

Impacts of Labour Mobility Schemes on Samoa's Labour Market

Penelope Schoeffel, Masami Tsujita and Michael Yemoh

Since labour mobility schemes began in 2007, thousands of Samoans have signed on to work in industries such as horticulture and viticulture in Australia and New Zealand. Among those who have joined the schemes are significant numbers of trained workers who have left their jobs in Samoa, including jobs in the government and in the professional, hospitality and retail sectors. This has left employers in Samoa without labour, which has had adverse impacts on their businesses. This article discusses labour mobility schemes and longer-term work opportunities abroad, and the problems they have posed for public and private sector employers in Samoa.

Labour mobility schemes

For many decades, labour-intensive sectors in New Zealand and Australia, such as the agriculture sector, have employed local workers, backpackers and migrant labourers, including Samoans. In New Zealand, with rapid growth of these industries and a low unemployment rate, significant labour shortages emerged in the 2000s, especially at peak periods of the agricultural cycle (Gibson and Bailey 2021). The labour migration policies of New Zealand at that time prioritized skilled workers, so the immigration door was closed for unskilled Pacific Island workers. At the same time, these unskilled workers had limited employment opportunities in their local labour markets. It was against this background the World Bank implemented a pilot seasonal work scheme in New Zealand in 2006 with forty-five workers from Vanuatu.

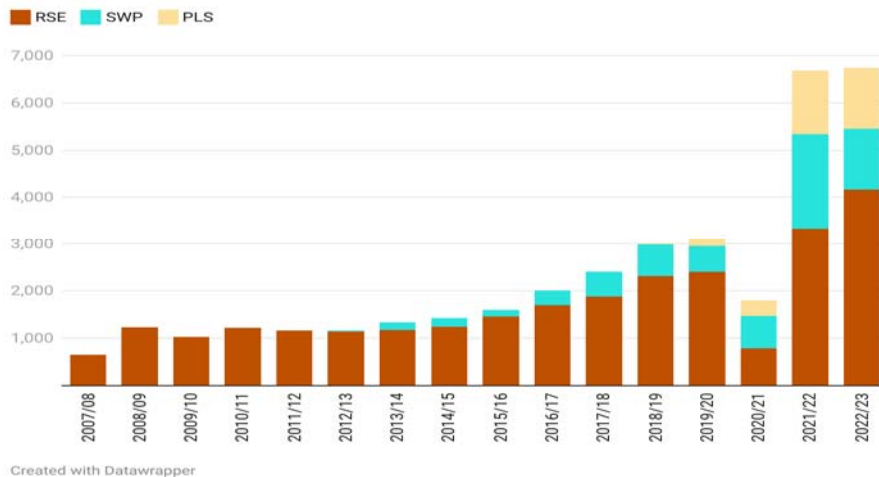
Following the success of this pilot project, in 2007 New Zealand launched the Recognised Seasonal Employer (RSE) scheme, which allowed Pacific Islanders access as temporary workers in the horticulture and viticulture industries (see Nunns, Bedford and Bedford 2019). Under the RSE scheme, temporary visas are offered to workers for up to seven months in any eleven-month period (Immigration New Zealand nd). Between 2007 and 2021, 22,380 RSE visas were issued to Samoan workers (Bedford and Bedford 2023:41).

After much debate, in 2012 Australia launched a similar scheme: the Seasonal Work Programme (SWP). Like the RSE, the SWP offered temporary work visas for seasonal work in the agriculture and hospitality sectors for up to nine months per contract. Between 2012 and 2020, 320 Samoan workers participated in the SWP per year, on average (ILO 2022:6).

In 2018, Australia launched the Pacific Labour Scheme (PLS), which provided longer-term visas to Pacific Islanders, allowing them to work for up to three years in rural and regional hotels and restaurants, the health care and social assistance sectors, as well as in non-seasonal jobs in agriculture, forestry and fisheries. After a review in 2021, the two Australian schemes (SWP and PLS) were combined in 2022 to form the Pacific Australia Labour Mobility (PALM) scheme. The PALM scheme allows contracts of up to four years (Minister for International Development and the Pacific 2021).

According to Sharman and Bedford (2023), in 2018/19, 3,013 Samoan citizens joined labour mobility schemes in Australia and New Zealand. In 2021/22, more than double that number were mobilised: 6,684 workers. According to Howes et al. (2022), as of mid-2022 approximately 7,600 Samoans were employed in New Zealand and Australia through the RSE and PALM schemes. Figure 1 illustrates the increase in participation by Samoans in the labour mobility schemes since 2007.

Figure 1: Samoa's participation in Australian and New Zealand labour schemes, 2007 to 2023



Source: Sharman and Bedford 2023

Note: The low figures for 2020/21 reflect the restrictions on movement during the Covid-19 pandemic.

Many Pacific Island Countries participate in the RSE and PALM schemes. Of these countries, three – Tonga, Samoa and Vanuatu – have contributed more than 10 percent of their male working age population to the schemes. In Tonga, it is almost one in five (18 percent), and in Samoa and Vanuatu it is 14 percent each. After that, the ratios are much smaller: generally 3 percent and below (Howes, Cyrtain and Sharman 2022).

Long-term work visas

In 2022, New Zealand introduced the Accredited Employer Work Visa (AEWV), a temporary work visa that anyone can apply for if they have a job offer from an accredited employer and meet the health and character requirements.⁷⁷ The AEWV provides a visa pathway for skilled Samoans to work for accredited New Zealand employers facing a shortage of skilled labour.

In 2023, New Zealand simplified the points system of the Skilled Migrant Visa, which targets people with particular skills and allows successful applicants to live, work and study in New Zealand indefinitely (Government of New Zealand nd).

Samoans can also apply for the New Zealand quota visa. Under the Treaty of Friendship between Samoa and New Zealand, an annual 'lottery' system is used to select applicants for residence visas. Up to 1,650⁷⁸ Samoan citizens aged 18 to 45, including their partners and dependent children, may be granted residence in New Zealand each year if they can prove good character and if they, as an individual or a couple, have a job or jobs to go. As of 2024, the minimum annual income is NZD53,515 (Immigration New Zealand 2024). However, although thousands⁷⁹ of Samoans apply every year, the quota is never filled, as the condition of having employment lined up in advance is hard to meet (Radio New Zealand 3 October 2017; Radio New Zealand 27 March 2018).

