Australia and New Zealand (ANZ) recruit seasonal farm workers in Pacific Island Countries (PICs) whose populations range from less than 25,000 to almost 10 million. These farm guest worker programs aim for win-win outcomes, viz, filling vacant jobs in ANZ and generating higher incomes for migrant workers that benefit migrant families and home communities and countries.

NZ launched its Recognized Seasonal Employer (RSE) program in April 2007 to fill vacant horticultural jobs and to promote development in the PICs. The cap on RSE admissions has since almost quadrupled from 5,000 to 19,000 a year (https://www.immigration.govt.nz/about-us/research-and-statistics/research-reports/recognised-seasonal-employer-rse-scheme).

Australia launched what became the Seasonal Worker Program in 2008. After several changes, the Pacific Australia Labor Mobility (PALM) program now includes:

- the SWP that allows farm employers to recruit workers from nine PICs and Timor-Leste to fill jobs lasting up to nine months and
- the Pacific Labor Scheme (PLS) that allows rural or regional Australian employers to employ guest workers in low-skilled and semi-skilled jobs for one and four years in meatpacking, hospitality and elder care in rural or regional areas; some of the year-round PLS jobs are also in greenhouses and nurseries.

There are no caps on the number of SWP and PLS migrants who can be admitted to Australia.

NZ’s RSE was originally larger than Australia’s SWP. However, Australia has five times more people and a significantly larger economy, and the SWP is now larger than the RSE. The PLS, which allows employers to fill year-round jobs with PIC migrants, could expand to exceed the number of SWP migrants. As of 2023, about 70 percent of PLS migrants were employed in meatpacking, where employers appear willing to sponsor guest workers who want to bring their families to Australia at the worker’s expense.

Migrants

There were over 34,000 PIC migrants in ANZ in mid-2022, including a third from Vanuatu, a fifth from Samoa, and a sixth from Tonga.

Many PICs have small populations. Most migrants are men. If the number of migrants is divided by the male population of each PIC aged 20 to 59, a fifth of prime-aged Tonga men and a seventh of prime-aged men from Samoa and Vanuatu are migrants in ANZ. Fewer than five percent of prime-aged PIC women are migrants, and only in Tonga is the migrant share of
women more than two percent. Governments are the largest employers of wage and salary workers in most of the PICs. The number of migrants rivals the number of government employees in the three largest labor senders, Vanuatu, Samoa, and Tonga.

Advocates of migration for development want more PIC countries to send more migrants abroad, so they urge PIC governments to make it easier for ANZ employers to recruit PIC migrants. However, PIC governments are wary. Some employers in PIC countries complain of labor shortages, especially after their skilled employees quit and become migrants in ANZ. Some families of PIC migrants report that absent husbands form second families abroad and stop sending remittances.

Samoa is reviewing how many and which workers are deployed on a month-by-month basis, and Tonga and Vanuatu are reviewing their labor migration policies.

**Process**

Employers set labor mobility in motion by requesting permission to employ guest workers. NZ requires employers to complete a 16-page form that describes the commodities produced, full-time and peak seasonal employment on the farm, and efforts to recruit and train local workers. NZ employers make a series of assurances, such as first trying to recruit and train NZ workers and not charging guest workers any recruitment fees. Once certified, RSE employers can recruit workers in any eligible PIC.

Australian employers complete applications to become approved employers on line, with separate questions for direct employers, contractors who receive a fee for bringing workers and sometimes equipment to a farm to perform specified work such as picking and hauling produce, and labor hire companies or agents who bring workers to farms that are hosted or employed by the employer where the work is performed. Most approved employers are labor hire firms or contractors, some of whom move workers from farm to farm and from one commodity to another: [www.palm-scheme.gov.au/current-employers](http://www.palm-scheme.gov.au/current-employers).

Most ANZ employers are satisfied with their PIC employees, emphasizing that most are young men who go abroad to maximize their earnings and savings to achieve upward mobility for their families at
home. After several years, migrants become proficient workers who understand how to prune and harvest fruits and vegetables quickly, which can make them preferred to local workers and alternatives such as Working Holiday Makers, foreign youth who mostly fill farm jobs for the minimum 88 days needed to obtain a second-year work permit to fill any job in Australia.

Interviews with PIC migrants who have returned to ANZ year-after year find that most are grateful for the opportunity to earn higher wages abroad. Many use their savings to build concrete houses to withstand cyclones and other weather events, almost all reported using remittances to pay their children’s school fees, and some launched businesses at home. Some migrants on outlying islands moved to larger cities for more opportunity. Many educated children of migrants seek opportunity in urban areas, hastening rural-urban migration.

