the worker's earnings in Australia. One option to avoid this financial risk is to provide access to a revolving fund, administered by an independent financial services provider. The loan should only be for the first-time seasonal worker, with the returning worker expected to save enough to fund travel and pre-departure costs in subsequent years.

Those interested in working overseas could also be asked to save up a large portion of the amount required, and to show evidence that they have done this by presenting details of payments to a bank account over time. This does mean that the information sessions in villages may need to take place well in advance of when the workers are required, to enable them to save the money they will need to meet front-end costs.

5. The SWP Boost Program in Solomon Islands

Improving the recruitment process for PNG workers requires giving attention to the demand for workers. Recruitment can only take place if there is a job offer in the first place. This requires gaining the support of new employers in Australia to recruit workers from Papua New Guinea. The Australian Aid-funded temporary SWP Boost Program (or SWP Boost for short), has addressed the issue of better connecting with Australian employers, at least for Solomon Islands.

Solomon Islands has been successful in sending workers to New Zealand under the RSE but has not been able to achieve the same success with the SWP in Australia. Prior to the introduction of the SWP Boost Program, the number of workers from Solomon Islands working in New Zealand under the RSE had increased from 516 to 636 in four years. However, the number of workers going to Australia under the SWP over the same period only increased from 9 to 87.

The Australian High Commission in Solomon Islands developed and funded SWP Boost in response to this low number of jobs available under the SWP compared with the RSE.³ The program has four objectives:

- To improve the supply of Solomon Islands workers to Australia's Seasonal Worker program,
- Strengthen the demand for Solomon Islands' workers,
- Strengthen the integrity of Solomon Islands' participation in SWP, and
- Increase the benefits to Solomon Islands families and communities.

A major focus of the program has been to improve the demand for and supply of workers from Solomon Islands for SWP jobs. The program works closely with the Labour Mobility Unit within the Ministry of Foreign Affairs and External Trade (MFAET) in the Solomon Islands Government. The Labour Mobility Unit partners with the SWP Boost Program to provide liaison, recruitment, selection and re-integration services. There is also a SWP Reference Group, established in September 2017 to provide a forum for policy dialogue on SWP. The Reference Group is co-chaired by the head of the Ministry and a senior DFAT official.

For up to two years, the program will fund the Honiara-based company Pasifiki HR to, among other tasks, employ a coordinator based on the east coast in Australia. The coordinator's role is to promote Solomon Islander workers to prospective Australian employers, develop relationships of trust with employers, identify the demand for SWP workers, and select workers who meet employer requirements.

The program has been successful in its first twelve months and has been renewed for its second and final year. Since SWP Boost started to the end of June 2018, the number of workers employed has risen to 175 – double that of the previous year. The participation of women has also increased from zero in 2016-17 to nine in 2017-18.

³ The following description of the SWP Boost Program has been taken from two sources: (1) request for Tender for the Provision of support to the Solomon Islands participation in the Seasonal Workers Program, Solomon Islands Resource Facility, 3 January 2016 and (2) an [online job advertisement](#) for a Solomon Islands Labour Mobility Coordinator.

5.1 Focus on generating demand: the role of the Australia-based coordinator

The Australian-based coordinator supports current approved employers with SWP requirements, particularly in relation to pastoral care, acting as their Australian-based point of contact for SWP matters. In addition, the coordinator has developed strategic relationships and processes to improve pastoral care for Solomon Islander workers, including with the Solomon Islands diaspora and churches. The coordinator has also identified key issues for workers regarding the operation of the SWP in Australia.

5.2 Focus on the supply side too

On the supply side, SWP Boost has established a small-scale work-ready pool of less than 100 applicants. This work-ready pool covers the functions of recruitment, selection, preparation, and re-integration on the worker's return. The aim is to build the reputation of Solomon Island workers through the selection and preparation of high-quality workers who can then act as 'ambassadors' for the Solomon Islands in the SWP. The new work-ready pool has developed a new set of transparent guidelines to select workers into the work-ready pool, with transition arrangements between existing and new recruitment and selection processes (LMAP 2018).

5.3 New focus on a rural selection process

Underpinning these arrangements is the need to develop strong partnerships and working relationships to support the selection and preparation of quality workers. A key achievement for SWP Boost has been the piloting and endorsement of a provincial recruitment strategy. This involves SWP Boost working with rural training centres (RTCs) to identify and select suitable workers for the work-ready pool.

5.4 Administration arrangements

SWP Boost, in partnership with the government's Labour Mobility Unit, manages the administrative arrangements to facilitate workers' travel and work in Australia. SWP Boost has arranged for all Solomon Islands SWP visas to be processed using an online visa application system, making the despatch of workers faster and more efficient. The

program also conducts preparation and pre-departure training together with the support of the Australian government-funded Labour Mobility Assistance Program (LMAP). Other roles are to liaise with employers to ensure they know how to make good use of the work-ready pool and, assist with data management and reporting. SWP Boost is also to conduct re-integration debriefs on the workers' return.

However, it is important to note that SWP Boost is a temporary intervention with a life of two years only. SWP Boost is working with the Australian High Commission and the Labour Mobility Unit to develop a succession plan for a longer-term sustainable model. This plan is to include developing practical measures such as transferable data management systems, building up skills, and securing ongoing funding for this work to ensure a long-term supply of quality workers under the SWP.