⁷⁷ This visa replaced several other New Zealand work visas, including the Essential Skills Work Visa, the Talent (Accredited Employer) Work Visa, the Long-Term Skill Shortage List Work Visa, the Silver Fern Job Search Visa and the Silver Fern Practical Experience Visa.

⁷⁸ In 2023, the Government of New Zealand increased the annual Samoa Quota from 1,100 to 1,650 until 2026 (Government of Samoa 1 August 2023).

⁷⁹ Until 2015, fewer than 8,000 people applied per year. Since then, numbers have increased steadily, with more than 15,000 people applying in 2017 (Radio New Zealand 4 July 2017) and 16,500 applying in 2018 (Radio New Zealand 20 July 2018).

As noted by Howes and Surandiran (2021), many Samoans with New Zealand citizenship choose to move from New Zealand to Australia, where wages are higher. Under the 1973 Trans-Tasman Travel Arrangement, Australian and New Zealand citizens were able to enter each other's countries to live and work there indefinitely, but this changed in 1994 when all non-citizens entering Australia were required to have a visa. From then onwards, New Zealand citizens have been granted 'Special Category' visas, which allow them to live, study and work in Australia, but do not offer same rights and benefits that Australian citizens and permanent residents have. For example, New Zealanders are subject to deportation from Australia if they do not meet Australia's character requirements. Since July 2023, New Zealand citizens who have 'Special Category' visas and have been living in Australia for four or more years are eligible to apply for Australian citizenship (New Zealand Foreign Affairs and Tradend).

In June 2024, Australia launched the "Pacific Engagement Visa" (PEV). Unlike the PALM scheme, it allows permanent residency in Australia for eligible citizens of participating Pacific countries. To be eligible, applicants must meet health, character and English language requirements and must also have a formal job offer in Australia (Government of Australia nd).

Long-term work visas for skilled workers are attractive to Pacific Islanders, but such visas require applicants to find work before applying, which is not easy, so some skilled workers find labour mobility schemes to be more attractive.

Benefits of the labour mobility schemes

The labour mobility schemes are seen as a 'win-win' for both the sending and receiving countries. The Australia and New Zealand governments talk about the economy-boosting impact of these programmes, as they alleviate labour shortages in the receiving countries, for example shortages in the horticulture and meat packing industries.

At the same time, these schemes provide Samoans and other Pacific Islanders with temporary employment opportunities abroad and enable them to earn more money than they could over the same period at home. The Samoa Ministry of Commerce, Industry and Labour (MCIL) 2020 annual report estimated that over a period of six months RSE workers could earn between WST14,601 and WST18,723 after tax and deductions, while SWP earnings

ranged from WST13,374 and WST16,897 for a six-month period. By Samoan standards, these earnings are high; they are similar to the annual salaries of senior officers in government ministries in Samoa.

The schemes also offer an opportunity to learn new skills (MCIL 2023). Labour mobility schemes also have the advantage that they often impose employment circumstances that facilitate saving money. Such circumstances include contractual restrictions that require workers to live in employer-provided living quarters, compulsory saving arrangements and restrictions on leaving jobs to work for another employer.

As intended, the labour mobility schemes have brought a huge capital injection into the economy of Samoa in the form of remittances from workers while they are abroad and have led to increased local spending upon the return of the workers. Returning workers usually spend their savings on goods such as cars, materials for home renovations, home appliances and furniture that enhance their families' comfort and status (see the articles titled 'A Better Life?' and 'Samoa Under the PALM' in this volume). This has brought benefits to the private businesses in Samoa that sell the imported goods that returnees buy.

From the perspective of a Samoan household, in which earnings are pooled, another benefit of labour mobility schemes is that the families only temporarily lose the services of a member, while gaining access to remittances and goods to improve their comfort and status.

A recent study, titled the *Pacific Labor Mobility Survey* (PLMS), sponsored by the World Bank with the Australian National University, surveyed workers from Tonga, Vanuatu and Kiribati (Doan, Dornan and Edwards 2023) with the objective of testing the finding of the World Bank report titled *Well-being from Work in the Pacific Island Countries* (Haque and Packard 2012:1) that:

In the Pacific island countries, which are small and far from world markets, labor mobility represents the most significant and substantial opportunity for overcoming geographic constraints on employment.

The PLMS study verified this assertion and also claimed that the New Zealand and Australian labour mobility schemes have overwhelmingly positive outcomes on the countries studied, finding that:

In contrast to common assumption, data from the PLMS reveal net social gain from the labor mobility schemes: participation generally strengthens family relationships, empowers women, and shifts gender-related norms (Doan, Dornan and Edwards 2023).

The PLMS report has a somewhat defensive tone, aiming perhaps to contradict the many media reports and studies that point to the exploitation of workers in relation to pay deductions and other abuses, the low quality of housing abroad and harmful social impacts on workers and their families at home (see, for example, Sharman 2022; New Zealand Human Rights Commission 2022; Petrou and Connell 2023). But the PLMS study did not consider the impacts of the labour mobility schemes beyond the benefits for individuals (participants in the schemes) and their households.

Among the PLMS report's recommendations is that New Zealand introduce a scheme equivalent to Australia's Pacific Labour Scheme (PLS), which allows for longer-term work visas (Doan, Dornan and Edwards 2023:14). However, before Samoa agrees to participate in such a scheme it is advisable to first consider what impacts the PLS scheme and the other labour mobility schemes have had on Samoa's labour market and public sector.

The employers' perspective: A labour shortage in Samoa

While Samoa has a fairly high official unemployment rate, which would seem to indicate that there are many young people available to work in Samoa, a study by Yemoh (2022) of managers and proprietors of thirty-one small and medium non-agricultural businesses in Samoa found that these employers believe there is a shortage of labour in the country. Overall, most employers in Samoa report having difficulty finding and retaining trained, dependable and honest workers.

Although employers mostly pay workers the minimum wage, business owners sometimes raise their wages above that minimum level to attempt to retain skilled and reliable employees. One of the employers interviewed in Yemoh's study said:

One of our priorities now is the assurance of longevity with the company. To retain workers we have in the past offered additional benefits and restructured salary or wage packages as a necessary incentive.

