

Can PNG really supply 8,000 people to work overseas?

by Natasha Turia

7 November 2023



Governor Allan Bird (centre) with people from East Sepik leaving to work in Australia

Photo Credit: Greater Sepik Labour Mobility program

Papua New Guinea continues to have a low share of jobs under both the [Pacific Australia Labour Mobility](#) (PALM) and New Zealand's [Recognised Seasonal Employer](#) (RSE) schemes. From the [total 48,000 visas issued](#) under the schemes in 2022-2023, the 'big three' Pacific Island countries of Vanuatu (16,562), Samoa (6,736) and Tonga (6,449) dominated. PNG received only 1,459 visas. It has 3% of the total, yet based on country population alone, it should be able to supply a workforce that can fill the entire labour quota of these schemes.

The PNG government remains [committed to sending a cumulative 8,000 people](#) to work overseas by 2025. But, despite recent rapid growth, it will not reach its target if it does not more than double its current numbers every year over the next two years. The challenge, [acknowledged by the government](#) last month in parliament, is to fully engage with every district and province to achieve equal opportunity across the country.

PNG [introduced reforms in three key areas](#) in 2019, which were aimed at generating this growth.

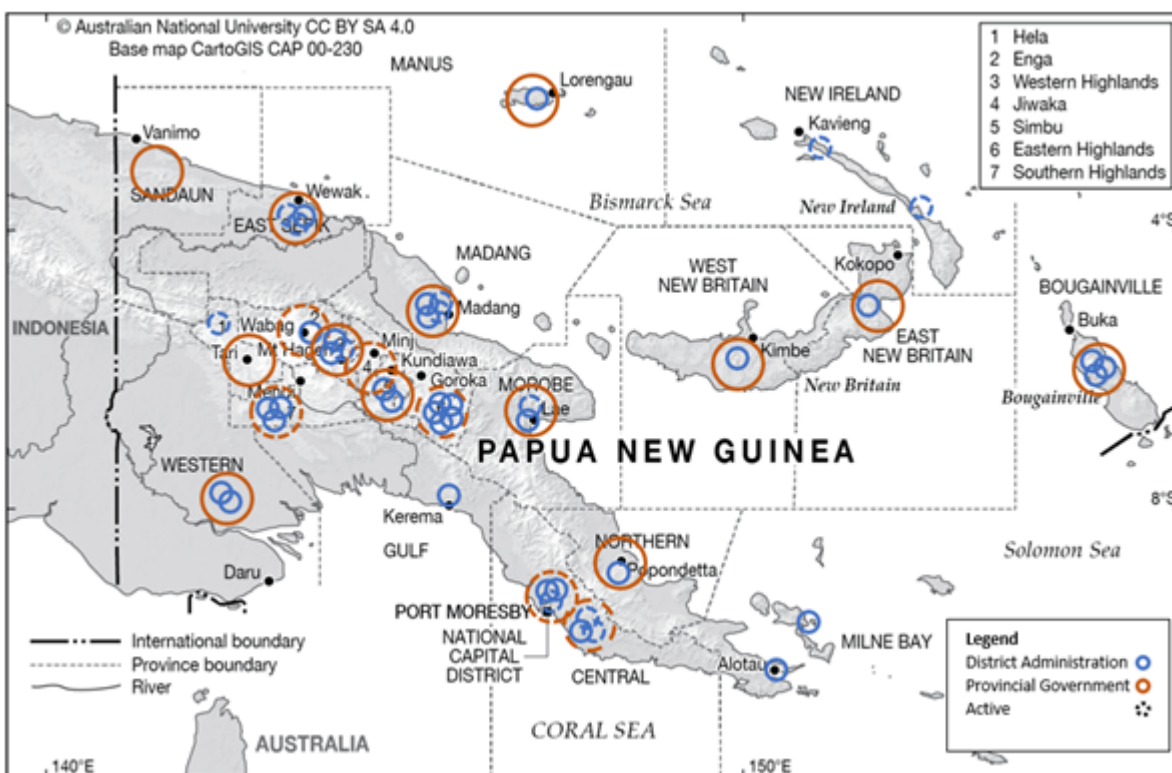
First, the Labour Mobility Unit (LMU) was established at the Department of Treasury to manage the central government-led Work Ready Pool (WRP). This is the only recruitment pathway to obtain visas for PALM and RSE jobs. This is unlike the more successful 'big three' countries, which access all three recruitment pathways to send people to Australia and New Zealand: WRP, agent and direct recruitment by employers.