**Recruitment**

How should the PIC governments manage the recruitment, employment abroad, and return and re-integration of their citizens? Governments have multiple goals when sending workers abroad, including maximizing opportunities for citizens to earn higher wages abroad, ensuring that citizens receive promised wages and benefits abroad, and re-integrating returning migrants to speed socioeconomic development.

There are three major ways to manage recruitment: laissez faire or no regulation, regulate foreign and domestic agents and employers who recruit migrants, or have a government agency manage labor migration as a monopoly or as a competitor to private recruiters. Each policy has pros and cons.

Laissez faire is the policy of most rich countries, which rarely regulate the activities of foreign recruiters or employers seeking to hire their citizens. Most of the workers recruited in rich countries are professionals with special skills, and governments typically assume that they are capable of assessing the pros and cons of work abroad. Multinationals, universities, and other employers of migrant professionals have HR and legal departments to ensure compliance with migrant worker regulations in both sending and host countries.

Most of the world’s migrant workers move from low- and middle-income countries to higher wage countries, as from Guatemala to Mexico and Mexico to the US. Most governments regulate private recruiters and foreign employers to protect their citizens from fraud, coercion, and exploitation during recruitment and while abroad, believing that the low education and skill levels of migrants may tempt them to pay fees to get foreign jobs or limit their ability to understand that high wages abroad also involve hard work and high living costs.
Governments require recruiters to identify themselves by obtaining licenses, passing tests to ensure that they understand regulations, posting bonds, and agreeing to abide by regulations that specify what fees (if any) can be charged to workers and sometimes foreign employers for their recruitment services. Many host and sending governments have legislation that reflects the ILO principle that workers should not pay for job matching, so most countries require employers to pay all recruitment costs for the migrant workers they employ.

Some governments create work-ready pools from which employers may or must select migrants, depending on whether these pools are an alternative to the workers recruited by private recruiters or monopolies. Government work-ready pools can protect citizens from recruiter fees, but many foreign employers are skeptical that work-ready pool migrants will be productive, and there is no assurance that migrants have not paid bribes to get into the pool.

No PIC has embraced laissez-faire recruitment. The PIC recruitment spectrum is framed by Tonga and Vanuatu at the regulated private end of the spectrum, and Timor-Leste, PNG, Kiribati, Tuvalu and Nauru at the work-ready pool end.

Once employers have an experienced migrant workforce, they want the same guest workers to return year-after-year. If more workers are needed, employers prefer network recruiting, which means asking current workers to sponsor or refer new workers, and hope that the current workers who know the requirements of the job and the abilities of the new workers they bring into the crew train new hires. In most mature or non-expanding seasonal worker programs, 80 percent to 90 percent of migrants have been employed before, often for the same employer.

Employer preferences for experienced workers may clash with government desires to "spread out" opportunities to work abroad. The Turkish government tried to restrict the recruitment of skilled construction workers and to encourage German employers to recruit migrants in areas recovering from earthquake damage, but these policies largely failed because Turks who knew they could find jobs in Germany left as tourists and found jobs. Similar efforts in other countries to restrict the exit of particular workers wind up sending workers abroad who do not go through exit checks and pre-departure briefings.

Beginning new migrant worker flows sometimes requires host governments to set special quotas, as with the US practice of making extra H-2B visas for the oversubscribed H-2B program available only to employers recruiting in Central America, or subsidizing the recruitment of migrants in targeted areas. For example, sending governments can subsidize airfare from remote areas to encourage employers who must pay worker transport costs to recruit there. Some countries with national airlines require them to transport migrants at the lowest fare on a route even if the ticket was purchased at the last minute due to exit procedures.

Governments can improve regulated private recruitment by encouraging private recruiters to form associations that develop best practice codes of conduct and educate their member-recruiters, and foreign employers can be encouraged to utilize recruiters certified by recruiter associations. Recruiter associations can educate their
members and serve as a focal point for interactions with host and foreign governments as well as standardize work contracts and pre-departure briefings, arrange low-cost housing for workers while they complete exit formalities, and negotiate cheaper travel for migrants, achieving economies of scale that can make association members attractive to foreign employers. A strong recruiter association can help to squeeze out recruiters who charge workers and are seeking a quick profit before being discovered and blacklisted.

Many beneficiaries of seasonal migrants have long-term investments in orchards, vineyards, and cropping systems with time horizons of a decade or more, so they have an incentive to develop long-term relationships with others in the supply chain, from recruiters who provide farm workers to labor contractors and packers and processors who buy their output. This limits competition between good recruiters and allows organizations such as the NCAE in the US, whose 500 members account for over 85 percent of H-2A jobs, to serve the best five percent of the 12,000 H-2A employers (http://www.ncaeonline.org/).