However, workers are always on the lookout for better-paid work. Because of the higher pay, government jobs are particularly sought after. One business owner interviewed said:

We do have some loyal staff, but also some who come for a couple of months; some are temporary and waiting for a visa. ... One left because he found a job in the government.

Labour mobility schemes offer even higher wages than the public sector, and such wages cannot be matched by local businesses. Many interviewees mentioned that they had lost, or expected to lose, workers to labour mobility schemes.

The following responses are representative of the interviewees' experiences:

I have lost nine people to seasonal work over the past four years.

We've lost seven staff members over five years.

I've lost four staff members to seasonal work since the beginning of 2021. In the last six months, we've found out about five of our staff applying and making excuses to miss work.

[We lost] up to twenty staff members in total across all my businesses. They were good people. People who are serious about work ethic, who have a commitment to a job ... will not be available as they have been snapped up by the scheme.

Employers have tried to replace staff they have lost to the schemes but have difficulty recruiting good staff. Reasons given for their dissatisfaction with employees include staff laziness and lack of drive, habitual lateness, failure to let supervisors know when they are sick or unable to come to work for other reasons, poor personal presentation, stealing and troublemaking.

The labour mobility schemes are meant to benefit unemployed people⁸⁰ who lack skills required in the local labour market, but the responses of the employers to the survey indicate that many people recruited for the schemes were not unemployed, and they already had valuable skills. A majority of the respondents said that they had lost skilled and trained workers to labour mobility schemes.

It is difficult to attract technically skilled people in our field. Once they gain the skill with us, it is difficult to retain them as their next destination is overseas with better pay.

[Labour mobility schemes] are taking more skilled workers than unskilled, especially from industries like tourism and hospitality, which were distressed by Covid-19 border closures.

⁸⁰ Officially, only unemployed people are eligible to apply for the seasonal worker schemes, but employed people have succeeded in participating in the schemes either because of the delay between the time they applied and the time they received an offer or because they were untruthful in their applications.

We have lost an engineer to the scheme.

The brightest and strongest have been recruited and exported overseas from the pool of labour.

All of the survey respondents said that they provided some sort of training for their employees. Thus, any loss of workers who may not return in the short term, or at all, to the same work roles represented a loss of resources invested, and employers in Samoa experience an ongoing cycle of recruiting and training new workers who may soon leave.

Some of the challenges experienced by employers include the following:

When I do hiring and put out an advert for a job, I tend to get almost a hundred applicants. From those, I invite about thirty for an interview. ... Not all show up for the interview. Of those interviewed, about half come to do a three-month trial. Many do not last. Usually after the first month, the number halves and after another month the number halves again.

[The loss of staff] is more than a loss of critical skilled labour; it leads to unplanned reinvestment in training, hiring, etc.

[I lost] two of my main bakers who I had... invested [in for] five years. ... I had to train them hands-on ... [and they can now] walk into any bakery in New Zealand and do the same job.

The loss of staff slows down production, which means more hiring of staff, which affects our business operations and bottom line. We lose money and customers as production goes down and or the quality is not the same.

The [seasonal work] programmes are actually draining Samoa of its best and experienced workers who have developed good work ethic and experience, thus leaving a considerable shortage at the senior level in many sectors in the workforce. The programmes are now taking senior workers and even at the management and supervisory level, out of their places of employment to do jobs [overseas] that could be done by those with lesser or no training and skills. By employing senior and skilled workers who already have jobs, [the schemes] are ... leaving huge gaps in Samoa's workforce ... which often cannot be filled for some time and it will take even years of training to achieve the same level as those who have departed.

Business owners often recruit additional workers and train them as insurance against losing those they have already trained, which increases the businesses' training costs.

The argument that seasonal workers acquire skills from seasonal work was rejected by some of the employers interviewed:

The more people we send overseas, the less we have in the country and I believe that harms the country. Even if it is seasonal. If they return to the country, they

still leave the country with fewer workers. [Loss of the trained,skilled workers] is not good for the country in the long run.

Australia and New Zealand get the best workers; the strong, able-bodied, young.... They are taking the very best of the workers from the private sector.

When the people come back, especially the men, some become very lazy. They refuse the work here because they are expecting to be paid the same amount of salary that they used to get when they were overseas.

However, another employer disagreed:

One of my staff that went on the scheme has learned a lot about the work ethic ... and [gained] work skills from the scheme.

The comments shared by Samoan employers indicate that labour mobility schemes are imposing heavy costs on local business owners by recruiting from the pool of employed skilled labour and, most importantly: trained, reliable and honest staff.

Labour mobility schemes require fit workers who are aged between 21 and 40 with a clean police record and references from community leaders; these are similar characteristics in the workers sought by local employers. In effect, local employers are competing against overseas business owners for healthy, young, honest and reliable Samoan workers.

While some businesses in Samoa have benefited from the labour mobility schemes, through sales of products such as cars, home appliances and building materials to returnees, the responses from the business owners indicate that the private sector overall has been hit hard.

The public sector perspective: Loss of an investment

The relatively high wages offered underlabour mobility schemes have led to significant numbers of Samoan skilled public sector workers, including teachers, nurses, police officers, clerical workers and technicians, leaving their jobs in Samoa to go abroad on temporary contracts. These workers usually quit their jobs in advance of applying for the schemes so they can say that they are 'unemployed' and have a chance of being selected.

In 2022, Fualo Harry Schuster, Minister for Police and Prisons, expressed concern about the impact of labour mobility schemes on the police force, saying that the Ministry was losing police officers to the schemes and that this loss of skilled staff was also affecting other fields in Samoa (Keresoma 2022).

Is 'unemployment' an issue in Samoa?

In 2021, around one fifth of the youth population (aged 15 to 24) in Samoa was 'unemployed' (Statista nd). This high rate indicates that there are many young people available to work. In that case, why are so many employers in the private and public sectors having difficulty finding and retaining employees? Does Samoa really have a high unemployment rate? To answer these questions, it is necessary to consider certain features of Samoan society and how those relate to employment.

Most Samoan households, especially those in rural areas, earn money through various means, including informal sources, wages, casual labour and remittances. Any money earned by family members is pooled; therefore only some family members seek wage employment, which allows other members of the family the time to engage in farming, fishing and other subsistence and domestic activities.