Second, smaller labour sending units, known as recruitment hubs, were to be established within PNG's existing decentralised governance structures, comprising 22 provincial governments, 96 district administrations, and Motu Koita Assembly (MKA). This means there are 119 electorates with sponsorship by an elected Member of Parliament – either a governor, an open member or the chairperson of the MKA. Initial screening and recruitment of workers is to be conducted by the

hubs in their electorates and supported by the elected MP. These candidates are then vetted by the LMU and admitted into the WRP. The current arrangement is that the hubs supply a workforce to the LMU that is captured in the WRP that the employers then draw people from.

To date, around 55 hubs have registered, up from 13 in 2021, but only 12 hubs have deployed people (Figure 1). While the number of registered hubs has quadrupled, this same growth rate is not reflected in the number of people deployed. Only PALM has engaged through the current recruitment hub arrangement, resulting in increased growth compared to the RSE.

Figure 1: Registered and active recruitment hub clusters in PNG



Source: Natasha Turia. Note: Active hubs are based in the following provincial and district electorates: National Capital District, MKA, Central, Hiri-Koiari, Abau, Namatanai, Kavieng, East Sepik, Enga, Southern Highlands, Western Highlands and Lae.

RSE employers are yet to fully engage through the hub arrangement and currently negotiate with the LMU to place the people they recruit into the WRP. This presents barriers to diversifying opportunities and there is scope to adapt the current arrangement to a hybrid model which incorporates hubs to increase uptake.

Third, unlike standard practice across the region where individuals meet their own costs to travel for work, in PNG the hubs support mobilisation costs for people from their electorate through provincial or district services improvement program funds (**constituency development funds**) or internal revenue. This support varies from

limited to fully funded, and can cover paying for passports, police clearances, health assessments for visas, domestic airfares and related accommodation costs.

However, accessing these funds can cause delays in progressing recruitment. Hubs that have been able to secure funding and access service providers have outperformed others. There remain questions as to how sustainable this model will be at the scale required.

The reforms, while positive, have also highlighted complex challenges impacting on PNG's capacity to simultaneously scale and guarantee equal access.

There are a limited number of [PNG Civil and Identity Registry](#) offices, and police clearance issuing centres throughout the country, and even fewer [PNG Immigration & Citizenship Authority](#) passport issuing centres. Currently the latter are located only in Port Moresby, Lae and Kokopo.

There are only three registered panel physicians, two located in Port Moresby and one in Lae. Hubs located further away from major centres, like Namatanai, Enga and East Sepik, find it more challenging and costly to access service providers. Fully operational providers of services such as issuing birth certificates and passports, and panel physicians, need to be established in more provinces to scale numbers across PNG. The proposal for [a one stop shop model](#) would contradict the goal of decentralisation.

Resourceful hubs have been able to overcome some of these challenges with limited support from the LMU. Upfront credit payments to registered panel physicians is one such initiative. But there needs to be a sustainable hybrid financing model, with both hub and individual investment.

Hubs could consider establishing a pool fund or [revolving fund](#), acting as a guarantor with a private commercial bank as the fund manager. Individuals apply for the labour mobility loan to cover predeparture costs and repay over a fixed amount of time at an agreed rate during their employment overseas. Failure to repay would result in hubs blacklisting individuals from the LMU-WRP which would impact their ability to apply for future employment opportunities.

PNG still needs to establish itself as a trusted recruitment brand that can efficiently mobilise people into jobs. It will need to carefully manage expectations among recruitment hubs, employers and interested applicants if it is to gain traction and increase uptake.

Beyond alternative financing models, there are some immediate practical steps that can be taken to boost labour mobility growth.

DEVPOLICYBLOG

First, invest in communication outreach to ensure accurate information is disseminated, through the LMU as the central authority via its own designated website. Lessons can be learnt from the [Solomon Islands](#) LMU, which has published a labour mobility policy and strategy. PNG is yet to finalise these documents, and consultations towards formulating them are well overdue.

Second, build the capacity of all the recruitment hubs to achieve equitable access and market share of the PALM and RSE schemes. This can be done by developing a recruitment hub tool kit that contains entry requirements for registration – be that access to operating office space, funds, or staffing arrangements – and standard operating procedures. A policy handbook similar to [that of the Australia Awards scholarships](#) should also be developed.

Third, proactively facilitate connections between employers and the hubs at key dates during the year. A regional trade show format covering the New Guinea islands, Momase, Highlands and Southern regions could be arranged for interested employers to attend.

With ongoing labour shortages in Australia and New Zealand, there remains untapped potential to access PNG's large workforce. But PNG is unlikely to reach its 8,000 person target by 2025 unless efforts are aggressively stepped up.

Author/s:

Natasha Turia

Natasha Turia is a Papua New Guinean PhD candidate with the Department of Pacific Affairs and a Research Officer at the Development Policy Centre at the Australian National University.

Link: <https://devpolicy.org/can-png-really-supply-8000-people-to-work-overseas-20231107/>