**Employment Abroad**

Governments want to protect their citizens while they are employed abroad. The major responsibility for protecting migrant workers while they are employed abroad lies with foreign employers and host governments to ensure compliance with host-country labor laws and regulations. Migrants may have extra protections, and employers with migrant employees often form associations to educate and assist their member employers to comply with labor laws. Many farmers utilize labor-hire firms that may achieve economies of scale in migrant recruitment, deployment, and compliance.

Labor-sending governments can encourage foreign employers to form associations and labor-hire firms to receive certification of their compliance with labor and migration laws by favoring them in recruitment, such as allowing certified employers and labor-hire firms to skip government exit and pre-departure checks. Sending governments can post liaison officers abroad to visit their citizens, and these officers can seek to understand the work being performed, solicit worker feedback, and interact with employers so that work-related issues can be dealt with effectively. Regular meetings of liaison officers and employer, recruiter, and government agencies can identify frequent issues that arise and their resolution, with the lessons learned used to modify pre-departure and return briefings to reduce these issues in the future.

As seasonal worker programs mature, returning migrants often assume supervisory positions on migrant worker teams, so that seasonal migration can resemble the FIFO model of mining and energy in remote areas that rely on fly in crews who work for several weeks or months and then fly out to return home. While working, FIFO migrants are often housed in barracks-style accommodations and work long hours, minimizing the number of workers required to perform the work. Other migrants are also employed away from home for several months, including sea farers and employees on cruise ships.

Could the FIFO model be adapted for seasonal farm work that lasts five to nine months? The key is to ensure that experienced crews arrive with their own supervisors and support personnel, with any required training done in the sending country. Labor laws may have to be modified to allow migrants to volunteer to work extra hours, and housing requirements may have to be adjusted for short-season work assignments, as with the military-style tents permitted in some areas for the short cherry harvest.

Host governments normally establish minimum wages that must be paid to local workers and migrants, Supermaid Filipina Domestic Helpers Must be Paid at least $400 a Month After 2006...
although developing countries led by India wanted to exempt migrant service providers from host-country minimum wage laws during GATS 4 negotiations.

Some labor-sending governments have imposed minimum wages for their citizens in host countries that lack minimum wages. The Philippines refused to allow domestic helpers to leave for work abroad after 2006 unless they were paid at least $400 a month, and justified this minimum wage of twice the prevailing wage in GCC countries by requiring departing Filipinas to take pre-departure training that included how to operate modern household appliances. If migrants have particular skills, such as the ability to speak English and knowledge of appliances, governments can enforce higher-than-prevailing minimum wages abroad.

Returns

Migrant workers fill seasonal and year-round jobs abroad. Hiring temporary workers to fill seasonal jobs is different from hiring temporary workers to fill year-round jobs, and the failure of guest workers in Europe in the 1960s to rotate in and out of year-round jobs led to the aphorism that there is nothing more permanent than temporary workers. Employers often want to continue to employ experienced and productive migrants, and young migrants who adapt to life abroad may not want to return.

Seasonal jobs end, marking a natural time to return to the country of origin. Most migrant farm workers are married men who want to return to their families after months abroad, which is one reason why some host countries limit participation in migrant worker programs to married men and women with children.

A major question is what migrants do with their foreign earnings. All studies find that, after basic needs are satisfied, the additional income of migrant households is spent on improved housing and education and health care for children. Many migrants invest some of their savings to create jobs for themselves and their families by creating a small store or buying a vehicle to provide transport services.

Behavioral changes abroad, including improved time and money management, may change behavior at home, such as being punctual and not using any extra income to host one-time events. Migrants whose behavior changes abroad often have higher status in their home communities or move to areas that offer more opportunities, which often means rural-urban migration.

PICs

Migration means change, for migrants who cross national borders, employers and communities that host migrants, and migrant-sending households, areas, and countries. Some PIC governments worried about the effects of labor migration to ANZ are:

- considering caps on the number of migrants who can leave or limits on the number of times migrants can go abroad
- playing a larger role in recruitment to spread-out opportunities to work abroad and
- cooperating with foreign employers and governments to prevent migrants from absconding or remaining abroad after their contracts end.

Will these PIC efforts be successful? PIC governments that want to make it more difficult for their citizens to work abroad assume that foreign employers will continue to hire migrants. The demand for migrants to fill year-round jobs in ANZ is likely to increase, but the number hired to fill seasonal farm jobs, now about 30,000, may peak below 50,000 before mechanization, changing farming and trade patterns, and other events reduce farm employment.

This suggests that PIC governments should avoid making it more difficult for foreign employers to hire their citizens as migrant workers. Instead of caps on the number of migrants who can leave or bans on experienced migrants going abroad again, governments may want to encourage foreign employers and local recruiters to form associations that educate members on compliance and serve as focal points for regular interactions. Interactions with associations of employers and recruiters could help governments to achieve their goals in less costly ways that do not have unintended outcomes.

References


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