'Employment' is defined in Samoa's official statistics as paid work. Everyone not working for payment is therefore considered 'unemployed'. But these 'unemployed' people include those who are generally already engaged in unpaid work (for example selling excess produce from their family plantation) and who may not actually be seeking paid employment. Unemployment statistics in Samoa are misleading if they imply that unemployed people are idle, without any work to do; this is not the case.

In Samoa, all adult able-bodied Samoans work, but they do not all receive payment for their labour. Much work is unpaid. Most workers in Samoa can be assumed to be employed in the household-based informal economy. It is likely that in Samoa only very young children, elderly and people with disabilities are actually 'unemployed' in the sense of being economically inactive. In Samoa, it is more accurate to think of 'unemployed people' as individuals who work but who do not have regular access to cash incomes.

According to Taua'a (2021), Samoa's informal economy accounts for between 70 percent and 80 percent of the entire economy and includes small-scale street vending and local market sales of handicrafts, cooked food, processed cocoa and kava, fish, firewood and charcoal; growers, harvesters and sellers of excess fruit and vegetables, coconuts and staple food crops such as taro and bananas.

Men, especially young men, are responsible for activities like farming and fishing in the informal economy. Men grow the staple crops, go fishing, collect

coconuts, care for livestock and do heavy cooking tasks such as making the *umu* and *saka*.⁸¹ Because these young men are working for their families, providing *tautua* (service), they are not paid.

Samoa women predominate in other kinds of unpaid occupations. Women donate labour on a regular basis for community activities such as village clean ups and inspections of household sanitation (*asiasiga*), performing tasks for their churches and fundraising, while also cleaning, cooking and caring for the extended family (including children and the elderly); processing *koko Samoa* (Samoa cocoa); growing vegetables, fruit and flowers in their household compounds; and weaving mats, baskets and fans for sale in the informal economy.

Discussing Samoa's informal economy, Taua'a (2021:8) cites data from the 2011 census noting that the category of 'self employed' is not disaggregated according to whether the occupation is formal (ie. taxed) or informal, and she suggests there are more street vendors than reported (see Table 1). She also argues that the category 'subsistence' is not a meaningful one because a large proportion of subsistence producers (mainly women) also make goods for sale. According to Taua'a, gender percentages are also misleading because there is typically engagement by both men and women in informal economy occupations, for example women grow pandanus and make fans, while young men sell them on the streets.

Table 1: Informal employment by census enumeration and sex, 2011

| Employment status | Total | % male | % female |
|---------------------|--------|--------|----------|
| Self employed | 3,984 | 65 | 34 |
| Make goods for sale | 1,040 | 47 | 53 |
| Street vendors | 60 | 61.7 | 38.3 |
| Subsistence | 16,085 | 94.0 | 5.8 |

According to the ILO (2019), in 2017 more than two-thirds of all employed people in Samoa were male. As shown in Table 2, the unemployment rate of women is consistently higher than that of their male counterparts. The youngest age group (20–24) has the highest unemployment rate overall at 28.3 percent, and young women in this age group in rural areas have the

⁸¹An *umu* is a ground oven of hot stones, usually made on Sunday mornings and for special occasions. A *saka* is a large pot of staple food (such as taro) boiled on an open fire for daily meals.

highest unemployment rate (41 percent). The higher proportion of females recorded as ‘unemployed’ reflects the gendered divisions of labour in Samoa; normally women do not do heavy outdoor work, so men predominate in paid full-time and casual unskilled or semi-skilled paid labouring jobs. Even driving buses and taxis or operating light machinery is considered ‘men’s work’ in Samoa.

Table 2: Unemployment rates of men and women aged 20-49 (2017)

| Age group | Samoa | | | Urban | | | Rural | | |
|-----------|-------|------|--------|-------|------|--------|-------|------|--------|
| | Total | Male | Female | Total | Male | Female | Total | Male | Female |
| 20-24 | 28.3 | 21.7 | 38.2 | 22.8 | 20.0 | 27.6 | 29.9 | 22.2 | 41.0 |
| 25-29 | 19.9 | 18.6 | 21.9 | 15.5 | 17.0 | 13.3 | 21.7 | 19.2 | 25.4 |
| 30-34 | 14.5 | 9.0 | 22.5 | 8.8 | 5.6 | 12.5 | 16.2 | 9.9 | 26.3 |
| 35-39 | 10.1 | 6.7 | 15.8 | 7.9 | 4.7 | 12.0 | 10.8 | 7.3 | 17.1 |
| 40-44 | 7.4 | 3.8 | 14.0 | 7.1 | 1.6 | 13.7 | 7.5 | 4.4 | 14.2 |
| 45-49 | 6.6 | 5.0 | 10.3 | 7.1 | 9.4 | 2.9 | 6.4 | 4.0 | 12.8 |

Source: Samoa Bureau of Statistics 2020a:91

The type of work that employees are required to do abroad in labour mobility schemes is mostly very physical and is similar to the work conducted by men in Samoa, so is generally considered ‘men’s work’. Hence, most of the participants in labour mobility schemes are men. Between 2012 to 2020, only 6.5 percent of the SWP participants from Samoa were women (ILO 2022), while between 2007 and 2021 only 4.9 percent of Samoa’s RSE participants were women (Bedford and Bedford 2023:43). However, perceptions are beginning to change, and there are increasing numbers of women choosing to work as fruit pickers and to undertake other outdoor work (see the previous articles in this issue).

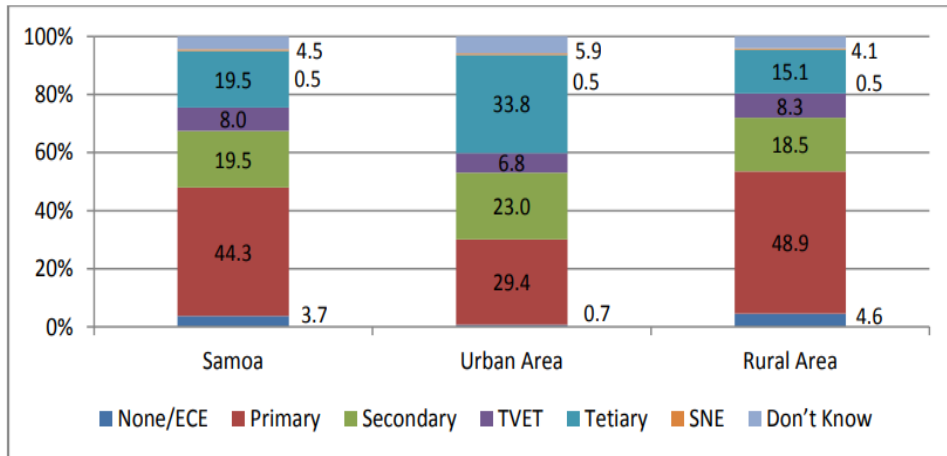
What kinds of education and training best meet the demands of the local labour market?