6. Conclusion

The case for many more seasonal workers from PNG to have the chance to work in Australia and New Zealand is not a hard one to make. One justification is fairness: the size of PNG's population is many times larger than the populations of Vanuatu and Tonga, the countries currently benefitting the most from the two schemes. Another justification is for better share of the available jobs is the strong historical and geopolitical ties between Australia and PNG. The low number of PNG citizens living and working in Australia shows a major gap in people-to-people relationship between the two countries.

A key lesson from the above analysis is that some form of direct action or intervention is needed to improve a country's relative share of existing and new jobs. This intervention can take many forms, involving different actors. In the case of Tonga, the intervention was in the form of Australian-based intermediaries with close ties to Australian rural employers and supported by a rural selection process in Tonga. In the case of Vanuatu, New Zealand employers and the World Bank intervened to set up a rural recruitment process from a country with few ties to New Zealand. The Timor-Leste government has intervened through initially posting a proactive labour attaché to its embassy in Canberra, and continuing to fill that position, with valuable support from a locally-engaged assistant labour attaché.

Papua New Guinea, in contrast, has not developed an intervention strategy, relying instead on a narrow regulatory-based management of a process driven by market forces. PNG's lack of an explicit strategy to attract employers and the lack of resources to manage the recruitment process efficiently has to be addressed if it is to lift its share of seasonal workers. A strategy is needed to show employers that they can take the lead in recruitment process, backed by commitment and resources, to ensure that the government performs its role efficiently. Trusted intermediaries are needed to work with employers to assess workers in terms of their suitability and to help workers take the steps required to obtain a visa within a short time period.

An explicit strategy needs to be built, with a process that allows approved employers to source workers from rural areas. This requires community involvement in selecting workers to ensure that they have the skills and commitment to make the most of the opportunity. Also needed is a trusted intermediary with strong links to communities in both countries. One option is for these intermediaries to come from mainline churches in the first instance, because they are likely to have representatives in rural communities in PNG as well as in regional agricultural centres in Australia and New Zealand. After a link with an employer is established, trusted return workers can act as the trusted intermediary for the employer to select workers from the sending country. Ongoing support from an external intermediary, such as a church representative, will also be needed to help selected workers obtain passports, undertake a fitness assessment, and obtain police checks and medicals.

There is also scope to focus on opportunities to employ more women from Papua New Guinea. Female participation from PNG has been close to one in three in the RSE in 2017-17 and in the SWP in 2016-17. This high participation rate for women needs to be built on as a key element in a new strategy to increase Papua New Guinea's share of seasonal work in Australia and New Zealand.

Appendix 1: Tonga and the first-mover advantage

The concept in marketing of the first-mover advantage explains why one country, Tonga, initially dominated jobs placements in the Seasonal Worker Programme. The first-mover advantage refers to the benefits that flow to a sending country which is able to respond quickly and effectively to the new opportunities ('First-mover advantage' 2018). The first-mover advantage comes from employers preferring one country because they have evidence that their workers are productive.

A go-between or intermediary with close ties to employers, such as a labour hire company, also plays a crucial role. Employers, in situations where they are recruiting low-skilled workers from overseas, want to work through an intermediary to reduce the risks they face. The agent with close contact with employers is clear about what aptitudes and skills the employer wants and ensures that workers are selected on this basis, so the chances of a good match between workers and job requirements are high. The other key feature that a successful go-between needs to offer is to reduce the employer's transaction costs and exposure to risk. The agent needs to show that they can manage the uncertainties involved in recruiting workers from a different culture and legal system.

The first-mover advantage stems from initially showing employers that these workers are more reliable and productive than alternative sources of labour. This has two effects which make the initial advantage increase in value. One is that the employer asks the workers to return the following season, locking in their hold on future jobs for that employer. The second benefit to the first-mover country comes from other employers hearing by word of mouth about the good reputation of the workers. The first-mover advantage increases as the word spreads in small communities to other employers who are thinking of taking on workers through the Programme. This recommendation from a fellow grower is the most effective marketing tool. With increasing numbers coming through the Programme, incidents of bad behaviour by workers from the lead country are often overlooked.

Tongan workers got a head start in Australia because Tongan Australians were the go-betweens. They were living in the area where the demand for workers in horticulture was strong and were able to step in and use their contacts in Tonga to select suitable workers

in Tonga. The Tongan community in Victoria played a key role in giving Tonga a first-mover advantage. An early employer in the pilot program was the now-defunct Timber Corporation in Northwest Victoria. This company employed 60 workers from Tonga for the almond harvest. These workers were sourced from labour hire company Tree Minders, owned by a Tongan Australian family. This number was later increased to 120 workers, mostly from Tonga, with others from Samoa and Kiribati. Careful selection of workers to meet the needs of the employer was a key reason for the invitation to return to work in the following years.

A key feature of the first-mover advantage is to have workers who return in the next season. As Alf Fangaloka, the original owner of Tree Minders, told Radio Australia:

*“We want the same guys back. They've already been trained for harvest so when they get off the plane and they're straight to work, they know exactly what to do”
(Radio Australia 2009).*

Another company that was an early employer was Ironbark Citrus in Mundubbera in Queensland. They recruited 16 Tongan seasonal workers initially, sending a recruiting agent to Tonga to personally oversee the selection of workers. The benefit of higher productivity from return workers was also confirmed by the CEO of Ironbark Citrus: “if these workers return next year, I feel we'll certainly reap the benefits of the experience they've gained this year” (Jenkin 2011).

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