

## New Pacific seasonal workers scheme

**Author :** Danielle Hay

**Date :** January 31, 2011



Nine Pacific Island nations can now benefit from temporary employment in the United States. The US Citizenship and Immigration Services (USCIS) have released a revised list of 53 countries eligible to participate in the [non-immigrant visa programs](#), known as H-2A (agricultural work) and H-2B (non-agricultural work).

### ***The new scheme***

The US joins New Zealand and Australia to allow Pacific Island workers to fill temporary or seasonal jobs. Newly designated countries eligible for the H-2A and H-2B visas include Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

(Note: The New Zealand Recognised Seasonal Employment (RSE) program is additionally open to the Federated States of Micronesia, Palau, the Republic of Marshall Islands and Samoa; yet bilateral agreements give priority to Kiribati, Samoa, Tonga, Tuvalu and Vanuatu. The Australian Pacific Seasonal Worker Pilot Scheme (PSWPS) is limited to Kiribati, Tonga, Vanuatu, and Papua New Guinea.)

In terms of places, the US program has a greater capacity than the Australian and New Zealand schemes, but covers more countries; the H-2A visa is uncapped and up to 66,000 foreign workers may receive H-2B status per fiscal year. In comparison, New Zealand's RSE program offers 8,000 visas per year. The Australian PSWPS offered 2,500 places over the initial three years, yet only 137 have been recruited. Despite the smaller scale of the RSE program and more specifically the PSWPS, they are specifically designed for Pacific workers.

All three schemes are employer driven. US employers must file an application with USCIS, proving that there are no available, willing US workers and foreign employment will not adversely affect the wages and working conditions of US workers. The USCIS authorizes the employment process, referring applicants to certified employers. New Zealand employers must register as a RSE employer. Once RSE employers' needs are registered, Pacific workers can apply for an RSE visa. The PSWPS is more cumbersome. Australian growers must apply for Eligible Grower status, meeting legislative requirements. Eligible growers then liaise with Approved Employers (AAE's) – grower cooperatives and labour hire companies – who submit labour market tests, along with pastoral care plans, in order to employ Pacific workers.

In terms of the US program, successful applicants can work up to three years in one instance and earn an

equivalent wage to US workers. H-2A workers are guaranteed work, housing and transportation. By contrast, H-2B workers receive less oversight and guarantees. Successful RSE and PSWPS applicants can work up to seven months and return for subsequent harvests.

The US migrant visa usually takes 1-6 months to process and costs between \$1,500 and \$3,000. In contrast the RSE visa takes 5 days to process and the PSWPS visa takes 5-6 weeks. Both visas cost approximately \$300. The NZ and Australian programs require employers to initially pay for flights and provide pastoral care including transportation, accommodation and recreation.

### ***Good news for the Pacific***

The ready supply of labour in the Pacific is one of the region's comparative advantages, although much of the labour is engaged in the informal sector or underemployed. Thus, access to international labour markets is an important opportunity for Pacific islanders.

The potential benefits from international labour market liberalisation are well recognised and are especially important for small states and islands. The opportunity for Pacific Island nations to send small numbers of workers overseas can have a significant development impact both economically and socially.

Temporary migration contributes to increased remittances, which are an increasingly important source of income in the Pacific. Remittances are not only the lifeblood of many Pacific families, but also a source of foreign exchange and tax revenue for governments. Research shows that remittances can contribute to poverty alleviation, provide a stable income, increase savings, investment and education, and lead to better housing, health care and nutrition. Remittances have grown strongly in the last decade and the amount sent to the Pacific totalled US\$470 million in 2008, primarily from Australia, New Zealand and the US. Some Pacific countries are the world's highest recipients of remittance flows relative to the size of their economies; remittances comprise 35.8 percent of Tonga's GDP and 25.8 percent of Samoa's GDP.

Temporary migration to the US has the potential to benefit Pacific nations in other ways as well: temporary migrants are likely to save and reinvest in home communities; acquire new skills; gain employment experience; and grow through social exchange.

Furthermore, the economic and social connections developed through the movement of people can be a powerful catalyst for integration, promoting cross-border industry, knowledge sharing and cultural understanding.

### ***Lessons for Australia (and New Zealand)***

Australia and New Zealand have instigated Pacific seasonal worker schemes in the face of labour shortages and increasing demand for unskilled migrant workers. With a large surplus of labour in the Pacific, the US temporary employment program will not make a big dent in labour supply, but it will give workers more choice. The US program can contribute to the promotion of migration and enhance the development of an international labour supply model. Furthermore, additional lessons on labour mobility schemes will be provided, which will be of interest to Australia whose scheme is yet to take off.

*Danielle Hay is a Research Assistant with the Development Policy Centre.*