Unemployment in Samoa is not necessarily due to a lack of education. According to the Samoa Qualifications Authority (2021) even graduates with post-school qualifications face unemployment challenges, with only half (52 percent) of them finding employment within six months of completing their studies. This indicates a possible mismatch between education outcomes and labour market demand. It is also possible that those who have achieved post-

school qualifications are reluctant to take the minimum-wage jobs that are available in Samoa.

As shown in Figure 2, in 2017 almost half (44.3 percent) of Samoa's labour force reported primary school as their highest education attainment.

Figure 2. Labour force by completed level of education (2017)



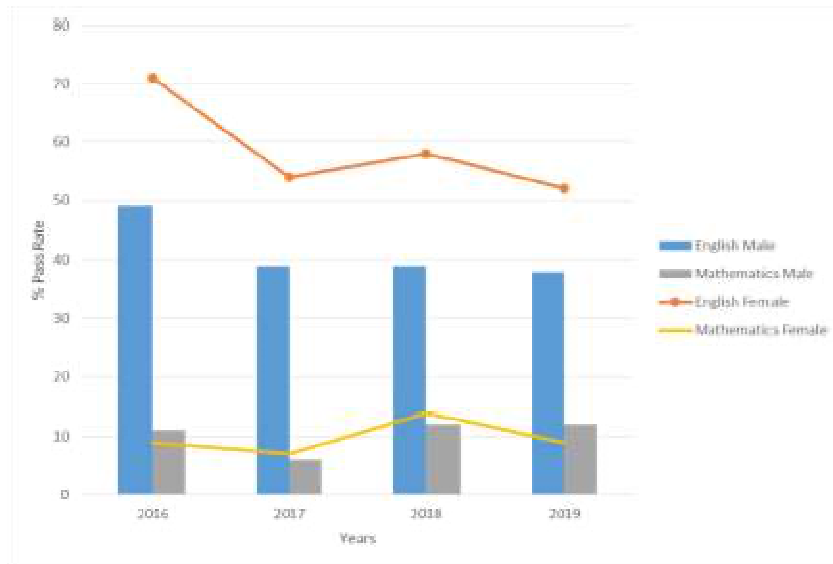
Source: Samoa Bureau of Statistics 2017:21

Until the 1990s, admission to senior secondary schools (Years 9-13) in Samoa was often limited to those with higher socioeconomic status and with higher grades, mainly children from urban areas and children (from urban and rural areas) who passed the entry examinations for selective secondary schools. In the late 1990s, with funding from the Asian Development Bank and other donors, Samoa built and equipped secondary schools in rural areas, and therefore 'opened up' secondary education to all Samoans. Unfortunately, sufficient investment was not made in teacher training. In 2019, less than half of all students passed the penultimate examinations in subjects offered by all secondary schools, and in 2018 only 14 percent passed mathematics (Ministry of Education Sports and Culture 2019:38). A pass is required to enter the National University of Samoa although lower grades are acceptable for entry into Technical and Vocational Education and Training (TVET) programmes. Rural students are less likely than urban students to pass examinations with high grades.

Samoa has achieved gender parity in enrollment rates in education, but the Ministry of Education, Sports and Culture (MESC) statistical digests have

shown a persistent difference in the achievements of female and male students in Samoa's primary and secondary schools, with male student performance lagging behind that of their female counterparts (see Figure 3). Young men are therefore less eligible for higher education than young women. Women also achieve more post-school qualifications than men do.

Figure 3: Male and female school leaving examination pass rate for English and Mathematics, 2016-2019



Source: Ministry of Education and Culture (2023)

Since 2004, TVET classes have been offered at Samoan secondary schools as part of the general curriculum from Year 9 to Year 13 to encourage students to enrol in TVET courses after secondary school, but a shortage of qualified teachers and limited community support have hindered effective implementation of TVET courses (Wright-Fualautoalasi 2021). In 2021, only 1,277 out of 4,546 post-secondary students were enrolled in TVET courses (SQA 2021).

There is a much higher preference among high school graduates to enrol in university courses compared to TVET courses because university courses are generally perceived as leading to higher-paid jobs. Moreover, parents of high school graduates who achieve grades that would allow them to enter university encourage their children to enrol in academic programmes at university rather than in TVET courses, hoping that the children will get

government jobs when they graduate or win scholarships to study overseas. The proportion of TVET graduates in the labour force is low compared to university graduates, with only 5.6 percent of those employed in Samoa in 2022 having TVET as their highest level of education compared to 23.4 percent having tertiary education (Samoa Bureau of Statistics 2023:31).

According to the Samoa Bureau of Statistics (2023:59), in 2019 there were 276 manufacturing enterprises in Samoa, 60 of which were food and beverage manufacturers. As of 2023, Frankies was the largest employer in the private sector, with around 2,500 employees. The Ah Liki Corporation, a Samoan family-owned business, was the second largest private employer, with an estimated 2,000 employees. Most small- and medium-sized businesses are Samoan-owned, although there are several large supermarkets and hotels owned by investors from overseas and there are several multinational corporations in the information and communications industry.

Why do so many Samoan workers leave their jobs?

The experiences of Yazaki Corporation⁸² in Samoa offers some insight into the motivations and choices of young Samoan workers. During its twenty-six years in Samoa, Yazaki Electrical Distribution System Samoa (YES) employed over 60,000 local workers, mostly young early school leavers with an average age of 20 to 23. In the last five years of the company's operations in Samoa the starting rate for shop-floor operators was at the country's then minimum wage of WST2.30 per hour (about WST4,800 per year), with an annual pay increase of WST0.10 per hour. According to a study by Tsujita (2019, 2022), working conditions on the Yazaki assembly line were arduous, requiring workers to stand for long hours in a hot and humid factory floor.

Although the working conditions and pay offered by the company were not attractive, Yazaki provided an accessible employment opportunity for unskilled youth. When the company opened its doors in 1991, it was the first time that major employment opportunities became available in the formal (paid) sector for young female school leavers (unskilled female workers) in Samoa. In the company's early years, the vast majority of employees (between 90 percent and 95 percent) were women, though in its later years the gender balance became more equal, with 65 percent women in 2017

⁸² See the article titled 'The Socioeconomic Context of the New Samoan Exodus: 2007–2023' in this volume for further information about Yazaki and its activities in Samoa.

(Tsujiata 2019). This change may reflect an increase in demand for wage employment among Samoan male youth over that period.

Most of the participants in Tsujiata's study (2019) responded that they joined Yazakito to earn an income to support their family, and their parents in particular, thus performing their cultural duty of serving their families and villages. Earning an income also enabled young workers to gain a sense of self-worth and a temporary break from the strict oversight of their families and the village rules. However, more than half of the Yazaki operators left the factory within their first year, over 75 percent left within three years, and only about 10 percent worked at YES for more than ten years.

Tsujiata found two main reasons for retention problems. First, the weekly earnings of employees were only supplements to their livelihoods; the income earned at the Yazaki factory was appreciated but was not essential to the family's survival. This is because wages are only one of several economic strategies that most households in Samoa use to get by. Key sources of livelihoods in Samoa include semi-subsistence farming on customary land, semi-subsistence fishing and remittances from relatives overseas. The second reason why employees did not stay long at YES is because they felt obliged to undertake unpaid work at home.⁸³ In Samoa young adults are expected to give priority to family, church and village activities, and daily life in Samoa is full of obligatory communal events that require their time. Such events include funerals, church hall openings, village cleanups, hosting visitors and caring for the elderly and for the children of extended family members.

Employees would quit their jobs at YES and then request to be re-employed later, when their obligations elsewhere had been met. Initially the company was reluctant to re-employ those who left their jobs, but it had to revise its recruitment policies to retain a core number of operators to meet production demands. Rehiring of former operators decreased the time allocated to training from one month to one week (the time required to refresh the skills previously acquired).

By 2011/12, retaining young workers had become more difficult and competitive due to the growth in Samoa's private sector, particularly in wholesale and retail trade, which created more low-skill jobs for local youth

⁸³ Samoa is a kin-based and community-oriented society and in this cultural context, young adults' (unpaid) labour is an important household resource, which is often considered more important than earning a minimum wage.

(MCIL 2013). By then, labour mobility schemes had also begun, offering young people alternatives to working for YES.

The company started its full operation with 1,327 employees and gradually increased the number of employees to meet expanded production volumes. Between 1991 and 2007, the company employed an average of 2,200 workers per year, with a peak of 3,500 workers in 1996. In mid-2007, due to the global financial crisis, the company lost some buyers and reduced its operation size. From 2012 onwards, the company employed around 800 people. YES remained the largest private sector employer of Samoa until its closure in August 2017.

The decision to close the factory came about as a result of the Australian government's decision to stop subsidizing the car manufacturing industry, which led to the closure of the Toyota Australia assembly plant in Melbourne, which was by then YES's sole client (Tsujiita 2019).

The origins of YES are linked to Australia's neoliberal economic policies. In 1985, the Australian government initiated a Motor Industry Development Plan, which reduced tariffs on imported goods for the domestic automotive manufacturing industry and aimed to improve the competitiveness of the industry. This plan encouraged car parts suppliers in Australia, including Yazaki Australia, to outsource the making of labour-intensive products to locations with cheaper labour costs and then import the completed products into Australia. This was only effective as long as the cheap labour force did not have better options and the Australian government was willing to support its manufacturing industry.

This case illustrates the perverse forces of globalization and neoliberal policies. Yazaki shifted its labour-intensive factory from Australia to Samoa in pursuit of a cheap labour force, but labour mobility schemes subsequently pushed this labour force to seek work in Australia and New Zealand.

Since the closure of the Yazaki factory the Samoan government has sought new foreign investors to fill the gap in local job market, but unskilled Samoan workers prefer seeking work abroad through labour mobility schemes. Given the inability of young workers to commit long-term to minimum wage jobs (due to their family obligations), the temporary nature of labour mobility work makes it ideal for many young Samoans.⁸⁴ Labour mobility schemes are

⁸⁴According to the "Pacific Attitudes" survey (Leach et al. 2022), most (84 percent) young people responded that they are very willing to travel overseas temporarily for work, but when asked about their willingness to move overseas permanently, the figure dropped to 69 percent.

especially attractive because the income earned is significantly higher than the amount they could earn at home over a similar period, and workers are able to save a considerable amount of their income (see the previous articles in this volume).

Labour mobility vs local employers

Although labour mobility schemes have boosted remittances and are very popular, these schemes have caused a local labour shortage in Samoa because thousands of working-age Samoans have gone overseas where they can earn higher incomes. Without a pool of cheap labour, Samoa has become less attractive to foreign investors wanting to invest in industries that create jobs. Accordingly, while labour mobility schemes offer well-paid temporary work for low-skilled Samoans, they can be considered a contributing factor to the perennial labour shortage in Samoa.

The anticipation was that labour mobility schemes would upgrade participants' skills and boost productivity in the domestic labour market upon the return of the workers, but instead many trained, skilled workers have resigned from local jobs and have taken their skills elsewhere, and the skills that workers gain abroad (e.g. meatpacking) are not always useful when they return.

Except for the businesses selling cars, home appliances and building materials to the returning workers, the private sector has been hit hard, with many businesses losing the investments they have made in training workers.

In effect, labour-intensive businesses in Australia and New Zealand are being backed by their governments to source cheap labour from the Pacific Islands to overcome their labour shortages, at the expense of Samoa's private sector. While business owners in Samoa are struggling to retain experienced local workers, employers in Australia and New Zealand are guaranteed by the labour mobility schemes to bond Samoan workers to the visa sponsor, usually their employer, for a contracted period of time. Employers in Samoa face similar labour shortages to those of employers in rural New Zealand and Australia, but in circumstances they cannot compete with.

References

- Arthur T (2020) 'Samoan Villages and the MIRAB Model: Four Case Studies', *Journal of Samoan Studies*, 10:40-59.
- Bedford C, Bedford R and Ho E (2009) The Social Impacts of Short-term Migration for Employment: A Review of Recent Literature.
- Bedford RD, Bedford CE, Wall J, Young M (2016) 'Managed temporary labour migration of Pacific Islanders to Australia and New Zealand in the twenty-first century', *Australian Geographer*, 48(1): 37-57.
- Bedford R and Bedford C (2023) 'How Many Seasonal Workers from the Pacific Have Been Employed in New Zealand since the RSE Scheme Began?', *New Zealand Geographer*, 79(1):39-45.
- Department of Foreign Affairs and Trade (2022) Pacific Labour Mobility, accessed 10 February 2022. <https://www.dfat.gov.au/geo/pacific/engagement/pacific-labour-mobility>
- Doan D, Dornan M and Edwards R (2023) *The Gains and Pains of Working Away from Home: The Case of Pacific Temporary Migrant Workers in Australia and New Zealand*, World Bank and Australian National University, Washington DC and Canberra.
- Employment New Zealand (2021) Current minimum wage rates, accessed 4 October 2021. <https://www.employment.govt.nz/hours-and-wages/pay/minimum-wage/minimum-wage-rates>
- Fair Work Commission (2021) *Annual Wage Review 2020–21*, accessed 4 October 2022. <https://www.fwc.gov.au/hearings-decisions/major-cases/annual-wage-reviews/annual-wage-review-2020-21>
- Fatupaito AA, UtuvalSJ, Tauave SE, Alofipo AS, Meleisea M, Schoeffel P, Arthur T and Alexeyeff K (2021) 'Samoa's New Labour Trade', *Journal of Samoan Studies*, 11(1).
- Gibson J and Bailey RL (2021) 'Seasonal Labour Mobility in the Pacific: Past Impacts, Future Prospects', *Asian Development Review*, 38(1):1-31.
- Government of Australia (nd) Pacific Engagement Visa Overview, accessed 1 October 2024. <https://www.pev.gov.au/pacific-engagement-visa-overview>
- Government of Australia (2021) Pacific Australia Labour Mobility (PALM) How to Apply, accessed 3 June 2023. <https://www.palmscheme.gov.au/how-apply>
- Government of New Zealand (nd) Work that Leads to Residence, accessed 1 October 2024. <https://www.govt.nz/browse/immigration-and-visas/get-a-visa-to-work-in-nz/work-that-leads-to-residence/>

- Government of Samoa (1 August 2023) Samoa Quota Increase by 550 More & On-application Mandated, accessed 1 March 2024. <https://www.samoagovt.ws/2023/08/samoa-quota-increase-by-550-more-on-application-mandated/>
- Haque T and Packard T (2012) *Well-being from Work in the Pacific Island Countries*, World Bank, Washington DC.
- Howes S and Lawton H (29 July 2019) 'The Pacific Labour Scheme: Is it a Flop?', *DevPolicyBlog*, accessed 10 February 2022. <https://devpolicy.org/the-pacific-labour-scheme-is-it-a-flop-20190729/>
- Howes S and Surandiran S (1 February 2021) 'The NZ pathway: How and Why Samoans Migrate to Australia', *DevPolicyBlog*, accessed 3 June 2023. <https://devpolicy.org/the-nz-pathway-how-and-why-samoans-migrate-to-australia-part-one-20210201-1/>
- Howes S, Curtain R and Sharman E (10 October 2022) 'Labour Mobility in the Pacific: Transformational and/or Negligible?', *DevPolicyBlog*, accessed 3 June 2023. <https://devpolicy.org/labour-mobility-in-the-pacific-transformational-and-or-negligible-20221010/>
- International Labour Organization (ILO) (2019) *Samoa National Employment Policy 2016–2020: Labour Market Monitoring Report*, ILO, Suva.
- International Labour Organization (ILO) (2022) *Seasonal Worker Schemes in the Pacific Through the Lens of International Human Rights and Standards*, ILO, Suva.
- Immigration New Zealand (nd) Recognised Seasonal Employer (RSE) scheme research, accessed 1 March 2024. <https://www.immigration.govt.nz/about-us/research-and-statistics/research-reports/recognised-seasonal-employer-rse-scheme>
- Immigration New Zealand (2024) Samoan Quota Resident Visa, accessed 1 March 2024. <https://www.immigration.govt.nz/new-zealand-visas/visas/visa/samoan-quota-scheme-resident-visa>
- Keresoma L (7 October 2022) 'Minister concerned over loss of police officers to seasonal work overseas', *Talamua Online News*, accessed 1 March 2024. <https://talamua.com/2022/10/07/minister-concerned-over-loss-of-police-officers-to-seasonal-work-overseas/>
- Leach M, Barbara J, Chan Mow L, Vaai S, Mudaliar C, Amosa P, Mataia-Milo L, Tauaa S, Imo-Seuoti T and Heem V (2022) *Pacific Attitudes Survey: Samoa*, Australia National University, Canberra.
- Lilomaiva-Doktor, S 2009. 'Beyond "Migration": Samoan Population Movement (Malaga) and the Geography of Social Space (Vā)', *The Contemporary Pacific*, 21(1), 1-32.
- Membrere M (3 March 2022) 'Businesses Lose Employees to Seasonal Work', *Samoa Observer*, accessed 2 May 2024. <https://www.samoaoobserver.ws/category/samoa/97359>

- Minister for International Development and the Pacific (23 November 2021) 'Streamlining and Strengthening Pacific Labour for a New Era', accessed 2 May 2024. <https://ministers.dfat.gov.au/minister/zed-seselja/media-release/streamlining-and-strengthening-pacific-labour-new-era>
- Ministry of Commerce, Industry and Labour (MCIL) (2013) *Samoa Labour Market Survey of Formal Private Sector Employers 2013*, MCIL, Apia.
- Ministry of Commerce, Industry and Labour (MCIL) (2020) *Annual Report 2019-2020*, MCIL, Apia.
- Ministry of Commerce, Industry and Labour (MCIL) (2022) 'Samoa National Employment Policy FY2021/2022-FY2025/2026', MCIL, Apia.
- Ministry of Education, Sports and Culture (2019) *Education Statistical Digest 2019*, MESC, Apia.
- Ministry of Education and Culture (2023) *The Samoa Gender Achievement Gap Report: An Exploration of Factors Contributing to Male Students' Underachievement in Samoa*, MEC, Apia.
- Muntaner C, Chung H, Benach J and Ng E (2012) 'Hierarchical cluster analysis of labour market regulations and population health: a taxonomy of low- and middle-income countries', *BMC Public Health*, 12:1-15.
- New Zealand Foreign Affairs and Trade (nd) Immigration status - visa, residency, and citizenship, accessed 1 October 2024. <https://www.mfat.govt.nz/en/countries-and-regions/australia-and-pacific/australia/new-zealand-high-commission-to-australia/living-in-australia/moving-to-australia/immigration-status-visa-residency-and-citizenship>
- New Zealand Human Rights Commission (2022) *The RSE Scheme in Aotearoa New Zealand: A Human Rights Review*. HRC, Wellington.
- Nunns H, Bedford C and Bedford R (2019) *RSE Impact Study: New Zealand Stream Report*, 10 July 2019, Ministry of Business, Innovation and Employment, Wellington.
- Nunns H, Bedford C and Bedford R (2020a) *RSE Impact Study: Pacific Stream Report*, 12 May 2020, Ministry of Business, Innovation and Employment, Wellington.
- Nunns H, Bedford C and Bedford R (2020b) *RSE Impact Study: Synthesis Report*, 22 May 2020, Ministry of Business, Innovation and Employment, Wellington.
- Petrou K and Connell J (2023) 'Our "Pacific family": Heroes, guests, workers or a precariat?' *Australian Geographer*, 54(2):125-135.
- Radio New Zealand (3 October 2017) Securing a job from Samoa a challenge under NZ quota, RNZ, accessed 25 July 2021. <https://www.rnz.co.nz/international/programmes/datelinepacific/audio/201860968/securing-a-job-from-samoa-a-challenge-under-nz-quota>

- Radio New Zealand (27 March 2018) NZ Immigration launches annual Pacific Access, RNZ, accessed 25 July 2021. <https://www.rnz.co.nz/international/pacific-news/353493/nz-immigration-launches-annual-pacific-access>
- Radio New Zealand (14 January 2020) 'Samoa losing skilled labour to seasonal worker schemes — business group', RNZ, accessed 25 July 2021. <https://www.rnz.co.nz/international/pacific-news/407317/samoa-losing-skilled-labour-to-seasonal-worker-schemes-business-group>
- Radio New Zealand (31 August 2023) 'Samoa PM Fiame says "losing human resources" through regional labour schemes a worry', RNZ, accessed 1 February 2024. <https://www.rnz.co.nz/international/pacific-news/496968/samoa-pm-fiame-says-losing-human-resources-through-regional-labour-schemes-a-worry>
- Ramasamy S, Krishnan V, Bedford RD and Bedford C (2008) 'The Recognised Seasonal Employer Policy: Seeking the Elusive Triple Wins for Development through International Migration', *Pacific Economic Bulletin*, 23(3):171-186.
- Samoa Bureau of Statistics (SBS) (2011) *Population and Housing Census 2011*, SBS, Apia.
- Samoa Bureau of Statistics (SBS) (2017) *Samoa Labour Force Survey*, SBS, Apia.
- Samoa Bureau of Statistics (SBS) (2020a) *Statistical Abstract 2020*, SBS, Apia.
- Samoa Bureau of Statistics (SBS) (2020b) *Samoa Youth Monograph*, SBS, Apia.
- Samoa Bureau of Statistics (SBS) (2023) *Statistical Abstract 2023*, SBS, Apia.
- Samoa Observer (16 June 2021) 'Emotional scenes as families farewell seasonal workers', accessed 17 July 2021. <https://www.samoobserver.ws/category/samoa/85725>
- Samoa Observer (21 May 2021) '600-plus seasonal workers to fly out next month', accessed 17 July 2021. <https://www.samoobserver.ws/category/samoa/84345>
- Samoa Qualifications Authority (SQA) (2021) *Post School Education and Training Statistical Bulletin 2021*, SQA, Apia.
- Sharman E (15 August 2022) 'It's time for a minimum earning guarantee for Pacific workers', *DevPolicyBlog*, accessed 1 October 2024. <https://devpolicy.org/its-time-for-a-minimum-earning-guarantee-for-pacific-workers-20220815/>
- Sharman E and Bedford C (17 November 2023) 'Samoa's shifting seasonal work priorities', *DevPolicyBlog*, accessed 1 October 2024. <https://devpolicy.org/samoas-shifting-seasonal-work-priorities-20231117/>
- Statista (nd) Samoa: Youth unemployment rate from 2004 to 2023, accessed 1 March 2024. <https://www.statista.com/statistics/812943/youth-unemployment-rate-in-samoa/>

- Taua'a S (2021) 'Conceptualizing the Informal Economy in Samoa', *Journal of Samoan Studies*, 11(1):7-32.
- Tsujita Levi M (2019) 'Employment of the Weak: The Role of a Multinational Factory in the Life Trajectory of Early School Leavers in Sāmoa', *The Contemporary Pacific*, 31(2):417-446
- Tsujita M (2022) 'Global Competition and Local Advantages: The Agency of Samoan Factory Youth in an Untold History of the Automotive Supply Chain' in Stacy P (ed) *Global Power and Local Struggles in Developing Countries*, Brill Academic Publishers, Leiden.
- Underhill-Sem Y and Marsters E (2017) *Labour Mobility in the Pacific: A Systematic Literature Review of Development Impacts*, New Zealand Institute for Pacific Research, Auckland.
- Wright-Fualautoalasi IJ (2021) 'Technical and Vocational Education Training for Sustainable Development in the Secondary Curriculum', *Journal of Samoan Studies*, 11(2):147-164.
- Yemoh M (2022) Seasonal Workers Recruitment in the Pacific: Labor Market Impact on Non-Agricultural Private Businesses in Samoa, *Rajasthali Journal*, 2(1):45-54.
- Yemoh M and Taotofi O (2021) 'Samoa's Effective Response to COVID-19: A Preventive Strategy', *Journal of Samoan Studies*, 11(1):94-97.